Building trust through performance

Annual report 2024

Contents

2024 highlights

Sustainability

We receive an 'A' rating from **CDP** (Carbon Disclosure Project) for transparency on climate action in 2024.

September: We receive a gold **EcoVadis** medal for transparency in sustainable initiatives across our supply chain and operations in 2024, which places us in the top 5% of all companies assessed worldwide.

> Read more on page 18

Competitive innovation

August: We announce the European commercial launch of our **Dreamshield 360°** technology for baby pants.

> Read more on page 16

Performance driven organization

April / June: We complete the divestment of our activities in Algeria and Pakistan.

September: We reach a binding agreement for the divestment of our Brazilian business.

October: We launch the **'Win as a Team'** program.

> Read more on page 11 and 12

Customer-centricity

November: Ontex was present at **Hygienix** in Nashville (US), giving us the opportunity to connect with suppliers, industry peers and partners.

> Read more on page 13

Cost-efficient operations

June: We announce the **transformation** of our Belgian operations, reaching social agreements for the closing of the Eeklo site in September and for the transformation of the Buggenhout site into a Center of Excellence in October.

> Read more on page 20

December:
Credit rating agency Standard & Poors gives Ontex an upward rating revision to B+ with positive outlook, following Moody's upward rating earlier in the year.

> Read more on page 22

Dear stakeholders

As we reflect on our achievements, we recognize that this past year has offered us many opportunities to engage with you. From shareholders, customers and suppliers, to employees, social and other partners, sustainability advocates, and happy users of our products, you've all been essential in creating meaningful value.

Looking back on 2024 – the second year of our transformation journey – we trust that you will come to the same conclusion: Our company is more competitive and profitable, carries less debt and generates stronger cashflow, while heavily investing in future growth and innovation.

These successes are the result of the passion of our people and their strong focus on operational efficiency, business expansion, and sustainable innovation, in close partnership with many of you.

In short

Ontex is increasingly well-positioned to compete in the European and North American markets, giving us confidence in the company's future.

Gustavo Calvo Paz, CEO

We remain committed to upholding the highest corporate governance standards, an important catalyst for the realization of Ontex's strategic plans.

Hans Van Bylen, Chairman of the Board

Best-in-class operations

In 2024, our transformation plans and focus on operational efficiency continued to deliver solid results. We further optimized our manufacturing footprint and initiated the transformation of our Belgian activities into a center of excellence for adult care.

The successful implementation of cost transformation initiatives has resulted in a more agile supply chain, delivering €70 million of net structural savings, a 4.6% improvement in operating costs, higher overall equipment efficiency (OEE), and reduced production scrap. This remarkable collective achievement, supported by our entire organization, has significantly strengthened our competitive positioning.

Business expansion in Europe and North America

We achieved 6% growth in volumes and product mix, driven by select categories. In Europe, we realized double-digit volume growth in adult care and baby pants, while in North America, we realized double-digit volume growth in baby care, building on our focus on customer centricity.

Additionally, the divestments of our Algerian and Pakistani business, and the agreement to sell the Brazilian business, allow us to further concentrate on our core activities and markets. With the agreement to sell the Turkish activities early 2025, we are approaching the conclusion of our strategic refocus on retailer and healthcare brands in Europe and North America.

Competitive and sustainable innovation

At Ontex, we believe that innovation should be accessible to everyone. This philosophy drives us to make innovation available as fast as possible, and to make products smarter, safer, more affordable and more sustainable than ever before.

In 2024, we launched 13 innovations that cater to diverse market needs, including our Dreamshield 360° technology in baby care. Behind the science, everybody at Ontex takes pride in being a driving force behind our efforts to constantly improve the experience for our customers and consumers, today and in the future.

Innovation and sustainability have become inseparable. That's why we introduced a more ambitious sustainability strategy with enhanced environmental targets related to responsible sourcing, reducing carbon emissions and fossil-based plastics. Additionally, we've intensified efforts to ensure our supply chain fully aligns with these sustainability goals, creating a more responsible and transparent production process.

We are proud of the progress we are making and delighted to see this rewarded with a CPD 'A' score for leadership in Climate Action. This motivates us to strengthen our commitment to drive innovation in sustainable practices, in strong partnership with our customers, suppliers and partners.

Strong financial performance

2024 marked a noticeable improvement in financial performance, including stronger margins, reduced debt, and strong Free Cash Flow. This is especially notable considering the substantial investment efforts made throughout the year.

Our EBITDA margin has recovered to 12%, and we've achieved strong sales growth, with an average like-for-like increase of 7% since 2022. Additionally, we've reduced our leverage ratio to below 2.5, the lowest since 2015. This reduction in debt gives us greater financial flexibility to invest in growth opportunities.

Our financial results reflect the effectiveness of Ontex's transformation strategy. Together with a strong Free Cash Flow of close to €50 million, our organization has a solid financial foundation for future growth.

Governance as a catalyst for execution

We remain committed to upholding the highest corporate governance standards, as we believe this is an important catalyst for the realization of Ontex's strategic plans. We continue to focus on five corporate governance themes: leadership, governance, remuneration, sustainability and investor engagement.

6%CM
volume growth

12%CM
adj. EBITDA margin (+2.3pp)

€48M
free cash flow

'A' score
for CDP Climate Action

CM: data related to Core Markets

As part of this, the Board continuously improves its own governance and effectiveness. This year, an in-depth independent assessment confirmed an improvement in the Board's functioning and effectiveness.

Building trust for 2025 and beyond

Ontex is increasingly well-positioned to compete in the European and North American markets, giving us confidence in the company's future. With this solid foundation, Ontex is well on its path to lead in a competitive landscape while remaining resilient in the face of external challenges.

Looking ahead to 2025, Ontex will continue to focus on three main priorities. First, we'll increase our competitiveness through continued cost transformation and sustainable innovation. Second, we aim to further scale our business in North America, while optimizing our operational excellence. And third, we want to consolidate and expand our business in Europe in select categories.

And last, but not least, we have the people and the partnerships to bring this vision to life. Every Ontex team member, every partner, every customer, has contributed to making 2024 more valuable. We're grateful for the trust from everyone we collaborate with to make everyday life easier, across generations.

Here for you.

Ontex at a glance

Defining our path

Since 1979, we've been working together with our stakeholders to make high quality products accessible to all. Our purpose, vision, and strategy guide where Ontex is going, and how everyone can contribute, to create value for our stakeholders.

Purpose

Making everyday life easier, across generations

Vision

Be the #1 trusted partner for retailer and healthcare brands

Strategy

Leadership in Europe & North America in baby, feminine, and adult care

5 strategic pillars

Sustainability performance

> Incorporating sustainability into every product, investing in our people, and upholding high ethical standards with full transparency throughout the value chain.

Competitive innovation

> Partnering for faster and relevant innovation, creating cost-effective, qualitative and sustainable products, and driving innovation with a unified product platform.

Performance driven organization

> Simplifying processes, promoting a value- & results-driven culture, and embracing a diverse and inclusive workforce.

Customer centricity

> Building strong relationships, ensuring excellent service, and simplifying portfolios for business success.

Cost-efficient operations

> Harmonizing and upgrading assets, optimizing networks, and striving for excellence in manufacturing and industrial processes.

>> Read more about how our strategic priorities create value for our stakeholders on page10

Ontex at a glance

Our categories

Our innovations are for everyone, and bring comfort, confidence, and dignity to people across generations. By working with retailers, healthcare institutions, suppliers and other stakeholders, we make high-quality baby care, feminine care and adult care products accessible to all.

>> Read more about our innovations on page 16
>> Read more about our markets on page 13

Adult care

43%CM

We know that discretion, protection, and dignity matter most when it comes to incontinence solutions. That's why our products – pads, adult diapers and pants – are designed to meet these needs, offering options for every level of care. We provide solutions to consumers and healthcare partners, enabling caregivers to provide the best possible care.

Baby care

43%CM

In baby care, we are all about offering the best value, no matter what families need. We listen to parents, keep an eye on trends, and explore new materials to improve our product designs. This approach helps us create diapers and pants that keep babies and toddlers happy and comfortable, and their parents reassured.

Feminine care

12%CM

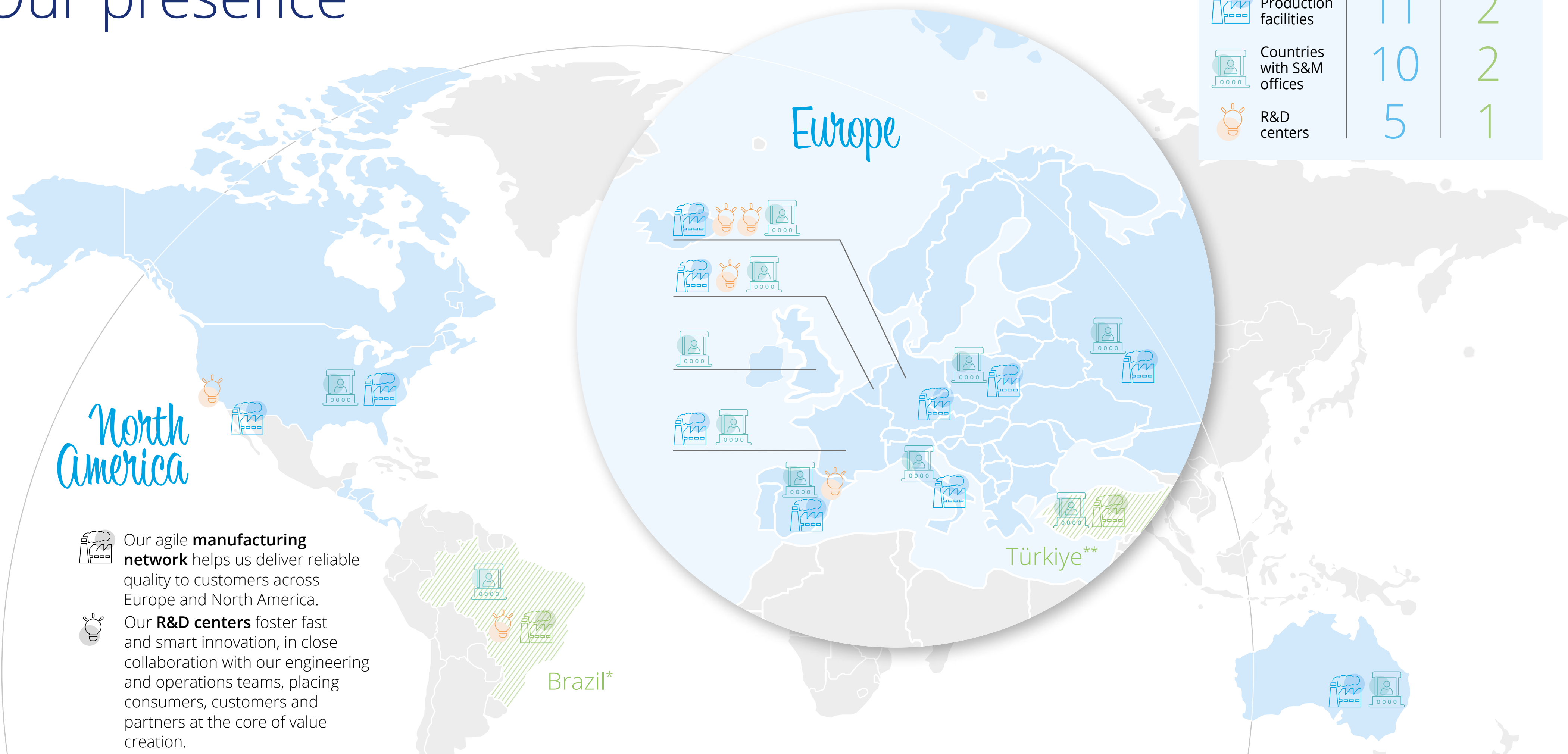
Our feminine care products – pads, liners and tampons – are designed with protection, comfort and innovation in mind. We want to support girls and women by offering solutions that suit a variety of needs, preferences, and lifestyles, so they can feel confident every day.

CM: data related to Core Markets

Ontex at a glance

Our presence

	Core Markets	Emerging Markets
Production facilities	11	2
Countries with S&M offices	10	2
R&D centers	5	1



Our agile **manufacturing network** helps us deliver reliable quality to customers across Europe and North America.

Our **R&D centers** foster fast and smart innovation, in close collaboration with our engineering and operations teams, placing consumers, customers and partners at the core of value creation.

Our regional **sales and marketing offices** keep us close to customers, combining local knowledge with our market expertise.

>> Read more about our operations on page 20

Emerging Markets

* Brazil – Discontinued operations. Binding agreement with Softys reached; closing of the transaction is expected in Q2 2025.

** Türkiye – Discontinued operations. Binding agreement with Dilek Grup reached; closing of the transation is expected in Q3 2025.

Ontex at a glance

Our people and culture

Our culture is not something we take for granted. It's backed by a set of values that we're fully behind as an organization, and that inspire our people in everything we do. By expressing and living these values, we want to stimulate a lively and purposeful workplace where everyone feels appreciated and can take pride in the contribution they make, individually and as a team.

~7000
employees

60+
nationalities

20%
women in leadership

23%
turnover rate

Our five values are expressed in the acronym P.R.I.D.E.:

Passion
We bring positive energy to work every day, commit to advancing Ontex and our purpose, and celebrate our achievements.

Reliability
We take ownership and keep our promises. We are accountable for the results we deliver.

Integrity
We stand up for what's right and we respect others. We speak up and do the right thing, even when it's hard. Trust is at the heart of everything we do.

Drive for results
We plan and play to win. We take risks, focus on what matters most, and act with speed and pragmatism.

Everyone
We succeed as one Team Ontex. We act with unity and inclusion, embrace diversity and truly care for each other.

Our P.R.I.D.E. champions

Our annually elected P.R.I.D.E. champions exemplify the core Ontex values. These team and individual champions – all nominated by their peers – are a symbol of the spirit and dedication that define Ontex. For the occasion of this report, our champions engage in a dialogue with members of the Executive Management Committee on how living the P.R.I.D.E. values has an impact on value creation for our stakeholders.

Leah Wolfe,
Key Account Manager North America
>> Read Leah's story on page 15.

Tiziana Piccolo,
Regional Sales Manager Nursing Homes, Italy
>> Read Tiziana's story on page 14.

Christina Lambertz,
R&D Baby Team
>> Read Christina's story on page 17.

Tayeb Lahcene,
Line Leader Dourges (FR)
>> Read Tayeb's story on page 21.

Michał Jędrecki,
Finance Manager Poland
>> Read Michał's story on page 12.

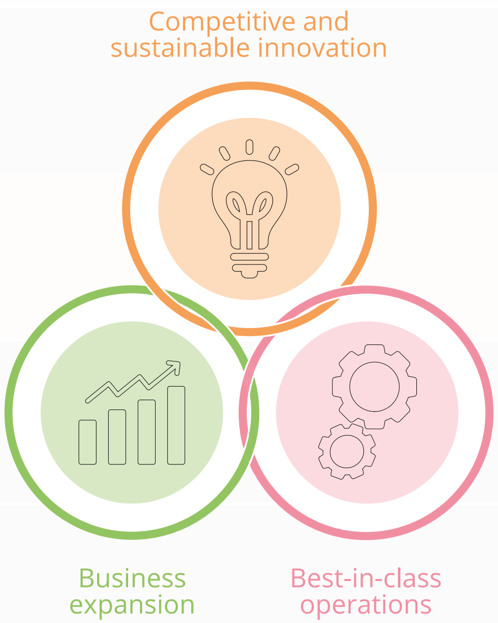
Kathryn Blewett,
Adult Care Platform Project team
>> Read Kathryn's story on page 19.

How we create value

Five strategic pillars direct everything we do at Ontex and help us to create value for our stakeholders.

Our capital	Our input		Our output		Our impact[1]
EMPLOYEES	~7,000 EMPLOYEES	20% WOMEN IN LEADERSHIP	3.20 ACCIDENTS PER MILLION HOURS WORKED	23% TURNOVER RATE	1 NO POVERTY; 3 GOOD HEALTH AND WELL-BEING; 5 GENDER EQUALITY
MARKETS & SOCIETY	€1.86bn CM RECEIVED FROM CUSTOMERS IN 110+ COUNTRIES	€1.30bn CM RAW MATERIALS & SERVICES PAID TO SUPPLIERS	€10M TAXES PAID		1 NO POVERTY; 3 GOOD HEALTH AND WELL-BEING; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
INNOVATION & IP	6 R&D CENTERS	€18M CM OPERATIONAL & CAPITAL EXPENDITURE	MORE THAN 800 ACTIVE PATENTS AND APPLICATIONS	13 NEW PATENT FAMILIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION
RESOURCES & ENVIRONMENT	94% RENEWABLE ELECTRICITY	50% RENEWABLE MATERIALS	+5.2% SCOPE I & II CARBON EMISSION REDUCTION	+1.7% SCOPE 3 CARBON EMISSION REDUCTION	12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION; 15 LIFE ON LAND
OPERATIONS	13 FACTORIES	€102M CM CAPEX	4.6% CM OPERATING EFFICIENCY GAINS	18.6bn HYGIENE ITEMS PRODUCED	12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION; 15 LIFE ON LAND
FINANCIAL CAPITAL	€612M NET FINANCIAL DEBT	€675M MARKET CAPITALIZATION	€223M CM ADJUSTED EBITDA	€48M FREE CASH FLOW	1 NO POVERTY; 5 GENDER EQUALITY

Our value-creation drivers



1 Ontex has identified six UN Sustainable Development Goals on which it can have the most impact, through its operations or across the value chain, in line with the materiality analysis. You can read more about this topic on page 18 and in the sustainability statements of this report.

CM: data related to Core Markets

Employees

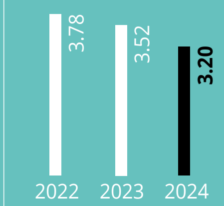
65
Employee engagement & well-being survey score

20%
Women in leadership

14
Training hours per employee

23%
Turnover rate

Accidents per million worked hours



Market context

- **Attracting talent** remains a key area of attention. Ontex aims to stand out as a purpose-driven employer, where people can take pride in contributing to a caring and sustainable world.
- **Employee engagement** leads to long-term success. We constantly invest in people through **development programs** and **engagement initiatives**, enabling them to take pride in their contributions.
- **Digitalization** and the use of **data-driven** tools present significant opportunities for optimally managing our human resources. At the same time, Ontex's North Star is to be an organization where employees are at the core.

Key achievements

HR is an important enabler of Ontex's transformation. Both by offering in the shorter term support in the acceleration of our strategy execution and, establishing and executing a long-term vision to sustainably attract and grow our employees and shape our culture.

- A **reshaped HR organization** facilitates simplified processes, offers clearer ownership, and improves HR decision-making to drive the transformation.
- Our **talent acquisition** efforts in North America, both for leadership and manufacturing positions, have contributed to the sustainable scaling of our operations.
- Our new **Win as a Team** leadership program offers learning opportunities to reinforce strategy execution and encourage teamwork. This is complemented by a company-wide learning program around ten core capabilities for the future of Ontex, such as change management, digital literacy and customer experience.

Related to employee safety, the **Group EH&S function** has been strengthened to ensure consistent EH&S compliance and to promote a company-wide safety culture.

Stakeholder engagement

Who	How we engage
Employees	Regular global and local communication touchpoints, such as a Leadership Summit, Global Staff Updates and plant townhalls, six-monthly employee engagement surveys, Speak Up platform for raising concerns relating to ethics
Social partners	Transparent and constructive dialogue in Belgium, France, Türkiye, Germany, Spain, Italy, Czech Republic, Mexico and Brazil Establishment of a works council in our headquarters (Belgium)

Champion's story

Empowering people and driving transformation

Employees are the driving force behind Ontex's success. P.R.I.D.E. Champion & Finance Manager Michał Jędrecki, and Jonas Deroo, Chief HR & Legal Officer, share their thoughts on how a people-first approach enabled by strong leadership drives the company forward.

Jonas: Michał, congratulations on your being elected as a P.R.I.D.E. Champion! I think you are a living example of a leader who puts people first. Are you aware how this impacts your team?

Michał: Thanks, Jonas. Yes, I have experienced firsthand how investing in people creates a positive and productive work environment. Transitioning from Plant Controller to Finance Manager, I made it my priority to ensure that every team member felt supported, valued, and equipped to succeed. By stimulating a collaborative environment, we have been able to overcome challenges and celebrate successes together. I think it's important to recognize individual contributions and empower team members to grow, both personally and professionally, and it's fulfilling to see how these efforts drive results and how this is noticed by the organization.

Jonas: Absolutely! It's important to celebrate our successes and show people what a caring organization looks like. The HR department has invested a lot in listening to our employees and collecting insights. The Pulse survey is just one example. Also, we are collecting key metrics like turnover rates, absenteeism, and gender diversity in our improved HR dashboard. This allows us to make informed, data-driven decisions that benefit our people. But while tools and data are important, we never lose sight of what matters most: our people. These are just means to support our goal of being a caring organization, where employees are at the center of what we do.

Michał: I agree. I think people should be supported in their growth. Speaking for myself, I have always felt encouraged to take on new challenges and roles. It's how I grew into my current position. Being able to take on a new role keeps you engaged and motivated, especially in today's competitive talent market. I guess that's an important role for HR too: guiding people in such changes?

Jonas: You're right. Our team's role is twofold: to help our people in a respectful way to navigate changes in the short term, whether due to divestments or other organizational shifts, and to ensure we stay on course in the long term. It's vital that our purpose – making everyday life easier – is well understood and embraced. It's a beautiful challenge!

"Being able to take on a new role keeps you engaged and motivated, especially in today's competitive talent market."

Michał Jędrecki,
Finance Manager,
Poland

"While tools and data are important, we never lose sight of what matters most: our people."

Jonas Deroo,
Chief HR and
Legal Officer

Markets & society

€1.86bn[CM]
Revenue

€10M
taxes paid

€1.30bn[CM]
raw materials & services paid to suppliers

over
5M
toddlers & babies

over
20M
girls & women

and
10M
adults ... use our products

CM: data related to Core Markets

Market context

- Overall, the **demand for essential hygiene goods remained stable** in Europe and North America, with a slight decline in baby care offset by solid growth in adult care.
- Continued birth rate decline in Europe and, to a lesser extent, in North America is expected to reduce baby care category volumes. However, selected product categories like baby pants are expected to grow, driving the value up.
- **Growth in adult care** is expected to persist, driven by an aging population, and even more in the retail channel, fueled by more active seniors and changes in reimbursement conditions across Europe.
- In Europe and North America, A-brands are losing market share to retail and lifestyle brands, as consumers are looking for better **value-for-money alternatives** in economic downcycles.
- In Europe, Ontex's growth aligned with the retail segment growth, albeit with a strengthening of the portfolio, driven mainly by double-digit volume growth in the adult care category and in selected products like baby pants.
- In the US, Ontex **outperformed** the segment, gaining share in the retail brand space, thanks to new retail contracts.

Key achievements

- We achieved volume growth thanks to our focus on **customer centricity**, increasing **efficiencies** and **innovation speed**.
- In **the US**, we realized double-digit growth in sales volumes, thanks to **new contracts** with retail brands in baby care. We invested significantly to ensure **scale** and **surety of supply**, and we honed in on consumer and retailer-specific data to better understand consumer behavior and market trends.
- In **Europe**, we returned to **volume and mix growth** in 2024. Despite a challenging market, we grew thanks to our continued **portfolio repositioning** towards more attractive segments and channels. Our adult and baby pants categories grew with double digits, driven by favorable consumer trends that we successfully capitalized on through early strategic investments and high product quality.
- Our improved operational efficiency has allowed us to position our products more competitively and our product innovations and new launches have enabled us to **optimize our product mix** even further. For example, in Europe, we launched our Dreamshield 360° technology for diapers and baby pants (see page 16).

Stakeholder engagement

Who	How we engage
Customers	Customer intimacy, supported by a commercial eco-system: Top-to-top meetings Recurring customer visits on site to engage in comprehensive discussions covering various aspects of the market

Champion's story

Customer proximity leads to results

2024 was a year of growth for our company, even in a challenging and highly competitive market. According to Laurent Nielly, President Europe, we owe this success to passionate and dedicated team members, such as Tiziana Piccolo, Regional Sales Manager for Nursing Homes, Italy.

Laurent: 2024 marked a disruptive change for our commercial organization. We set our sights on becoming more interactive with our customers, and placed true customer-centricity at the forefront. This approach is clearly paying off, because it allows us to increase efficiencies, service level and improve speed to market. Ultimately, that is what our customers – whether retail partners or healthcare institutions – are rewarding us for. Tiziana, you have been a significant contributor to this success, so your recognition as a P.R.I.D.E. Champion was especially important to me.

Tiziana: Thank you, Laurent. It's rewarding to see that our way of working, focusing on a decomplexified portfolio and differentiating services, is recognized by the market, and that this has contributed to Ontex's success in Europe. Consolidating our top three position in the European adult care category makes us excited about the future.

Laurent: Even more impressive, we continue to outperform the segment, and we see continued potential, both for our retailer brands and in the healthcare segment. That's why I look forward to next year with great ambition and confidence. And our recipe remains the same: more interaction, allowing us to leverage our years of expertise.

Tiziana: Our years in the field demonstrate that Ontex's value extends far beyond providing high-quality products. It's our human approach, with room for listening, ideation, and knowledge sharing, that sets us apart from competition. Our customers value the total package. And this makes me and the entire commercial team proud to be part of Ontex.

"Ontex's value extends far beyond providing high-quality products. It's our human approach, with room for listening, ideation, and knowledge sharing, that sets us apart from competition."

Tiziana Piccolo,
Regional Sales Manager for Nursing Homes, Italy

"We continue to outperform the segment, and we see continued potential, both for our retailer brands and in the healthcare segment."

Laurent Nielly,
President Europe

Champion's story

Knowing our customers inside out

President North America, Paul Wood, and Key Account Manager North America, Leah Wolfe, talk about how customer intimacy combined with data analysis is proving to be a winning strategy in becoming a trusted partner for leading retailers across North America. With baby diaper sales driving Ontex's growth in the US, this approach will strengthen our market position.

Paul: Knowing our customers is the first step towards building meaningful relationships and driving sustainable success. In our North American sales team, Leah Wolfe is a standout example of this. Thanks to her exceptional customer relationships, she landed a nomination for P.R.I.D.E. Champion. How do you feel about this award, Leah?

Leah: Thank you, Paul. I am probably most proud of our collective achievement to secure Ontex's seat at the table with many of the top 10 retailers in the US. Backed by our years of experience in Europe, and the market knowledge of our US focused team, we are able to bring the right products at the right time.

Paul: This shows that energy and passion not only deliver results but also inspire others. In 2024, our commercial strategy has been to combine this customer intimacy with customer data leadership. This has allowed us to gather insights on ethnography, shopping patterns, consumer preferences, and market dynamics. This will remain a key focus for us the coming year as well, especially because of the ever-evolving consumer dynamic.

Leah: Yes, data analysis helps us better understand both our consumers and our product categories and it puts us in a stronger position to meet the needs of our customers. For example, we provide expert insights on packaging design, product attribute placement and category trends, which help foster long-term partnerships.

Paul: Exactly. And it's this level of thought leadership that enables us to be recognized as true partners for the retailers, and to drive the category together.

"Data analysis helps us understand our consumers and category much better and it gets us in a stronger position to meet the needs of our customers."

Leah Wolfe,
Key Account Manager North America

"Customer intimacy and data leadership remain a key focus for us the coming year, especially because of the ever-evolving consumer dynamic."

Paul Wood,
President North America

Innovation

6
R&D Centers

Over 800
active patents and applications

€18M[CM]
Operational and capital expenditure

13
new patent families

CM: data related to Core Markets

Market context

> **Consumer trends**, continuously validated through research and in-use testing, shape our product roadmaps. Research confirms that consumers still prioritize **fundamentals**, such as absorption and leakage prevention. This has resulted in our introduction of larger diaper sizes with longer distribution layers and higher absorption. Another consumer trend, «**comfort me**,» translates into skin-friendly features and a perfect fit.

> Stricter **regulations** require us to continuously adapt our **processes and procedures**. For example, to meet the requirements of the medical device regulation, we comply with ISO 13485.

> **Innovation** and **sustainability** are inseparable. We have reworked our strategy to embed sustainability in every product across the value chain.

> Read more on page 18

Key achievements

We started the implementation of our **new quality strategy, resulting in improved risk management KPIs**. Our ambition is threefold: zero complaints, zero non-conformity, and zero cost of non-quality.

> A streamlined **quality assurance organization** ensures better alignment with the business departments.

> A **new complaint management tool** improves reporting, accelerates complaint handling, and supports continuous improvement processes.

In 2024, we improved our **innovation processes** and **governance**, through close collaboration with our customers.

> We reinforced our innovation strategy by focusing on four key innovation pillars: smart innovation, speed, affordability and sustainability.

> In 2024, Ontex ranked among Belgium's top 10 patent applicants, reaffirming our leadership in fast-follower innovation.

> Operational and capital expenditure increased by 5% compared to 2023, with 13 product innovations launched in 2024. All Ontex's innovation is thoroughly tested with consumers, to guarantee that new solutions offered to customers are comparable to leading A-brand standards.

Innovations in the spotlight:

> In Europe, we introduced our **Dreamshield® 360°** and **Dreamshields** technologies featuring improved all-around protection and comfort for baby pants and diapers. These innovations also help reduce plastics and CO_2 footprint.

> Notable innovations in adult care include the standardization of our channel platform, ensuring scalability and affordability.

> We made significant progress towards sustainable packaging by transitioning to recycled content in bags, paper packaging, and promoting renewable, biodegradable materials.

Stakeholder engagement

Who	How we engage
Regulators & Auditors	Recurring touchpoints as part of the new design and development process, recurring audits for our quality certifications, including ISO 9001, ISO 13485, and ISO 14001
Customers	Top-to-top meetings, product demos, innovation workshops
Suppliers	Strategic supplier collaboration program piloted in 2024, roll-out in 2025, including top-to-top meetings and innovation workshops

Champion's story

Innovation as a team effort

Christina Lambertz, Head of Product Development Baby Diapers and based at the Global Excellence Center in Mayen (Germany), represents the R&D Baby Team that was selected as P.R.I.D.E. Champion. According to Chief Innovation and Sustainability Officer Annick De Poorter, it's a well-deserved recognition for the team's contribution to Ontex's innovation.

Annick: Innovation is not reserved for the R&D department; it's a cross-functional effort, involving the entire Ontex ecosystem. If one team drops the ball, we will not deliver. That's why I'm so happy that the R&D Baby Team has been selected as one of this year's P.R.I.D.E. champions. Christina, you and the team have been instrumental not only for safeguarding our IP and product quality, but also for encouraging innovation together with our customers and partners.

Christina: Thank you, Annick! We see ourselves as the bridge between R&D, the commercial teams, and our customers. We are happy to contribute to strengthening our customer relationships through product demos and innovation sessions. We have set ourselves the ambition to always seek new opportunities that drive better results with our customers and partners, ultimately also benefiting our consumers and the planet.

Annick: Yes, I think that this combination is crucial. Whether we want to introduce a new functionality or improve packaging, we need customer and consumer feedback to get a good sense of the market acceptance. That's where our R&D expertise, for example in in-use testing, comes in. On the other side of the spectrum, we cannot do without strong supplier relationships. Keeping those relationships alive and vibrant has been a big achievement of your team this year.

Christina: We achieved this through collaboration, Annick. Focusing on these cross-functional relationships lays the groundwork for co-creation. And this, in turn, leads to more innovation and a higher competitive advantage. I'm happy to contribute to that as part of the R&D Baby Team.

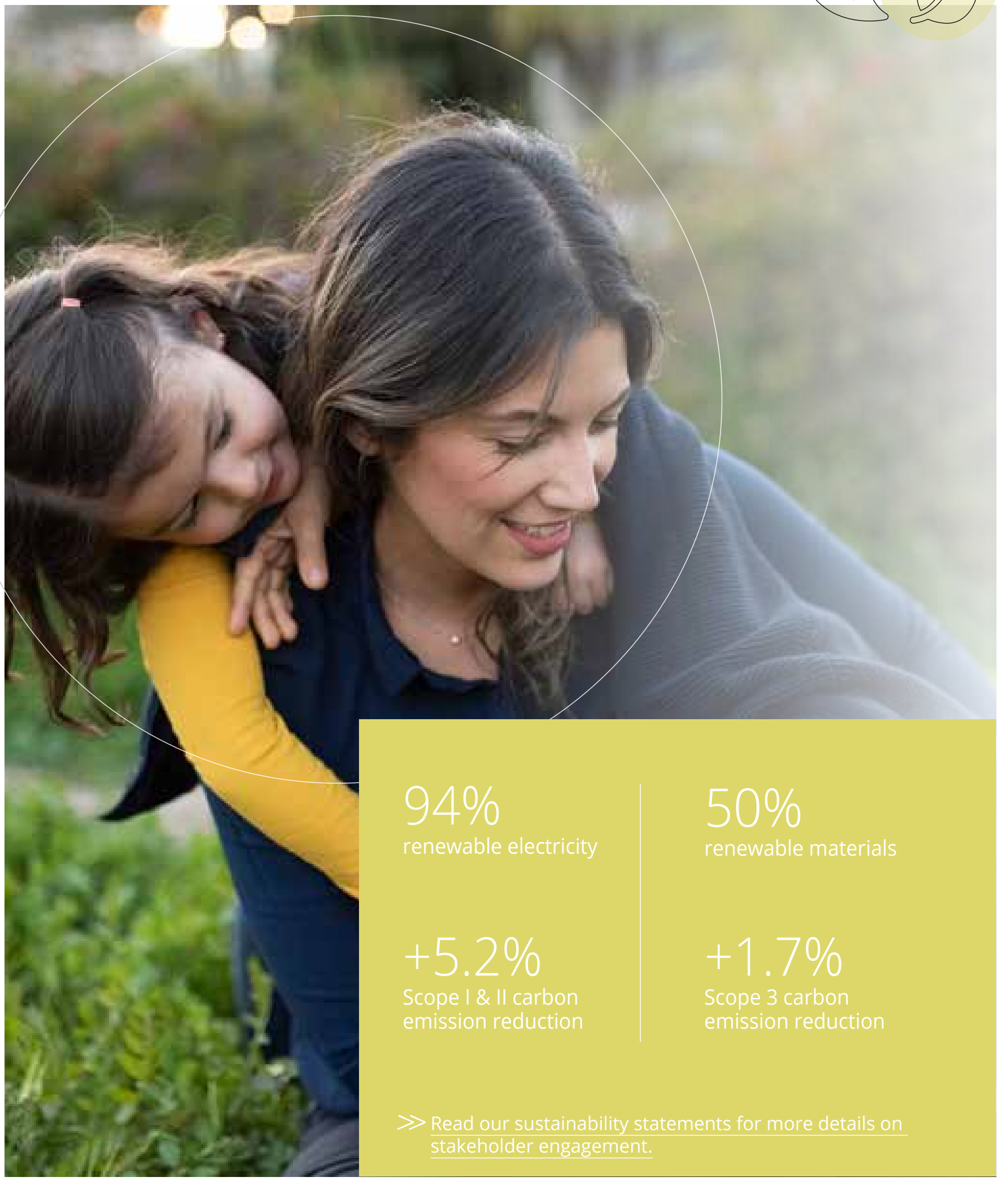
"The team acts as the bridge between R&D, the commercial teams and the customer and always looks out for opportunities that drive better results."

Christina Lambertz,
Head of Product Development Baby Diapers

"Innovation is not reserved for the R&D department; it's a cross-functional effort, involving the entire Ontex ecosystem."

Annick De Poorter,
Chief Innovation and Sustainability Officer

Resources & Environment



94%
renewable electricity

50%
renewable materials

+5.2%
Scope I & II carbon emission reduction

+1.7%
Scope 3 carbon emission reduction

>> Read our sustainability statements for more details on stakeholder engagement.

CM: data related to Core Markets

Market context

- Environmental, Social & Governance (ESG) **regulations** like the Corporate Sustainability Reporting Directive (CSRD) and the Sustainable Packaging Waste Directive, shape customer demands, leading to our updated, ESG-based sustainability strategy with more ambitious science-based targets. This strategy is embodied in our promise: 'Here for you. Here for the better.' For instance, due to **U.S.** regulations, we have completed detailed ingredient listings for our entire U.S. product catalog, demonstrating our commitment to **product safety and transparency**.
- **European consumers** seek more sustainable experiences that balance ecological impact with performance and affordability, focusing on reduced plastics, increased natural and recycled materials, and reusability.
- **Sustainability and innovation** have become inseparable. At Ontex, CO_2 and plastic reduction, and transparency are integrated into every product design from inception. We aim for each new product category to demonstrate lower carbon emissions than its predecessor, starting from production.

Key achievements

- Our new **sustainability strategy** expresses our commitment to being 'better for the planet, better for people and better for business.' That strategy was complemented by the implementation of the CSRD.
- We have earned an **EcoVadis Gold Medal** for transparency in our sustainable initiatives across the supply chain and our operations.
- Ontex has been awarded an 'A' rating by the global environmental non-profit organization CDP for our Climate Change disclosure in 2024. Additionally, we received an 'A-' rating from CDP for forestry. We also earned a place on the Supplier Engagement Rating Leaderboard for climate actions in partnership with suppliers.
- We have introduced various **plastics reduction** initiatives, including product redesigns and increased recycled content in packaging, while safeguarding quality and comfort.
- We undertook several initiatives on energy efficiency, renewable energy sourcing and supplier collaboration. Despite these initiatives, scope 1 & 2 emissions went up by 5.2% compared to 2023, reflecting higher electricity consumption in one of our operations. Scope 3 emissions also increased, by 1.7%, as supplier engagement efforts and more efficient product design were offset by the growing volumes.
- We hosted the first **Sustainability Week** to activate our employees to contribute to our ESG targets.

Stakeholder engagement

Who	How we engage
Customers	Regular customer visits & discussions , joint business planning, surveys and research
Consumers	Interaction on the environmental impact of our products, packaging, and product safety
Employees	Competence development and activation during Sustainability Week
Investors	ESG indices and information requests
Suppliers	Partnership interaction on human rights in the value chain and carbon reductions
Communities and non-governmental organizations	Donations and charitable activities, partnerships on common issues, such as human rights

Champion's story

Achieving purpose-driven success

A company with a purpose makes employees feel motivated and connected to their work, fostering a shared commitment to meaningful goals. Chief Innovation and Sustainability Officer Annick De Poorter and Head of Innovation Project Management, Kathryn Blewett discuss the reasons behind the adult care team being collectively recognized as P.R.I.D.E. Champion.

Annick: Congratulations, Kathryn, for being part of such a great team. In 2024, the adult care team has managed probably one of the most complex and transformative projects. As the project manager, you led this ambitious project in which we redesigned the majority of our adult care product platforms. This effort significantly contributed to making our product portfolio less complex. These types of projects have an end-to-end impact, so they require focus and alignment across the value chain, from internal stakeholders to customers and suppliers.

Kathryn: Thank you, Annick. It always helps to go the extra mile when you know the company you work for has a purpose you can contribute to. Not only purely business-wise, but also by doing business that is good for our people and our planet. By making our portfolio less complex, we make the entire value chain more agile, which contributes to keeping our products affordable and increases our supply reliability, while also reducing CO_2 and waste. It's a journey, but it makes us proud to take steps forward, together.

Annick: You sum up very well what we are trying to achieve as an organization. In fact, it's exactly what we have tried to express in our sustainability strategy: 'Here for you. Here for the better.' This is about creating a safe and respectful place to work, innovating to reduce our impact on the planet, and being ethical and transparent in what we do. But this is something we cannot achieve on our own. Ontex's entire ecosystem is part of that purpose.

Kathryn: Exactly, it takes collaboration across business units, and with suppliers and customers. Speaking of reducing our impact, I was also glad to experience and be part of this year's Sustainability Week. It was inspiring, and a good reminder that we all can contribute to sustainability, and that being good for the planet does not have to be directed from the top, but can originate from anyone within the organization.

"By making our portfolio less complex, we make the entire value chain more agile, which contributes to keeping our products affordable, while also reducing CO_2 and waste. It's a journey, but it makes us proud to take steps forward, together".

Kathryn Blewett,
Head of Innovation
Project Management

"'Here for you. Here for the better.' is about creating a safe and respectful place to work, innovating to reduce our impact on the planet and being ethical and transparent."

Annick De Poorter,
Chief Innovation and
Sustainability Officer

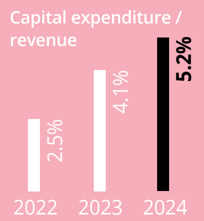
Operations

13
factories

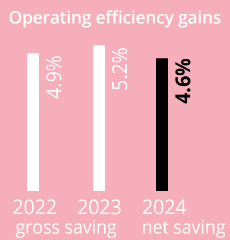
18.6bn
hygiene items produced

4.6%CM
operating efficiency gains

€102M
capital expenditure



€70MCM
net cost savings



CM: data related to Core Markets

Market context

- A shift in focus from faster prediction to faster response call for **agile operations across the entire value chain**. We have adopted an end-to-end approach, aligning procurement, logistics and manufacturing, to ensure quality and surety of supply, and to outrank the competition.
- **Connected manufacturing** allows us to leverage data to gather insights and deliver results. This requires continuous investments in change management, workforce training, digitalization and automation.
- In light of more advanced sustainability targets, especially related to carbon emissions, we have reinforced our focus on **operational excellence and continuous improvement**.

Key achievements

In 2024, our ongoing **cost transformation program** continued to deliver structural savings, and we have as well improved our operating efficiency again by 5% gross savings.

- Our procurement, logistics, R&D and industrialization teams joined forces to seize new opportunities for cost optimization. One example of this end-to-end thinking is our Dreamshield® 360 technology launch, which was made possible by centralized project planning and a common understanding of the project strategy.
- We continued adopting best manufacturing practices, deployed by the Ontex Manufacturing Excellence (OMEX) team, resulting in structurally improved Overall Equipment Effectiveness (OEE), scrap reduction and substantial structural cost savings.

We optimized our **manufacturing and asset footprint**.

- Our asset footprint optimization in Europe focused on reducing product platforms and simplifying portfolios, while increasing capacity and agility.
- We transformed our **Belgian production and distribution** to strengthen our competitive position in Europe, exiting the Eeklo site in December 2024. In parallel we are investing approximately €40M in Buggenhout site, transitioning towards a Center of Excellence for research, development and production of medium & heavy incontinence care products by early 2026.
- We scaled up our North Amercian operations. We added capacity to fuel our growth ambition.

Stakeholder engagement

Who	How we engage
Suppliers	• Moving towards in-depth strategic partnerships to benefit from scale and expertise • Partnering to accelerate innovation & sustainability targets for Scope 3 carbon emissions
Industry associations	Board membership in EDANA, INDA, BAHP, Group'Hygiène (FR)
Regulators & auditors	Audits for certifications, including ISO 14001, ISO 50001 and ISO 45001

Champion's story

Operational excellence and well-being go hand in hand

The focus on continuous improvement across our operations in Europe and North America requires a lot of effort from our employees. It's thanks to people like Tayeb Lahcene, Line Leader Dourges (FR), that teams remain informed, empowered and motivated. According to Chief Supply Officer, Marco Querzoli, this is what resulted in Tayeb being rightfully recognized as P.R.I.D.E. Champion.

Marco: Aligning procurement, engineering, logistics and manufacturing has been key this year to further optimize our operations. We have achieved nice results in 2024 through collaboration, but we cannot stop now; striving towards operational excellence remains a continuous exercise. If anyone represents this idea of continuous improvement, it must be Tayeb Lahcene, Line Leader in our Dourges site. Congratulations, Tayeb!

Tayeb: Thank you, Marco! For me, operational excellence totally hinges on how we work together as a team. You can only achieve results when you are close to your team, listen to their concerns and feedback, and instill confidence in them. That's what I am trying to achieve every day.

Marco: And you did well, despite the many challenges we were facing; making our supply chain more agile, ensuring safety, meeting our sustainability targets, all the while coordinating the collaboration with many stakeholders, including our R&D, logistics, engineering and commercial teams. Ultimately, if we want to be recognized as the ideal partner for our retailers, it starts by ensuring we are a well-oiled machine, with engaged employees willing to go together to deliver results.

Tayeb: Absolutely! I think that performance and well-being go hand in hand. I try to monitor both in a consistent way, so I'm ready when issues arise. When you empower people, they take ownership of their work and drive improvements on their own. This makes all the difference for the entire organization and fills me with pride!

"When you empower people, they take ownership of their work and drive improvements on their own."

Tayeb Lahcene,
Line Leader Dourges (FR)

"We have achieved nice results in 2024 through collaboration, but we cannot stop now. Striving towards operational excellence remains a continuous exercise."

Marco Querzoli,
Chief Supply Officer

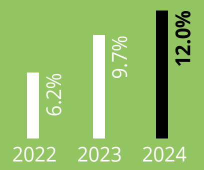
Financial

€48M
free cash flow

€675M
market capitalization

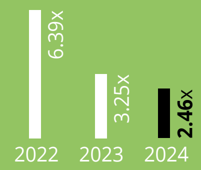
€1.86bn^{CM}
Revenue

EBITDA margin^{CM}
evolution 2022-2024



€223M^{CM}
Adj EBITDA

Leverage ratio
evolution 2022-2024



€612M
Net financial debt

CM: data related to Core Markets

Key achievements

Adjusted EBITDA^{CM} rose 28% to €223 million. Sustained delivery of the cost transformation program added €70 million, driving competitiveness and profitability. Volume and mix growth contributed €21 million and lower prices had a €(39) million effect. While lower raw material prices, in line with indices, added €39 million, continued inflation drove other operating and sales, general & administration costs up by €(28) million and €(10) million respectively. The adjusted EBITDA margin rose to 12.0%, up 2.3pp year on year.

Profit for the period for the total group was €10 million, down from €35 million the prior year. Discontinued operations (Emerging Markets) incurred a €(11) million loss, reflecting scope reduction and non-cash currency adjustments from divestments. Continuing operations (Core Markets) posted €21 million, €(6) million lower, despite the higher adjusted EBITDA, due to the one-time costs, mostly related to the transformation of our Belgian operations. Adjusted profit from continuing operations, however, doubled to €76 million.

Free cash flow rose to €48 million from €9 million in 2023. Strong operational delivery and working capital management more than compensated for the temporary step-up in investments to accelerate the group's transformation. Capital expenditure reached close to 6% of revenue in Core Markets, while €(39) million was spent on restructuring.

The total group's **net financial debt** decreased to €612 million over the year. Along with the improvement in EBITDA, the leverage ratio was brought down from 3.25x at the start of the year to 2.46x by the end.

Outlook 2025

We are well positioned to successfully complete our intensive three-year transformation journey, and thereby expects the following for 2025:

> Revenue^{CM} to grow by 3 to 5% like for like, supported by double digit volume in North America;

> Adjusted EBITDA^{CM} to grow 4% to 7%, supported by revenue growth and further operational efficiencies;

> Free cash flow to remain strong, while continuing to invest in Ontex's transformation;

> Net cash proceeds of approximately €100 million to be received from the Brazilian and Turkish divestments.

Stakeholder engagement

Who	How we engage
Banks and rating agencies	Regular interactions and management presentations
Analysts and investors	• Quarterly analyst calls, regular analyst & investor interactions • Roadshows & conferences in European and North American financial centers • Annual general meeting & retail investor fairs

7 reasons to invest in Ontex in 2025

1

Over **35 million people** rely on our baby care, feminine care and adult care products across our key markets **in Europe & North America** every year.

2

Our market is expanding thanks to an **aging** yet more active **population**, with retailer brands gaining importance and demonstrating more resilience through **economic cycles**.

3

Our robust **innovation** pipeline and **cost-efficiency** improvements enable us to **strengthen** and grow **our market position.**

4

We have significantly **improved** our **financials** since 2022, achieving a higher EBITDA margin, solid positive free cash flow and a leverage ratio just below 2.5x.

5

We have successfully **streamlined** our **portfolio** to focus on retailer and healthcare brands, and we have taken major steps to **transforming** our **footprint**.

6

Consumer tests confirm that the **quality** and **performance** of our products are generally perceived as equivalent to A-brands, while being more affordable.

7

As we are finalizing our transformation journey by end of 2025 -and thus a last year of investments- and growing fast in US, we are confident to be able to generate **attractive sustainable cash flows** in the future.

"With strong results delivery again in 2024, we strengthened our financial health further with strong cash flow, bringing the leverage ratio down to just below 2.5x. The improvement was recognized by the credit rating agencies, which upgraded us in the year."

Geert Peeters,
CFO

"During the year we intensified our contact with financial stakeholders. We're especially pleased to have gained the trust of two larger investors in the year, who crossed the 3% shareholding bar."

Geoffroy Raskin,
Investor Relations

Corporate governance statement

For the financial year ended December 31, 2024

The Company is committed to upholding high standards of Corporate Governance. It applies the Belgian Corporate Governance code for listed companies (the "2020 Corporate Governance Code"), which can be found on the website of the Belgian Corporate Governance Committee (https://corporategovernancecommittee.be/en). Further, the Company has adopted a corporate governance charter which describes the main aspects of the Company's corporate governance, including its governance structure and the terms of reference of the Board of directors (the "Board"), the Board committees and the executive committee. The charter is available on the Company's website (https://ontex.com/investors/leadership).

GOV-1 General information

GOV-1.1 Highlights of 2024 corporate governance matters

The Company remains fully committed to upholding "best-in-class" corporate governance principles, which it believes form an important catalyst for the realization of the Company's strategic plans. The Company continues to focus, among others, on the following five corporate governance themes: leadership; governance; remuneration; sustainability; and investor engagement. Within these themes, several highlights are summarized in this Corporate Governance Statement (and in the Remuneration Report that forms part of it).

In 2024, the composition of the Company's Board underwent one change: Mr. Paul McNulty resigned with effect as from October 1, 2024. Furthermore, the mandate of ViaBylity BV, with Mr. Hans Van Bylen as permanent representative, was renewed at the Company's annual shareholders' meeting of May 3, 2024.

ESG continues to be a fundamental element of the Company's strategy. Building upon previous achievements, in February 2025, Ontex was awarded an 'A' rating by the Carbon Disclosure Project (CDP), a globally recognized environmental non-profit, for its Climate Change disclosure in 2024 and a 'A-' rating for CDP Forests, for transparency in forestry-related matters. This rating underscores Ontex's commitment to environmental stewardship. Furthermore, Ontex received an Ecovadis Gold medal for its sustainability efforts. In addition, Ontex remains strongly committed to its Sustainability Strategy 2030, which includes ambitious, quantified targets and a clear roadmap, which can be found in the Sustainability Statements of this report.

Lastly, the Company continues to invest in shareholder engagement. Throughout the year, the Company maintained a dynamic dialogue and alignment with investors, financial analysts and other stakeholders.

GOV-1.2 Ambition going forward

The Board reconfirms the Company's strong ambition to be an example in corporate governance matters, as it sees this as an important value driver for the business. The Board remains committed to continuing its optimization endeavors, which it started in 2020, on various levels. After earlier efforts in 2020 and 2021, in the course of 2022, the Board focused, among others, on Board composition and size, Board and Executive Committee succession planning and CEO and Executive Committee assessment and development. This led, among others, to the reduction of the size of the Board from twelve to nine members. In 2023, the Board focused, among others, on succession planning of the Executive Committee. The Board also decided to again conduct an in-depth Board assessment process with the assistance of an advisory firm. The results of that assessment process, which were discussed by the Board in the first half of 2024, showed a marked improvement in the Board's functioning and effectiveness compared to the earlier assessment made in 2020. At the same time, some areas have further room for improvement, for which the Board has developed an action plan.

The Company's efforts in the area of corporate governance were recognized in December 2023 by the Belgian Corporate Governance Commission, which informed the Company that it fully complied with the 2020 Corporate Governance Code on the basis of its annual report for financial year 2022.

GOV-2 Board & executive management

GOV-2.1 Board composition

On December 31, 2024, the Board was composed as follows (sustainability information provided pursuant to ESRS 2, GOV-1, § 21(a)):

Name	Mandate	Mandate start	Mandate expiration	Other board mandates per December 31, 2024
ViaBylity BV, permanently represented by Hans Van Bylen	Chair, independent director	2020	2028	Etex, Lanxess, AkzoNobel
Ebrahim Attarzadeh	Non-executive director	2022	2026	Callirius AG
Inge Boets BV, permanently represented by Inge Boets	Independent director	2014	2026	Econoholding NV, Econopolis Wealth Management NV, QRF, ECS Logistics Group
Michael Bredael	Non-executive director	2017	2025	Upfield Group BV, Canyon Bicycles GmbH, Affidea
Isabel Hochgesand	Independent director	2021	2025	World Procurement Leaders, Matilda AG
HVV GmbH, permanently represented by Jesper Hojer	Non-executive director	2021	2025	Tom&Co, Aera Payment & Identification, Oda, Matsmart - Motatos
MJA Consulting BV, permanently represented by Manon Janssen	Independent director	2021	2025	Gimv, Puratos, Ecorys
Rodney Olsen	Non-executive director	2021	2025	

After the resignation of Mr. Paul McNulty with effect as from October 1, 2024, the Board was reduced from nine to eight members, four of whom (or 50%) are independent directors.

Mr. Jonas Deroo, Chief HR and Legal Officer, is Secretary of the Board. Further details on the changes to the composition of the Board are detailed in section GOV-2.1 of this Corporate Governance Statement.

The biographical information, skills and experience of each member of the Board as at December 31, 2024 are summarized below. This includes information on other director mandates held by these members. The Company considers that its directors possess the right competencies to guide and support Management in positioning the Company on the path to accelerated value delivery.

Hans Van Bylen

Chair of the Board, Independent Director

On May 3, 2024, ViaBylity BV, with Mr. Hans Van Bylen as permanent representative, was re-appointed as Independent Director. Mr. Van Bylen serves as Chair of the Board, as well as of the Company's Remuneration and Nomination Committee. Mr. Van Bylen, formerly CEO of Henkel, brings Ontex his deep knowledge of the industrial and consumer goods sector and a wide breadth of experience spanning the FMCG industry, retail brand space, manufacturing and supply chain, digitalization, sustainability and leadership development. Mr. Van Bylen previously served on the Boards of GfK, Ecolab, the Consumer Goods Forum, the Alliance to End Plastic Waste and has been president of the German Chemical Industry Association (VCI). Moreover, he has also been member of the European Round Table for Industry (ERT). In addition, Mr. Van Bylen is also a Board member at Etex, Lanxess and AkzoNobel.

Ebrahim Attarzadeh

Non-Executive Director

On May 5, 2022, Mr. Ebrahim Attarzadeh was appointed as a Non-Executive Director upon the nomination of ENA Investment Capital LLC. Mr. Attarzadeh has more than 20 years' experience in investment banking and asset management. He was CEO of Mainfirst Bank AG and CEO and Head of Equities of Stifel Europe Bank AG until end of 2021. Prior to that he held other positions at Deutsche Bank and Arthur Andersen. Mr. Attarzadeh is the Co-Founder and Chairman of Callirius AG, a sustainable finance company and currently acts as a CEO of a Swiss Family Office.

Inge Boets

Independent Director

Inge Boets BV, with Ms. Inge Boets as its permanent representative, was appointed as Independent Director as of June 30, 2014. Ms. Boets also chairs the Company's Audit and Risk Committee. She was a partner with Ernst & Young from 1996 through 2011, where she was the Global Risk leader and held several other roles in audit and advisory. Currently, Ms. Boets is also an independent director and chair of the Board at QRF City Retail, chair of the Board at Econopolis Wealth Management NV, independent director at Econoholding and independent director and chair of the Finance and Audit Committee at ECS Logistics Group NV. In addition, Ms. Boets is the owner and manager of La Scoperta BV.

Michael Bredael

Non-Executive Director

On May 24, 2017, Mr. Michael Bredael was appointed as Non-Executive Director upon the nomination of Groupe Bruxelles Lambert (GBL). Mr. Bredael is an Investment Partner at Groupe Bruxelles Lambert since 2016. He started his career at Towers Watson as a consultant in the United States in 2003 before joining the BNP Paribas Group in 2007. Mr. Bredael held various investment banking positions at BNP Paribas, particularly focusing on cross-border M&A transactions. From 2014 to 2016, he was Head of the M&A Execution Group of BNP Paribas London. Mr. Bredael is director of Upfield Group BV, Canyon Bicycles GmbH and Affidea, as a representative of Groupe Bruxelles Lambert.

Manon Janssen

Independent Director

On May 25, 2021, MJA Consulting BV, permanently represented by Ms. Manon Janssen, was appointed as an Independent Director. Ms. Janssen is a C-level executive with extensive experience in the fields of general management, strategy, leadership, sustainability and professional services, in both the private and public sector. She began her career at Procter & Gamble, where she worked for 16 years in different countries and where she was responsible for leading major brands in the Paper and Health & Beauty Care divisions. In 2000, she became Vice President Marketing & Innovation at Electrolux Home Products Europe and in 2005 she became Chief Marketing Officer worldwide at Philips Lighting. Ms. Janssen currently is the CEO and chair of the Board of management of Ecorys, an international research and advisory company addressing societal challenges in public policy. In addition, she advises the Dutch and Belgian governments as well as private companies in the field of sustainability, the energy transition and climate change. She is also a director at Gimv and Puratos.

Isabel Hochgesand

Independent Director

On May 25, 2021, Ms. Isabel Hochgesand was appointed as an Independent Director. Ms. Hochgesand is an executive with extensive international experience in procurement, supply chain, and marketing of consumer goods. Ms. Hochgesand is Chief Procurement and Hazelnut Company Officer at Ferrero, located in Luxemburg. Prior to that, Ms. Hochgesand was Chief Procurement Officer at Beiersdorf AG and held various senior roles in various countries worldwide at Procter & Gamble, most of her 25 years of tenure in the personal hygiene sector. Ms. Hochgesand was also the Managing Director for Supply Chain for P&G in Germany, Austria and Switzerland for all brands. Ms. Hochgesand serves on the advisory Boards of World Procurement Leaders and Matilda AG.

Jesper Hojer

Non-Executive Director

On May 25, 2021, Mr. Jesper Hojer was appointed as a Non-Executive Director upon the nomination of Groupe Bruxelles Lambert (GBL). Mr. Hojer 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 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 Boards of Tom&Co, Aera Payment & Identification, Oda en Matsmart – Motatos.

Rodney Olsen

Non-Executive Director

On May 25, 2021, Mr. Rodney Olsen was appointed as a Non-Executive Director upon the nomination of ENA Investment Capital LLC. Mr. Olsen 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 transactions. Prior to joining Kimberly Clark, he was senior manager audit at EY, and senior manager SEC Reporting at the LTV Corporation.

Competency matrix

The following table shows the competencies that have been identified as important, given Ontex's current context and strategic challenges, and how the Board's current composition covers these. The table includes sustainability information provided pursuant to ESRS 2, GOV-1, § 21(c).

Competency	Hans Van Bylen	Inge Boets	Michael Bredael	Isabel Hochgesand	Manon Janssen	Jesper Hojer	Rodney Olsen	Ebrahim Attarzadeh
Experience								
Current/past CEO	•			•	•	•		•
International experience	•	•	•	•	•	•	•	•
Experience in Europe	•	•	•	•	•	•	•	•
Experience in North America	•					•	•	
Expertise								
Executive in FMCG/retail	•			•	•	•	•	
Functional Executive (operations, procurement, commercial)	•			•	•	•		
Financial/Audit		•	•				•	•
Capital Markets			•					•
Sustainability	•		•	•	•		•	
Gender diversity								
Male	•		•			•	•	•
Female		•		•	•			
Regional origin								
Belgium	•	•	•		•			
International				•		•	•	•
Compliance								
Independent Director	•	•		•	•			

GOV-2.2 Evolution of the Board in 2024

At the Company's annual shareholders' meeting of May 3, 2024, the shareholders resolved to approve the re-appointment as independent director of ViaBylity BV, with Hans Van Bylen as permanent representative, for a period which will end immediately after the annual shareholders' meeting of the Company that shall approve the Company's annual accounts for the financial year ending on December 31, 2027.

In addition, the Board was reduced from nine to eight members, upon the resignation of Mr. Paul McNulty with effect as from October 1, 2024.

GOV-2.3 Board responsibilities and engagement

The individual attendance rate of the Board meetings during 2024 was as follows:

Name	Board attendance [1]	Attendance rate
ViaBylity BV, permanently represented by Hans Van Bylen	10/10	100%
Ebrahim Attarzadeh	10/10	100%
Inge Boets BV, permanently represented by Inge Boets	10/10	100%
Michael Bredael	10/10	100%
Isabel Hochgesand	10/10	100%
HVV GmbH, permanently represented by Jesper Hojer	10/10	100%
MJA Consulting BV, permanently represented by Manon Janssen	10/10	100%
Paul McNulty	7/7 [2]	100%
Rodney Olsen	10/10	100%

During 2024, the Board met eight times, with an attendance rate of 100%. The agenda of the Board meetings included, among others:

- oversight of the Company's operational and financial performance;
- oversight and approval of the Company's value creation projects and ongoing M&A processes;
- oversight and approval of the entry into a new revolving facility agreement;
- review and approval of the Company's annual budget and review of its medium and long-term strategy and business plan;
- oversight and approval of the Company's share buy-back program;
- oversight, and (where appropriate) approval, of the matters falling within the competences of the Remuneration and Nomination Committee (including matters in the area of human capital management (people, organization, reward, health & safety, diversity, equity and inclusion)); and
- oversight, and (where appropriate) approval, of the matters falling within the competences of the Audit and Risk Committee (including internal controls and internal audit, tax, compliance and litigation, information security, and ESG compliance and reporting).

GOV-2.4 Board review and assessments

The Board regularly organizes review and assessment processes focused on certain selected matters. In the course of 2022, the Board focused, among others, on Board composition and size, Board and Executive Committee succession planning and CEO and Executive Committee assessment and development. This led, among others, to the reduction of the size of the Board from twelve to nine members. In 2023, the Board focused, among others, on succession planning of the Executive Committee. The Board also decided to conduct an in-depth Board assessment process with the assistance of an advisory firm. The results of that assessment process, which were discussed by the Board in the first half of 2024, showed a marked improvement in the Board's functioning and effectiveness compared to the earlier assessment made in 2020. At the same time, some areas have further room for improvement, for which the Board has developed an action plan.

[1] The attendance rate is based on the number of Board meetings held during the mandate of the respective Board members.

[2] Mr. Paul McNulty resigned from the Board with effect from October 1, 2024.

GOV-2.5 Board committees

GOV- 2.5.1 Audit and Risk Committee

In accordance with Article 7:99, §2 of the Belgian Code of Companies and Associations and the 2020 Corporate Governance Code, all members of the Audit and Risk Committee are Non-Executive Directors. While the legal requirement is to have at least one member who is independent, the Company's corporate governance charter provides that the Audit and Risk Committee should comprise of a majority of independent members and that the mandate of Chair of the Audit and Risk Committee cannot be cumulated with the mandate of Chair of the Board. The chair and members of the Audit and Risk Committee collectively have the required skills and expertise regarding accounting and audit matters.

On December 31, 2024, the Audit and Risk Committee was composed as follows:

Name	Position
Inge Boets BV, permanently represented by Inge Boets	Independent Director, Chair of the Audit and Risk Committee
Michael Bredael	Non-Executive Director
Rodney Olsen	Non-Executive Director
ViaBylity BV, permanently represented by Hans Van Bylen	Independent Director

During 2024, the Audit and Risk Committee met six times. The attendance rate was 96.67%, as shown in the table below.

Name	Meetings attended	Attendance rate
Inge Boets BV, permanently represented by Inge Boets	6/6	100%
Michael Bredael	5/6	83.33%
Rodney Olsen	6/6	100%
Paul McNulty	3/3 [3]	100%
ViaBylity BV, permanently represented by Hans Van Bylen	6/6	100%

Mr. Jonas Deroo, Chief HR and Legal Officer, is Secretary of the Audit and Risk Committee.

The Audit and Risk Committee is entrusted with the tasks set out in Article 7:99, §4 of the Belgian Code of Companies and Associations and its roles and responsibilities are further described in the Company's Corporate Governance Charter. It determines the frequency and the agenda of its meetings. In 2024, the Audit and Risk Committee reviewed the external and internal audit plans, the half-year and full-year financial statements and the external review on the half-year and full-year financial statements, the quarterly financial information contained in the Q1 and Q3 trading updates, the key risks (including applicable internal controls, risk management and related processes), and the ESG agenda of the Company. As part of its task to monitor and oversee the efficacy of the internal controls and risk management and risk management processes, the Audit and Risk Committee also oversees, among other matters, information security risks. Furthermore, the Audit and Risk Committee oversaw the Company's refinancing of its revolving credit facility.

[3] Mr. Paul McNulty resigned from the Audit and Risk Committee with effect from October 1, 2024.

With respect to its roles and responsibilities, as further described in the Company's Corporate Governance Charter, the Board formally tasked the Audit and Risk Committee with the oversight of the Company's Environmental, Sustainability and Governance ("**ESG**") initiatives, including to:

- assess, review and prepare the decision-making of the Board on ESG actions and practices presenting new opportunities for the Company;
- monitor and oversee the process for the development of ESG information and identify ways to integrate ESG information into the reporting cycle; and
- measure and monitor the Company's performance on ESG matters and their impact on society in order to take account of the multidimensional nature of corporate social responsibility.

GOV- 2.5.2 Remuneration and Nomination Committee

In accordance with Article 7:100, §2 of the Belgian Code of Companies and Associations and the 2020 Corporate Governance Code, all members of the Remuneration and Nomination Committee are Non-Executive Directors and the majority of the members are independent in accordance with the criteria set out in Article 7:87, §1 of the Belgian Code of Companies and Associations. The members have the necessary expertise in the field of remuneration.

On December 31, 2024, the Remuneration and Nomination Committee was composed as follows:

Name	Position
ViaBylity BV, permanently represented by Hans Van Bylen	Independent Director, Chair of the Remuneration and Nomination Committee
Ebrahim Attarzadeh	Non-Executive Director
Isabel Hochgesand	Independent Director
HVV GmbH, permanently represented by Jesper Hojer	Non-Executive Director
MJA Consulting BV, permanently represented by Manon Janssen	Independent Director

During 2024, the Remuneration and Nomination Committee met four times. The attendance rate was 95%:

Name	Meetings attended	Attendance rate
ViaBylity BV, permanently represented by Hans van Bylen	4/4	100%
Isabel Hochgesand	3/4	75%
HVV GmbH, permanently represented by Jesper Hojer	4/4	100%
MJA Consulting BV, permanently represented by Manon Janssen	4/4	100%
Ebrahim Attarzadeh	4/4	100%

Mr. Jonas Deroo, Chief HR and Legal Officer, is Secretary of the Remuneration and Nomination Committee.

The Remuneration and Nomination Committee is entrusted with the tasks set out in Article 7:100, §5, of the Belgian Code of Companies and Associations. Its roles and responsibilities are further described in the Company's Corporate Governance Charter.

During 2024, the Remuneration and Nomination Committee's work included the following topics:

- reviewing performance and remuneration of the Executive Committee members with respect to financial year 2023;
- determining 2024 targets for the short-term and long-term incentive schemes (refer to the Remuneration Report);
- reviewing the Company's Remuneration Report with respect to financial year 2023;
- succession and leadership assessment and development of the Executive Committee;
- Board and Board member assessment and succession planning; and
- review of various "People & Organization"-related matters with respect to the Group, including matters related to culture, talent development and succession planning.

GOV-2.6 Executive Management

The composition of the Executive Management Committee on December 31, 2024 is shown in the table below:

Name	Position per December 31, 2024
Gustavo Calvo Paz	Chief Executive Officer
Chilibri BV, permanently represented by Geert Peeters	Chief Financial Officer
Annick De Poorter	Chief Innovation & Sustainability Officer
Jonas Deroo	Chief HR & Legal Officer and Secretary General
Émage Europe SRL, permanently represented by Laurent Nielly	President Europe division
Marco Querzoli	Chief Supply Chain Officer
Paul Wood	President North America division

The following table sets out the biographical information, skills and experience of the current members of the Executive Committee.

Gustavo Calvo Paz

Chief Executive Officer

Mr. Gustavo Calvo Paz has vast international experience as an industry executive with an extensive background in operations, business turnarounds, and strategy within the FMCG sector. Prior to his appointment as CEO, Mr. Calvo Paz was a member of the Board since May 25, 2021. He was previously 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.

Geert Peeters

Chief Financial Officer

Mr. Geert Peeters brings relevant experience in the domains of business transformation in a retail environment and operational and cash efficiency. The Board appointed Geert Peeters as Chief Financial Officer of Ontex, with effect from December 1, 2023. Before joining Ontex, Geert Peeters was Group CFO at Greenyard. He built up extensive experience through finance director roles at companies such as Metallo Group (currently Aurubis) and management consultancies such as PriceWaterhouseCoopers.

Laurent Nielly

President Europe Division

Mr. Laurent Nielly joined the Ontex Group in July 2017 to lead the then acquired business in Brazil and was appointed as President of the Europe Retail Division in January 2021. His scope was expanded in July 2021 after the combination of Retail and Healthcare Divisions. Mr. Nielly brings more than 25 years of experience earned in Europe, the US and Latin America and across companies such as P&G, McKinsey & Company, PepsiCo and Coty. He started his professional career in finance and strategy, and developed expertise in innovation and commercial excellence before taking P&L responsibilities.

Annick De Poorter

Chief Innovation & Sustainability Officer

Ms. Annick De Poorter joined Ontex in 2003 as the R&D Manager of Feminine Hygiene and was promoted to R&D and Quality Director in January 2009. Before joining the Group, she worked at Libeltex NV in Belgium, and prior to that, she was a Scientific Researcher at University of Ghent, Belgium.

Jonas Deroo

Chief
HR & Legal
Officer

Mr. Jonas Deroo joined Ontex in April 2015 as General Counsel & Corporate Secretary. Prior to joining Ontex, Mr. Deroo was Associate General Counsel at bpost. He started his career as an attorney at the Brussels Bar.

Marco Querzoli

Chief
Supply Chain
Officer

Mr. Marco Querzoli joined Ontex in August 2023. Mr. Querzoli has extensive expertise in supply chain and procurement matters and has experience leading large multinational teams. Prior to joining Ontex, Mr. Querzoli held various senior roles at Kimberly Clark and Scott Paper Company, including a tenure of nine years as Vice President Product Supply for the EMEA region at Kimberly Clark.

Paul Wood

President
North America
Division

Mr. Paul Wood joined the Executive Committee of Ontex in the role of President North America on April 1, 2023. Mr. Wood brings considerable experience of general management and commercial leadership having worked for several large fast-moving consumer goods companies including Frito Lay, Heinz, Samsung and as Chief Commercial Officer for Church & Dwight.

Each of the members of the Executive Committee has experience that is relevant to the products that Ontex manufactures and sells, and in the sectors and geographic locations in which Ontex is active, both in view of their tenure at the Company and, for several of the members, in their earlier capacities at other companies in the same or adjacent sectors (sustainability information provided pursuant to ESRS 2, GOV-1, § 21(c)).

Functioning of the Executive Committee

The powers of the Executive Committee include the operational management and organization of the Company. The Executive Committee is responsible for developing or updating on a yearly basis the overall strategy and business plan of the Company, as well as its budget for the following year, and submitting it to the Board for approval. The Executive Committee also monitors the implementation of the overall strategy and business plan of the Company, and supports the CEO in the day-to-day management of the Company and the exercise of his responsibilities. Further, the Executive Committee prepares the Company's financial statements, presents accurate and balanced evaluations of the Company's financial situation to the Board and provides the Board with the information it needs in order to properly fulfil its duties. The Executive Committee is also responsible for setting up and maintaining policies related to the risk profile of the Company and systems to identify, assess, manage and monitor financial and other risks within the framework set by the Board and the Audit and Risk Committee.

The size and composition of the Executive Committee is determined by the Board acting on proposal of the CEO, who chairs the Executive Committee. Members of the Executive Committee are appointed by the Board based on a proposal of the CEO and upon recommendation of the Remuneration and Nomination Committee. The members of the Executive Committee were appointed for an indefinite period (with the exception of the CEO and the Chief Supply Chain Officer). They can be dismissed by the Board at any time or cease to be a member of the Executive Committee if their management agreement with the Company terminates.

The CEO leads and chairs the Executive Committee. The CEO is vested with the day-to-day management of the Company. In addition, he exercises the special and limited powers assigned to him by the Board or the Executive Committee. The CEO is a permanent invitee to the Board and reports to the Board on a regular basis, including on the actions taken by the Executive Committee.

During 2024, as a general rule, the Executive Committee met on a weekly basis and discussed, among others, the following topics:

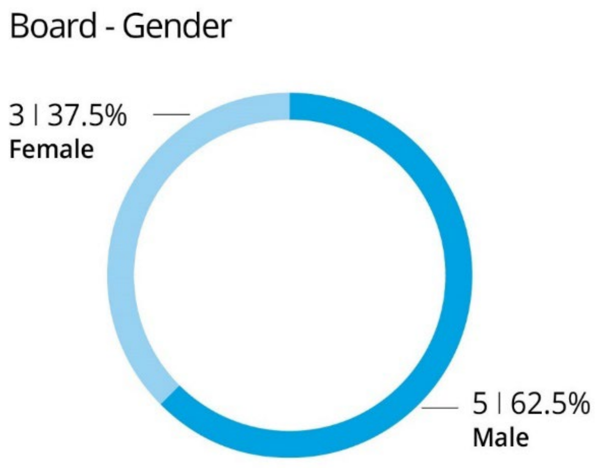
- strategic review and implementation;
- financial and operational performance;
- Ontex's organizational model and people-related matters;
- Ontex's Sustainability Strategy 2030;
- internal controls and compliance; and
- various operational matters.

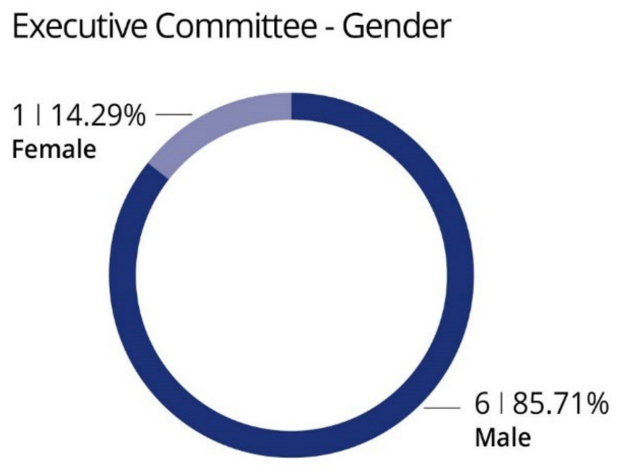
GOV-2.7 Diversity within the Board and Executive Committee

Ontex promotes diversity and equal opportunities. The Company has adopted a diversity policy which provides that diversity within the Board and the Executive Committee is considered a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge.

On December 31, 2024, the Board was composed of eight directors, three of which were women: Ms. Inge Boets (as permanent representative of Inge Boets BV), Ms. Manon Janssen (as permanent representative of MJA Consulting BV) and Ms. Isabel Hochgesand. The three female members of the Board together represent 37.5% of the Board members. The Remuneration and Nomination Committee evaluates the composition of the Board on a yearly basis and formulates suggestions to the Board, while taking into account, among other things, the gender composition and other diversity elements. The Company complies with the requirement that at least one-third of the members of the Board should be of the opposite gender as the gender of the majority, as set out in Article 7:86 of the Belgian Code of Companies and Associations.

On December 31, 2024, the Executive Committee counted one female member out of seven, or 14%. The diversity with regard to gender within the Board and the Executive Committee can be visualized as follows (sustainability information provided pursuant to ESRS 2, GOV-1, § 21(d)):





GOV-3 Share capital, shareholders and investor engagement

GOV-3.1 Share capital and capital evolution

On December 31, 2024, the share capital of the Company amounted to €823,587,466.38 and was represented by 82,347,218 shares without nominal value. Each share represents 1/82,347,218th of the capital and carries one vote. The shares are listed on Euronext Brussels. On December 31, 2024, 16,354,865 shares of the Company were registered shares and the remainder were dematerialized shares.

As set out in more detail in the Remuneration Report, between January 1st, 2023 and December 31, 2025, the Company's annual long-term incentive program is temporarily suspended for the CEO and the other members of the Executive Committee (as well as for certain other members of the Company's senior management). Instead, in 2023, the CEO and other members of the Executive Committee (in addition to certain other members of the Company's senior management) received a one-time grant of performance stock units covering financial years 2023, 2024 and 2025. These performance stock units do not confer any shareholder rights prior their vesting. Upon vesting, the Company shall deliver to beneficiaries either existing shares of the Company, newly issued shares of the Company or a combination of both. A more detailed description of this incentive program is set out in the Company's Remuneration Report and Remuneration Policy.

The Remuneration Report provides an overview of the vesting of performance stock units, restricted stock units and stock options granted to Members of the Executive Committee.

On November 25, 2024, the Company announced the launch of a share buy-back program to acquire a maximum of 1.5 million shares, representing 1.8% of its issued shares. The shares acquired through the program will contribute to meeting Ontex's obligations under its current and future long-term incentive plans. The share purchases are spread over a seven-month period, which started on December 1, 2024 and will end on June 30, 2025. The program is conducted under the terms and conditions of the authorization granted by the extraordinary shareholders' meeting held on May 5, 2023, and is executed by an independent intermediary, who makes its decisions independently pursuant to a discretionary mandate. In 2024, the Company acquired 146,338 own shares in the context of the share buy-back program, for which it paid €1,2 million. Such acquired shares together represented 0.18% of the Company's share capital and each had a par value of €10.00.

In total, on December 31, 2024, the Company held 1,260,044 treasury shares, which represents 1.53% of the Company's share capital.

GOV-3.2 Shareholder evolution

Pursuant to the Company's Articles of Association and Corporate Governance Charter, the applicable successive thresholds as regards the application of the Law of 2 May 2007 on the disclosure of significant shareholdings in issuers whose shares are admitted to trading on a regulated market and other provisions (the "**Law of 2 May 2007**") and the Royal Decree of 14 February 2008 on the disclosure of significant shareholdings, are set at 3%, 5%, 7.5%, 10% and any subsequent multiples of 5%.

On January 11, 2024, the Company received a transparency declaration confirming that, on January 9, 2024, Mr. Guo Guanchang and Fosun International Holdings Ltd. detained 2,399,214 Ontex voting securities or voting rights, representing 2.91% of voting securities, and thereby crossed the threshold of 3% downward.

On March 21, 2024, the Company received a transparency declaration confirming that, on March 20, 2024, Mr. Joannes G.H.M. Niessen and Mont Cervin SARL detained 2,517,540 Ontex voting securities or voting rights, representing 3.06% of voting securities, and thereby crossed the threshold of 3% upward.

On October 16, 2024, the Company received a transparency declaration confirming that, on October 7, 2024, Black Creek Investment Management Inc. detained 2,442,764 Ontex voting securities or voting rights, representing 2.97% of voting securities, and thereby crossed the threshold of 3% downward.

We refer to our website for transparency declarations received after December 31, 2024.

GOV-3.3 Shareholder structure

Based on the transparency declarations received by the Company, the shareholder structure of the Company on December 31, 2024 [4] was as follows:

To the knowledge of the Company, no shareholders' agreements are currently in place.

Shareholders	Shares	% [5]	Threshold	Date crossing
Groupe Bruxelles Lambert SA	16,454,453	19.98%	>15%	20/04/2021
ENA Investment Capital	12,411,999	15.07%	>15%	29/04/2020
The Pamajugo Irrevocable Trust	2,722,221	3.64%	>3%	29/02/2016
Mr. Joannes G.H.M. Niessen and Mont Cervin SARL	2,517,540	3.06%	>3%	20/03/2024
BPCE SA, Natixis SA, Natixis Investment Managers, NIM Participations 3 and DNCA Finance	2,491,966	3.03%	>3%	12/11/2024

GOV-3.4 Investor engagement & share price performance

In 2024, the Company further accelerated its efforts to engage with investors. The Company had meetings with 132 different institutions, compared to 110 in 2023, many of which were conducted in the presence of senior management, either in the framework of investor conferences (in London, Paris and Brussels), during roadshows (in London, Paris, Brussels, Frankfurt, Zürich, Geneva, and the United States), or via video conferences. Following the publication of its financial results, the Company also hosted public conference calls during which our senior management presented the Company's results and responded to questions from financial analysts and investors. Moreover, throughout the year, the Investor Relations department was available to respond to queries from (potential) investors.

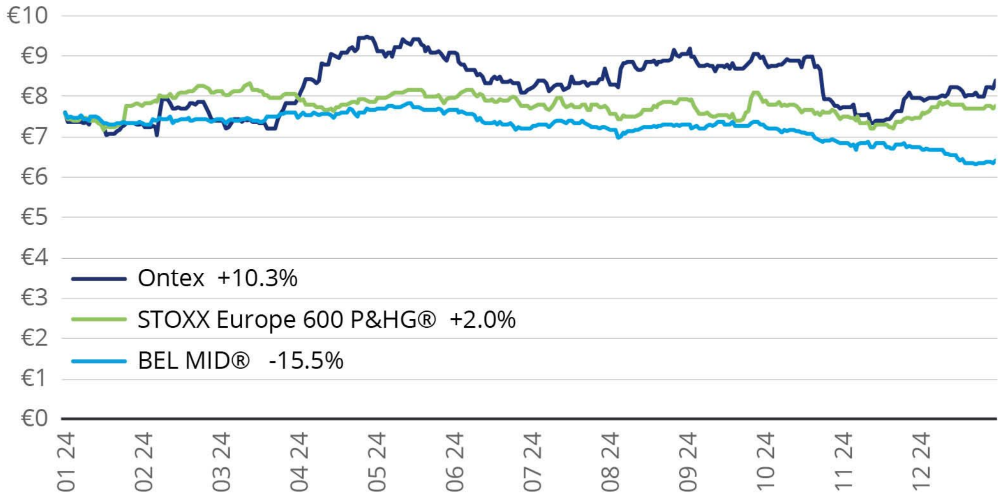
At present, Ontex is actively followed by seven equity analysts.

Ontex's share price evolved positively over the year, gaining 10.3% to reach €8.39. This represents a strong performance versus the sector index STOXX Europe 600 Personal & Household Goods®, which gained 2.0%, and the BEL Mid® index of Euronext Brussels, which saw a decline of -15.5% over the year.

30.7 million shares of the Company were traded on Euronext Brussels in 2024, representing 37% of the total amount of shares issued by the Company. This is a 3.7% relative increase compared to 36% in 2022. This improvement contrasts with a decrease in liquidity for mid- and small-cap companies, as evidenced by the -3% decline in liquidity of the BEL MID® index compared to 2023. Combining the traded volumes on Euronext Brussels, on other trading venues and OTC trades, approximately 90 million of the Company's shares were traded in 2024, representing slightly more than 100% of the number of shares issued by the Company.

[4] Updates subsequent to December 31, 2024 are provided on our website (https://ontex.com/investors/shareholder-resources-center/).

[5] Percentage based on the outstanding share capital of the Company at the time of the declaration.



GOV-3.5 Dealing and Disclosure Code

Ontex gives utmost priority to its compliance with applicable market abuse regulations. On June 3, 2014, the Board approved the Ontex Dealing and Disclosure Code (the "**Dealing and Disclosure Code**"). The Dealing and Disclosure Code was subsequently amended on April 2, 2015 and on June 28, 2016. The Dealing and Disclosure Code restricts transactions in the Company's securities by members of the Board and of the Executive Committee, and by certain senior employees of the Ontex Group during closed and prohibited periods. The Dealing and Disclosure Code also contains rules concerning the internal approval of intended transactions, as well as the disclosure of executed transactions through a notification to the Belgian Financial Services and Markets Authority, and disclosure of inside information. The Company's General Counsel is the Compliance Officer for purposes of the Dealing and Disclosure Code.

GOV-4 Relevant information in the event of a takeover bid

Article 34 of the Royal Decree of November 14, 2007 on the obligations of issuers of securities which have been admitted to trading on a regulated market, requires that listed companies disclose certain items that may have an impact in the event of a takeover bid.

GOV-4.1 Capital structure

A comprehensive overview of our capital structure at December 31, 2024 can be found in chapter 2 of this Corporate Governance Statement.

GOV-4.2 Restrictions on transfers of securities

The Company's Articles of Association do not impose any restrictions on the transfer of shares in the Company. Furthermore, the Company is not aware of any such restrictions imposed by Belgian law except in the framework of market abuse rules, and neither is the Company aware of any agreements between shareholders which may result in restrictions on the transfer of securities and/or the exercise of voting rights.

GOV-4.3 Holders of securities with special control rights

There are no holders of securities with special control rights.

GOV-4.4 Employee share plans where the control rights are not exercised directly by the employees

The Company's shares to be delivered to participants upon exercise of the stock options or vesting of the RSUs or performance stock units in the framework of long-term incentive schemes are either newly issued or existing ordinary shares in the Company with all rights and benefits attached to such shares. A more detailed description of the Company's long-term incentive plans is set out in the Company's Remuneration Report and Remuneration Policy.

The Company has not set up employee share plans where control rights over the shares are not exercised directly by Ontex's managers or employees.

GOV-4.5 Restrictions on the exercise of voting rights

The Articles of Association of the Company do not contain any restrictions on the exercise of voting rights by shareholders, provided that the shareholders concerned comply with all formalities to be admitted to the shareholders' meeting and their voting rights are not suspended in one of the events set out in the Articles of Association or the Belgian Code of Companies and Associations. Pursuant to Article 11 of the Company's Articles of Association, the Board is entitled to suspend the exercise of rights attaching to shares belonging to several owners.

The Company is not aware of any restrictions imposed by Belgian law on the exercise of voting rights by the shareholders.

GOV-4.6 Rules on appointment and replacement of Board members

The maximum term of office of directors under Belgian law is limited to six years (renewable), but the 2020 Corporate Governance Code recommends that it be limited to four years (Recommendation 5.6). The Company complies with this recommendation. The appointment and renewal of directors is subject to approval by the shareholders' meeting, upon proposal by the Board on the basis of a recommendation of the Remuneration and Nomination Committee.

GOV-4.7 Rules on amendments to the articles of association

Save for capital increases decided by the Board within the limits of the authorized capital or a change of the seat of the Company (provided such change does not trigger the application of different rules on the use of languages by companies than those that currently apply to the Company), only an extraordinary shareholders' meeting is authorized to amend the Company's Articles of Association. An extraordinary shareholders' meeting may only deliberate on amendments to the Articles of Association if at least 50% of the share capital is represented. If the above attendance quorum is not reached, a new extraordinary shareholders' meeting must be convened, which will validly deliberate regardless of the portion of the share capital represented at the shareholders' meeting. As a rule, amendments to the Articles of Association are only adopted if approved by at least 75% of the votes cast. The Belgian Code of Companies and Associations provides for more stringent majority requirements in specific instances, such as for modifications of the Company's corporate object clause.

GOV-4.8 Authorized capital

On May 5, 2023, the Company's extraordinary shareholders' meeting renewed the authorization to the Board with respect to authorized capital under certain conditions. The Board may increase the share capital of the Company in one or several times by a maximum of up to (i) €82,358,746.64 in the event of a (or multiple) capital increase(s) with cancellation or limitation of the preferential subscription rights of shareholders, including in favor of one or more specified persons that are not members of the personnel of the company or its subsidiaries and (ii) €164,717,493.28 in the event of a (or multiple) capital increase(s) without cancellation or limitation of the preferential subscription rights of shareholders.

This authorization may be renewed in accordance with the relevant legal provisions. The Board can exercise this power for a period of five years as from the date of publication in the Annexes to the Belgian State Gazette of the amendment to the Articles of Association approved by the shareholders' meeting on May 5, 2023.

GOV-4.9 Acquisition of own shares

On May 5, 2023, the Company's extraordinary shareholders' meeting renewed the Board's authorization with respect to the acquisition of own shares subject to the conditions set forth below.

The Company may, without any prior authorization of the shareholders' meeting, and the Board is authorized to, take as pledge and acquire, on or outside of the stock exchange, its own shares, profit-sharing certificates and associated certificates up to a maximum of 10% of each of the outstanding shares, profit-sharing certificates and associated certificates of the Company for a price that is not more than 5% above the highest closing price on Euronext Brussels during the last 30 trading days preceding the transaction, and not more than 10% below the lowest closing price on Euronext Brussels during the last 30 trading days preceding the transaction, in accordance with the provisions of the Belgian Code of Companies and Associations where applicable. This authorization is valid for a period of five years starting on the date of the publication in the Annexes to the Belgian Official Gazette of the amendment to the Company's articles of association resolved upon by the Company's extraordinary shareholders' meeting of May 5, 2023. The authorization may be renewed in accordance with the relevant provisions of the Belgian Code of Companies and Associations.

As set out in section GOV-3.1 above, on November 25, 2024, the Company announced the launch of a share buy-back program to acquire a maximum of 1.5 million shares, representing 1.8% of its issued shares.

GOV-4.10 Material agreements to which the company is a party containing change of control provisions

GOV- 4.10.1 Revolving Facility Agreement

The Company, and certain of its subsidiaries as guarantors, entered into a €270,000,000 revolving facility agreement dated November 27, 2024 (the "**Revolving Facility Agreement**"). The proceeds were used for the refinancing of existing indebtedness and for general corporate purposes.

The Revolving Facility Agreement contains provisions that may be triggered in the event of a change of control over the Company. More specifically, the Revolving Facility Agreement provides, among others, that any person or group of persons acting in concert acquiring, directly or indirectly, beneficial ownership of the issued capital of the Company having the right to cast more than 50% of the votes capable of being cast at a shareholders' meeting of the Company may lead to a mandatory prepayment and cancellation under the Revolving Facility Agreement.

GOV- 4.10.2 Indenture

The Company, and certain of its subsidiaries as guarantors, entered into an indenture dated July 7, 2021 (the "**Indenture**") pursuant to which the Company issued €580,000,000 3.5000% senior notes due July 15, 2026 (the "**Senior Notes**"). The proceeds have been used for the refinancing of existing indebtedness and for general corporate purposes.

The Indenture contains provisions that may be triggered in the event of a change of control over the Company. More specifically, the Indenture provides, among others, that any person or group of persons acting in concert (other than certain exempt persons) acquiring, directly or indirectly, beneficial ownership of more than 50% of the total voting power capable of being cast at a shareholders' meeting may lead to a mandatory offer by the Company to repurchase the Senior Notes at a purchase price equal to 101% of the principal amount of the Senior Notes (together with accrued and unpaid interest).

GOV- 4.10.3 Factoring Agreement

The Company entered into a factoring agreement dated February 21, 2018, with BNP Paribas Fortis Factor NV and KBC Commercial Finance NV (the "**Factoring Agreement**"). The Factoring Agreement contains provisions that may be triggered in the event of a change of control over the Company. More specifically, the Factoring Agreement provides, among others, that in the event the effective control of any party is transferred to others, the other party has the right to terminate the Factoring Agreement.

GOV- 4.10.4 Hedging Agreement

The Company entered into an ISDA FX hedging agreement dated March 12, 2018 with Crédit Agricole Corporate and Investment Bank ("**CACIB**") (the "**Hedging Agreement**"). The Hedging Agreement contains provisions that may be triggered in the event of a change of control over the Company. More specifically, the Hedging Agreement, provides, among others, that a change control, defined as any person or group of persons acting in concert acquiring, directly or indirectly, beneficial ownership of the issued share capital of the Company, provides CACIB the right to terminate the Hedging Agreement.

GOV- 4.10.5 Long term Incentive Plan

As set out in more detail in the Remuneration Report, the Company has issued a one-time grant of performance stock units covering financial years 2023, 2024 and 2025 under the Company's 2023-2025 "Value Creation Projects" Long Term Incentive Plan (the "VCP LTIP"). The vesting of the performance stock units is subject to a single performance KPI, being the share price of the Company. The VCP LTIP plan documentation provides that, in the event of a change of control over the Company, the performance stock units outstanding under the plan shall vest immediately prior to such change of control. The number of performance stock units that would effectively vest remains subject to the performance test provided for in the plan documentation, which shall be applied using (i) in the event of a change of control that is a takeover, the offer price, and (ii) in the event of a change of control other than a takeover, the exchange ratio or similar price determined by the Board in connection with the change of control.

GOV-4.11 Severance pay pursuant to termination of contract of Board members, Executive officers or employees pursuant to a takeover bid

The Company has not concluded any agreement with its Board members, executive officers or employees which would result in the payment of a specific severance pay if, pursuant to a takeover bid, the Board members, executive officers or employees resign, are dismissed or their employment agreements are terminated.

We refer to the Remuneration Report for further details on the termination provisions of the members of the Board and the Executive Committee in general.

GOV-5 Conflicts of interest

In accordance with Article 7:96 of the Belgian Code of Companies and Associations, if a Board member has a direct or indirect financial interest that is contrary to the interest of the Company in respect of a decision or transaction which is the responsibility of the Board, he/she must inform the other Board members before any decision by the Board is taken and the statutory auditor must also be notified. The conflicted Board member cannot be present during the deliberations of the Board relating to these transactions or decisions and cannot vote.

In addition to the legal requirements, the Company, as a general matter and as set forth in its Corporate Governance Charter, also expects each Board member to arrange his or her personal and business affairs in such a way as to avoid any (appearance of) conflict of interest of a personal, professional or financial nature with the Company, directly or through relatives (including spouse or life companion, or other relatives (by blood or marriage) up to the second degree and foster children).

The conflict of interest procedure prescribed by article 7:96 of the Belgian Code of Companies and Associations was not applied by the Company in 2024.

During 2024, the Company did not enter into any transactions with related parties within the meaning of Article 7:97 of the Belgian Code of Companies and Associations.

GOV-6 Compliance with the 2020 Corporate Governance Code

The Company is committed to high standards of corporate governance and relies on the 2020 Corporate Governance Code as its reference code. The 2020 Corporate Governance Code is based on a "comply or explain" approach. Belgian listed companies must comply with the 2020 Corporate Governance Code but may deviate from those provisions which are not otherwise contained in the Belgian Code of Companies and Associations, and provided they disclose the justification for any such deviations in their corporate governance statement included in the Annual Report in accordance with Article 3:6, §2, 2° of the Belgian Code of Companies and Associations.

The Board has opted for a one-tier governance structure. The Board thus is the highest decision-making body of the Company. It is authorized to perform all acts that are necessary or useful for the realization of the object of the Company, except for those powers that are reserved by law to the shareholders' meeting. The Board decides on the strategy of the Company and takes all important investment and divestment decisions. The Board has delegated the operational management of the Company to the CEO and the Executive Committee, which exercise such operational management within the framework of the strategy determined by the Board.

As at the end of 2024, the Company complied with all provisions of the 2020 Corporate Governance Code, except in respect of the following:

Provision 7.6 of the 2020 Corporate Governance Code provides that non-executive Board members should receive part of their remuneration in the form of shares in the Company. After due consideration, it was decided that the remuneration of the Non-Executive Directors would be paid fully in cash. However, the Company issued a recommendation to Non-Executive Directors to build, over their four-year tenure, an equity stake in the Company equivalent to one time the Non-Executive Director's fixed fee, and to maintain this equity stake during at least one year following the end of their Board mandate. At the Company's annual shareholders' meeting to be held on 5 May 2025, a proposal will be submitted to amend the remuneration policy, to provide for partial payment of the remuneration of non-executive directors in restricted stock units, with effect as from 1 January 2025. The purpose of such proposal is to ensure an even stronger alignment of long term incentives between the members of the Board and the Executive Committee.

GOV-7 Events after the end of the reporting period

The relevant events after the end of the reporting period can be found in note 7.32 of the consolidated financial statements.

GOV-8 Risk management and internal control network

GOV-8.1 Introduction

Ontex operates a risk management and internal control framework in accordance with the Belgian Companies and Associations Code and the 2020 Corporate Governance Code. The framework in place is aligned with the management framework developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Ontex is exposed to a wide variety of risks within the context of its business operations that can result in its objectives being affected or not achieved. It is a key competence of the Audit and Risk Committee to monitor the effectiveness of Ontex's systems for internal controls and its risk management processes, as well as the effectiveness of Ontex's internal audit function and processes. The Audit and Risk Committee regularly advises and reports on these matters to the Board. The practical implementation and periodical revision of these controls and processes are managed on a day-to-day basis by the Executive Committee and all other employees with managerial responsibilities.

The risk management and control system set up within Ontex aims to achieve, among others, the following goals:

- achievement of Ontex's objectives;
- achieving operational excellence;
- ensuring correct and timely financial reporting;
- compliance with all applicable laws and regulations;
- compliance with policies and objectives set by management; and
- safeguarding of company assets.

GOV-8.2 Control environment

GOV- 8.2.1 Three lines model

Ontex applies the "three lines model" to clarify roles, responsibilities and accountabilities, and to enhance communication within the area of risk and control. Within this model, the different lines responsible for responding to risks are:

- **First line**: line management is the first responsible for assessing risks on a day-to-day basis and implementing controls in response to these risks.
- **Second line**: the oversight functions such as finance and controlling, quality, compliance, sustainability, tax and legal oversee risk management as defined by the first line. The second line actors provide guidance and direction and develop a risk management framework. Ontex's compliance function focuses on, among others, communicating and training on Code of Ethics and other compliance matters.
- **Third line**: independent assurance providers, including internal and external audit functions, supervise and control the risk management processes as executed by the first and second line.

GOV- 8.2.2 Policies, procedures and processes

Ontex fosters an environment in which its business objectives and strategy are pursued in a controlled manner. This environment is created through the implementation of different company-wide policies, procedures and processes such as the Ontex Values, the Ontex Code of Ethics (and its different chapters, which include policies on anti-bribery, anti-money laundering and fair competition), the Quality Management System and the internal Delegation of Authorities set of rules. The employees are regularly informed and trained on these subject matters in order to stimulate risk management and control at all levels and in all areas of the organization.

GOV- 8.2.3 Group-wide ERP system

Most Ontex entities use the same group-wide ERP systems, which are managed centrally. These systems embed the roles and responsibilities defined at group level. Through these systems, the main flows are standardized and key controls are enforced. The systems also allow detailed monitoring of activities and direct access to data by the Company.

GOV-8.3 Risk management

Sound risk management starts with identifying and assessing the risks associated with Ontex's business and external factors. Once the relevant risks are identified, Ontex strives to prudently manage and minimize such risks. At the same time, Ontex acknowledges the existence of ordinary business risks and implements measures to address them, including risk escalation processes to ensure that the appropriate decision-makers assess and resolve specifically identified risks. The processes in place aim at identifying key risks, assessing them, defining appropriate responses, communicating them to the right levels in the organization and monitoring the effectiveness of mitigation actions.

All employees of Ontex are accountable on a continuous basis for the timely identification and qualitative assessment of the risks within their area of responsibility. In addition to the continuous input to risk assessment, a periodic review is conducted with the Executive Committee. As an outcome of the periodic review, the identified risks are prioritized, at least annually, based on their impact, likelihood and the vulnerability of Ontex to these risks based on scales which are periodically reviewed. Additionally, the Executive Committee conducts deep-dives into certain topics, including climate change and other sustainability-related risks. These assessments delve into the potential impacts of sustainability matters, including climate change, on our operations, supply chain, and broader business environment. Our sustainability statements serve as critical references for sustainability risks, by providing insights into our mitigation strategies, resilience measures, and long-term sustainability goals. By incorporating sustainability (including climate change) risks into our risk management framework, we enhance our ability to proactively identify, assess, and manage emerging threats associated with sustainability matters. The Audit and Risk Committee has assumed responsibility for monitoring sustainability-related risks, amongst other ESG-risks.

Ontex has identified and analyzed its key corporate risks. These corporate risks are communicated to the various levels of management.

GOV-8.4 Control activities

Control measures are in place to minimize the effects of risks on Ontex Group's ability to achieve its objectives. These control activities are embedded in Ontex's key processes and systems to assure that the risk responses and Ontex's overall objectives are carried out as designed. Control activities are conducted throughout the organization, at all levels and within all departments. Key compliance areas are monitored for the entire Ontex Group by the Head of Compliance (at group level) and by extended Compliance team members (at local level). The Compliance function supports compliance with the Ontex Code of Ethics and the adoption of clear processes and procedures with respect to the Code of Ethics. The Compliance long-term strategy and yearly objectives are approved by the Executive Committee and by the Audit and Risk Committee and a reporting takes place twice a year (or at any other time when a specific matter requires ad hoc reporting) towards the Executive Committee and the Audit and Risk Committee, which in turn reports to the Board. The Head of Compliance and Internal Audit Manager meet regularly to discuss increasing risks based on incidents in relation to the Code of Ethics and (new or existing) legal frameworks. More information about Ontex's approach, strategy and progress towards business ethics and compliance can be found in the Sustainability Statements of this annual report.

In addition to these control activities, an insurance program is in place for certain risk categories that cannot be absorbed without material effect on the Company's balance sheet.

GOV-8.5 Information and communication

Ontex recognizes the importance of timely, complete and accurate communication and information, both top-down as well as bottom-up. Ontex has therefore put several measures in place to assure amongst others:

- security of confidential information;
- clear communication about roles and responsibilities; and
- timely communication to all stakeholders about external and internal changes impacting their areas of responsibility.

GOV-8.6 Monitoring of control mechanisms

Monitoring aims to ensure that internal control systems operate effectively.

The quality of Ontex's risk management and internal control framework is assessed by the following actors:

- **Internal Audit**. The tasks and responsibilities assigned to Internal Audit are defined in the Internal Audit Charter, which has been approved by the Audit and Risk Committee. The key mission of Internal Audit as defined in the Internal Audit Charter is "to add value to the organization by applying a systematic, disciplined approach to evaluating the internal control system and providing recommendations to improve it."
- **External Audit**. In the context of its review of the annual accounts, the statutory auditor focuses on the design and effectiveness of internal controls and systems relevant for the preparation of the financial statements. The outcome of the audits, including work on internal controls, is reported to the Executive Committee and the Audit and Risk Committee (which in turn reports to the Board) and shared with Internal Audit.
- **Audit and Risk Committee / Board**. The Audit and Risk Committee and the Board have the ultimate responsibility with respect to internal control and risk management. For more detailed information on the composition and functioning of the Audit and Risk Committee and the Board, please refer to chapter 1.5. of this Corporate Governance Statement.

GOV-8.7 Risk management and internal control with regard to the process of internal reporting

The accurate and consistent application of accounting rules throughout Ontex is assured by means of a Finance and Accounting Manual.

On a quarterly basis, a bottom-up financial risk analysis is conducted to identify risk factors. Action plans are defined for all key risks. Specific identification procedures for financial risks are in place to assure the completeness of financial accruals.

The accounting teams are responsible for producing the accounting figures, whereas the controlling teams check the validity of these figures. These checks include coherence tests by comparison with historical and budget figures, as well as sample checks of transactions according to their materiality.

Specific internal control activities with respect to financial reporting are in place, including the use of a periodic closing and reporting checklist. This checklist assures clear communication of timelines, completeness of tasks, and clear assignment of responsibilities.

Uniform reporting of financial information throughout Ontex ensures a consistent flow of information, which allows the detection of potential anomalies. Ontex's ERP systems and management information tools provide the central controlling team with direct access to disaggregated financial and non-financial information.

An external financial calendar is planned in consultation with, and approved by, the Executive Committee and the Board, and this calendar is announced to external stakeholders on the Company's website. The objective of this external financial reporting is to provide Ontex stakeholders with the information necessary for making sound investment decisions with regard to the Company's securities. The financial calendar can be consulted at https://www.ontex.com/investors/financial-calendar/.

GOV-8.8 Risk management and internal control with regard to sustainability

At Ontex, we recognize the critical importance of sustainability reporting as we ensure that our operations are aligned with our environmental, social, and governance (ESG) objectives. Our commitment to transparency and accountability necessitates robust risk management and internal control procedures throughout the sustainability reporting process.

To ensure the accuracy and integrity of our sustainability reporting, we have integrated findings from comprehensive risk assessments into our internal functions and processes. Risk management and internal controls are applied as set out below:

- **Sustainability risk assessment**: Our sustainability team conducts periodic risk assessments, which complements the risk management process described in section GOV-8.3 above, to identify and evaluate potential risks associated with our sustainability reporting process. These assessments consider factors such as regulatory changes, stakeholder expectations, and emerging sustainability trends. More detailed information about the risk assessment framework for sustainability related risks can be found in section SUS-2.4 of the Sustainability statements.

- **Action plans for key risks**: Based on the results of the risk assessments, action plans are developed to address key sustainability risks. These plans outline specific measures to mitigate risks and enhance the reliability of our sustainability data and disclosures.
- **Internal collaboration and accountability**: Collaboration between various internal functions is essential to ensure the effectiveness of our sustainability reporting process. Our sustainability team collaborates closely with departments such as operations, finance, and compliance to integrate sustainability considerations into their respective areas of responsibility.
- **Validation and verification processes**: Rigorous validation and verification processes are implemented to ensure the accuracy and completeness of sustainability data. Internal controls are in place to verify the integrity of data sources, conduct data quality checks, and reconcile discrepancies. Internal Audit plays a crucial role in validating and verifying sustainability data by conducting audits focused on the internal controls embedded in the sustainability processes. These audits assess the effectiveness of internal controls designed to mitigate sustainability risks, ensure compliance with relevant standards and regulations, and promote the reliability of sustainability disclosures.
- **Clear communication and documentation**: We maintain clear communication channels and documentation procedures to facilitate transparency and accountability in our sustainability reporting process. Standardized reporting protocols and documentation requirements are established to guide employees in fulfilling their responsibilities.
- **Continuous improvement and adaptation**: Our approach to risk management and internal control is dynamic and responsive to evolving sustainability challenges and opportunities. We regularly review and update our processes in light of new developments, stakeholder feedback, and best practices in sustainability reporting.

By integrating risk management and internal controls into our sustainability reporting process, we enhance the reliability and credibility of our disclosures, strengthen stakeholder trust, and advance our commitment to sustainable business practices.

GOV-8.9 Main risks faced by Ontex

Detailed descriptions of the most significant identified risks and opportunities to Ontex are listed below, together with how the risk is managed (including any mitigation efforts currently in place or planned going forward as part of a risk mitigation plan).

These risks may impact the achievement of our strategic drivers as set out in the Strategic report section of this annual report. They are ordered by type of risk and are not arranged in order of priority.

GOV- 8.9.1 Contextual risks

Geopolitical instability and trade barriers

Ontex operates on a global scale, and, as a result, is subject to risks associated with such global operations. Existing or future instability in some of the countries in which we operate may constrain the way we do business (e.g. as a result of ambiguous legislation, unpredictability of courts or governmental bodies, or administrative hurdles). Geopolitical tensions can deteriorate trade relations and disrupt the global economic activity, which can directly and indirectly translate into Ontex's operations or general business. Our business may be materially adversely impacted by the imposition of, or increases in, tariffs or other government trade policies.

Risk management

Various stakeholders at Ontex are occupied with monitoring the macroeconomic and geopolitical situation in the regions Ontex is active in. During periodic business review meetings, an assessment of the various macroeconomic and geopolitical situations that are relevant for Ontex takes place and remedial actions are discussed.

In certain cases, our global presence may allow us to remediate local country risk to a certain extent by leveraging our other operations (e.g. producing from another location).

The implementation of tariff barriers or the heightening of existing tariffs, such as the tariffs announced (and subsequently postponed) by the U.S. Government on imports from Mexico, may have an adverse effect on our business and results of operations. Ontex has developed action plans to mitigate the impact of tariffs on imports from Mexico into the U.S., which include:

- **Diversifying Supply Chain Sources**: Exploring alternative sourcing options from countries with lower tariffs or more favorable trade agreements.
- **Optimizing Operations and Footprint**: Evaluating and adjusting Ontex's operational footprint, including local production in the U.S., to reduce import volumes.
- **Re-negotiating Contracts**: Engaging in discussions with customers and vendors to adjust pricing, terms, or other contractual aspects to account for increased costs due to higher tariffs, aiming to share the impact while maintaining relationships.

Since the beginning of Russia's military attack on Ukraine, we have defined tight conditions to our continued operation in Russia, to ensure compliance with the evolving applicable regulations on economic sanctions. This model has led to the progressive autonomation of most of our local activities in Russia within a framework defined at Group level which allows us to remain compliant with our group-wide quality, safety and IT and data security standards, as well as with our financial controls, reporting and strategic objectives. In this respect, certain intragroup services continue to be provided by Group to our Russian operations, as permitted by a governmental authorization granted by the Belgian Federal Public Service ("FPS") Economy in 2024. Such governmental authorization has a limited duration and further extensions are not guaranteed, which may lead to these intragroup services being discontinued. If our authorization to keep providing intragroup services to our Russian entities were not renewed, our Russian operations would need to procure those services independently and we would have to take certain additional measures to avoid adverse impacts on our Group operations (e.g. in the areas of IT and data security).

Competition

Across its footprint, Ontex is active in landscapes with intense competition from branded product manufacturers and retailer brand manufacturers. Action and reaction from the different players in the competitive environment may trigger market shifts and reactions, and affect Ontex's market share and margins. Furthermore, our customers frequently (re-)tender their business, which may allow Ontex to generate additional contracts but also entails the risk of contracts being lost to competitors. Ontex is also exposed to the risk that alternative products, solutions or business models meeting evolving customer needs would replace Ontex's product portfolio, which could jeopardize Ontex's position in the markets in which it operates.

Risk management

Our ambition is to be the number one partner of choice for retailer and healthcare brands. This ambition must be supported by excellence in the level of service and quality that we provide. We consistently strive to improve our cost and price competitiveness, refining our customer segmentation and driving customer centricity. Through innovation, we drive the product portfolio further aiming at continued support of customer and consumer needs. With proactive market research, we follow up and anticipate market trends and follow competitive moves.

One of our fundamental strengths lies in the diversity of our customer base. We serve clients across a wide spectrum of industries and geographies, selling products to approximately 100 countries globally. This diversified portfolio acts as a buffer against fluctuations in any single market or sector, mitigating the impact of competitive dynamics in specific regions or industries. Furthermore, we balance our customer portfolio by not being overly dependent on a handful of clients. Our top 10 customers collectively account for less than 40% of our total core business. This balanced distribution ensures that our revenue streams are not overly reliant on any single client relationship.

Laws and regulations

Unforeseen or non-identified changes to legislation or misinterpretation of existing legislation could lead to litigation or fines or increase the cost of doing business. Changes to regulations can trigger additional costs or exclusion of market segments in case of non-compliance.

Risk management

Changes to our strategy and product portfolio are increasingly exposing us to more regulated markets and product segments. Various domains in the organization are screening the regulatory landscape on a continuous basis through participation in industry fora, conferences, etc. and are responsible for creating the required awareness within the organization around such regulatory changes.

Compliance with existing regulations are enforced via our code of ethics. The code of ethics captures our values with respect to anti-competition, bribery, conflict of interests, professional conduct, human rights, sanctioned countries. Employees are periodically receiving trainings on the topics included in our code of ethics. On top of that, our suppliers are required to sign a code of conduct including labor, ethics and health and safety standards. Breaches to our code of ethics can be reported via various channels within the organization or through our (anonymous) online 'Speak Up!' Web platform.

Catastrophic damage

The risk of catastrophic damage refers to the potential for significant harm to the company's operations, assets, or personnel as a result of unexpected, large-scale events. Such events may include natural disasters (earthquakes, floods, hurricanes), man-made incidents (industrial accidents, fires,…), or other unforeseen crises that severely disrupt normal operations.

Risk management

We have implemented comprehensive risk management practices to mitigate the likelihood and impact of catastrophic events. These include:

- **Business Continuity Planning (BCP)**: Ongoing development and testing of business continuity and disaster recovery plans.
- **Insurance Coverage**: Extensive insurance policies to cover property damage, business interruptions, and liability associated with such events.
- **Emergency Response Protocols**: Regular training and drills to ensure rapid response and containment in the event of a crisis.
- **Resilience Building**: Investment in resilient infrastructure and cybersecurity enhancements to minimize potential damages.
- **Diversification of Operations**: Geographic and operational diversification to reduce the concentration of risk in any one area.

GOV- 8.9.2 Operational risks

Pricing strategy

As our raw material costs are often linked to indices, the cost of goods sold is highly dependent on the volatile evolution of those indices. Additionally, Ontex needs to manage the potential impact of inflation on other elements such as transport, labor, energy etc. Contracts relating to the purchase of raw materials may or may not include mechanisms that provide for price adjustments. Furthermore, customers may expect lower prices when inflation declines, adding another layer of complexity to Ontex's pricing strategies and market dynamics. At the same time, Ontex aims to preserve its margins by, among others, implementing continuous cost savings and operational improvements across its operations, as well as by working on innovation and product mix to deliver optimal value to its customers.

Risk management

Ontex has organized a "fast-escalation" process regarding cost inflation and pricing towards customers. This process involves pricing discussions both internally and with suppliers and customers, with the aim of introducing flexible pricing mechanisms towards its customers. Ontex's prices and margins are monitored centrally based upon continuous input collected from our sales and procurement and finance teams and include both commodity index and retail shelf-price tracking, among other measures. We continuously finetune our approach that also encompasses leveraging innovation and focusing on product mix in order to mitigate any lag between increases in the cost of raw materials and other cost changes, and the pricing that we offer to our customers.

Information security and privacy

We are increasingly reliant on IT systems and data management to run our business. There is a risk of disruption of our IT systems and that sensitive data may be compromised by leakage of information (from within our organization or by third parties), malicious cyber-attacks or technology failures. A disruption of our IT systems could affect our sales, production and cash flows, ultimately impacting our results. Unauthorized access and misuse of sensitive information could interrupt our business and/or lead to loss of our assets, impact our competitive position or investor confidence. It could also have a negative impact on our reputation.

Risk management

We remain committed to further strengthening our information security and privacy measures, recognizing and understanding the growing reliance on IT systems and the potential risks posed by cyber threats and data breaches. Our cyber teams responded adeptly to the evolving threat landscape, enhancing the capabilities of the Cyber Security Operations Centre (CSOC) and deploying advanced AI-based solutions for threat prevention and detection.

Our firm commitment to information security is demonstrated by various security related certifications and accreditations, including ISO27001, Cyber Essentials, Cyber Essentials Plus, Data Security Protection certification (DSPT), and PCI-DSS certification. Regular external auditing and IT penetration tests are aimed at ensuring the effectiveness of our security measures.

We place a strong emphasis on empowering our employees with comprehensive information security training. Our global training programs, integrating both traditional and AI-based tools, aims to increase employee awareness and readiness in effectively mitigating cyber risks.

We are focused on the key areas outlined in our long-term information security and privacy roadmap, including enhanced technology protection within plants and improved continuity through a global backup and recovery solution. We also remain vigilant for emerging threats, such as those presented by both AI and the changing geopolitical landscape.

Ontex has developed a roadmap that focuses on several areas, including significant cultural enhancement programs, supply chain security improvements, and the continued advancement of its security posture through strategic initiatives in AI technologies. We also underscore the importance of completing our ISO27001:2022 certification across all countries in which this has not yet been done.

Continuous assessment and enhancement of our security measures remain central to our strategy as we adapt to evolving market dynamics and security threats.

From a governance perspective, our information security and privacy roadmap is endorsed by the Executive Committee. As part of its monitoring of internal control and risk management processes, the Audit and Risk Committee receives periodical updates on information security and privacy risks, processes and action plans. This includes an annual comprehensive update to the Audit and Risk Committee, complemented with "ad hoc" updates as the need arises. The Audit and Risk Committee reports on these matters to the Board.

Product innovation

We face competition from manufacturers in production innovation. Rapid time-to-market is key to our competitiveness. Failure to timely generate innovative products or inadequate choice of new production methods, technology or structural redesign of our raw material components could lead to a loss of market share. It could also lead to irrecoverable research and development costs or lack of responsiveness to customer demands.

Risk management

Innovation is one of the key strategic pillars at Ontex. We strive to develop and deliver the right product and packaging innovation at the right time, inspired by customer and consumer needs, with sustainability in mind. Our innovative products stem from thorough research into market trends, customer and consumer insights, the expertise of our engineers, and above all, the creative contributions of our talented team. We also collaborate with partner organizations including leading universities, laboratories, institutes, start-ups and research organizations to make sure that we are at the forefront of change inspired by the market trends & evolution.

Product design & quality

Our reputation as a business partner relies heavily on our ability to supply quality products. In the event of quality issues, potential ramifications include adverse effects on consumer health, loss of market share, financial costs, reduced turnover, and jeopardizing Ontex's reputation.

Risk management

Risk assessments are performed for all Ontex products and are aimed at identifying and controlling risks that might affect product performance and product safety. Ontex's quality system provides tools and capabilities within the organization to evaluate and control those risks. Ontex's organization and sites work proactively by utilizing continuously inputs from customers and the market in general to improve products and processes to foresee or remedy issues that could potentially impact consumer satisfaction.

In an effective Quality Management System that represents how we systematically manage to be compliant, efficient, successful and profitable, we capture the requirements of our customers and of the various regulations applicable to us. It is an end-to-end approach looking at each of Ontex's key processes. Controls and measurements steer the process efficiency.

Collaboration with defined Single Persons of Contact (SPOC) have an important contribution to the implementation and help all Ontex people in each department to contribute to the continuous improvement process of the Quality Management System by providing training and guidance.

Sourcing: Raw material price volatility and availability

We are dependent upon the availability of raw materials for the manufacturing of our products. On average, the main raw materials and packaging costs account for between 75% and 80% of our cost of sales. Our raw materials are subject to price volatility due to a number of factors that are beyond our control, including, but not limited to, the availability of supply, general economic conditions, commodity price fluctuations and market demand.

Scarcity of supply of raw materials or transport scarcity could lead to (temporary) unavailability of resources and could affect the continuity of our supply chain. The likelihood of these events occurring is increasing due to climate changes, more stringent regulatory requirements or due to political instability.

Risk management

The continuity of our supply chain is safeguarded in numerous ways, including the following:

- for most of our resources, multiple sources are available and validated;
- we have strategic alliances with our key suppliers, resulting in long-term contracts with priority access for contractual volumes;
- flexibility of our volume allocations is built into our contracts;
- alternative materials have been validated for usage in case of shortages;
- geographical diversification of our suppliers and sources offsetting local / regional volatility;
- possibility of financial hedging of our key strategic materials; and
- natural hedging via suppliers, decoupling from indices where possible.

We will continue our focus to safeguard our production through more flexible specifications of our raw materials, a fast-track qualification process of new sources and materials and by continuing the development of our strategic alliances. We will also consider further expansion of the categories which are in scope for financial hedging and explore further opportunities to decouple pricing from indices.

Customer delivery commitments

As we have the ambition to grow our business, it will be instrumental to, in the deployment of our strategy, stay true to the volume commitments we make to our customers. If we would be unable to meet our delivery commitments due to operational disruptions, supply chain issues, labor shortages, or unforeseen external factors, this could result in financial penalties, reputational damage, and loss of future business.

Risk management

Mitigating the risk to customer commitments requires a combination of proactive planning, process optimization, and robust contingency measures:

- Ontex have and will enhance supply chain resilience by diversifying supplier base to avoid over-reliance on singly sourcing (see also previous section on Sourcing), and Ontex leverage technology to improve forecasting, planning and monitoring
- Ontex continuously invest in operational efficiency and footprint optimization in order to assure the supply commitments
- Ontex has developed and continuously maintain and test a Business Continuity Plan (see also section on Catastrophic damage)

GOV- 8.9.3 Governance risks

Sustainability risk

Ontex risks not being able to timely respond to the climate and environmental expectations and requirements from consumers, governments and other stakeholders. Ontex requires certain sensitive raw materials such as paper pulp and plastics to manufacture its products and Ontex produces disposable finished products of which the environmental impact cannot be ignored. Ontex risks losing market share if stakeholder expectations cannot be met at a competitive price. Furthermore, new regulations might increase the cost of doing business or could lead to regulatory fines or taxes.

Risk management

In 2024, Ontex's Sustainability Strategy 2030 was updated and (science-based) targets were set to address sustainability-related risks. Via the double materiality assessment we identify, prioritize and assess and set up actions in order to manage sustainability-related risks. Detailed information about the process and the outcome of the double materiality assessment can be found in the sustainability statements. Key sustainability risks for Ontex include product safety, sustainable products and packaging & climate change.

We currently do not have substantial financial impacts of climate change on our operations (scope 1-2 emissions), due to the relatively low energy usage in our plants and the climate program in place. Looking to the value chain emissions (scope 3), there might be financial impacts due to legislation. A climate scenario assessment has been conducted to understand the impacts.

We manage sustainability-related risks via different means, including:

- **Creating transparency**: sustainability data monitoring in our plants and supply chain to understand where negative environmental and social impacts (can) take place, and communicating about such impacts internally and externally.
- **Preventive actions**: environmental and social management systems in the plants, environmental and social risk assessments in our supply chain, investing in energy-efficiency, renewable on-site solar energy, carbon reductions integrated in bonus scheme, continuous monitoring of our customers' requirements, including sustainability in our product designs, etc.
- **Mitigation actions**: our sustainability-related policies and procedures describe how we deal with (potential) negative impacts. In addition, Ontex's Sustainability Strategy lays out clear targets to reduce our climate impact and work towards circular solutions, such as e.g. recycled content in packaging and offering reusable products.

The sustainability topic continues to be high on the agenda of our strategy determination and budget discussions. The following focus areas will continue in the course of 2025:

- Progressing towards our 2030 sustainability goals, focusing at reaching our science-based targets and reducing the environmental footprint of our products whilst adding value for the consumer.
- Assessing the sustainability requirements affecting Ontex and setting up implementation roadmaps in order to make sure we comply with upcoming regulations.
- Communicating sustainability performance to consumers via ecolabels and claims, to customers using carbon and plastic footprint assessments, and to investors by improving our responses to investor questionnaires and through the continuous dialogue that we maintain with investors.
- Enhancing transparency via climate scenario assessments and continuous progress on supply chain due diligence.
- Strengthening integrated governance, tools & processes to ensure prevention and management of the risks.
- Ensuring our infrastructure enables alignment with our 2030 sustainability goals, facilitated by co-operation and partnerships.

As noted in section GOV-8.3 (Risk management), the Executive Committee conducts deep-dives into certain sustainability-related topics, including climate change. These assessments delve into the potential impacts of sustainability matters, including climate change, on our operations, supply chain, and broader business environment. Our sustainability statements serve as critical references for sustainability (including climate change) risks, by providing insights into our mitigation strategies, resilience measures, and long-term sustainability goals. By incorporating sustainability (including climate change) risks into our risk management framework, we enhance our ability to proactively identify, assess, and manage emerging threats associated with sustainability matters. The Audit and Risk Committee has assumed responsibility for ESG reporting and monitoring sustainability-related risks.

More information on the different sustainability (including climate change) related risks and opportunities and the outcome of the scenario assessment can be found in the Sustainability Statements of this report.

Human capital, talent management, retention, health & safety

A skilled and motivated workforce, coupled with an agile organization, is imperative for the continued success of our business. The failure to identify, attract, develop and retain talents to satisfy current and future needs of the business may affect our ability to compete. The health and safety of our workforce is paramount to maintaining effective operations, in compliance with applicable laws, to remain an attractive employer and to avoid reputational risks. A failure to recruit and retain talent adequately, or to maintain high standards of health and safety, may result in a decline in business performance. With the increased ratio of homework, people can become disconnected, leading to underperformance or mental fatigue. Protecting and motivating our employees is crucial to safeguard their expertise and motivation.

Risk management

Ontex and its operations and HR functions are committed to creating and maintaining a healthy and safe work environment, in addition to delivering professional human resources services. This translates into initiatives in various domains:

- Various global and local initiatives to safeguard and improve mental and physical health, safety and wellbeing;
- Initiatives to better connect employees and top management cross-functionally and inform employees of the company's strategy and priorities;
- Local initiatives to create a fun working atmosphere to improve the connection and community;
- Initiatives to promote a frequent feedback culture including some local recognition initiatives;
- Initiatives to attract new talent and develop existing talent; and
- Throughout 2023 and 2024, various initiatives were and will continue to be launched to drive our PRIDE values. We have also launched Culture Pulse Surveys, which are a new way for employees to share thoughts and shape the future of our workplace culture through quarterly surveys.

The Executive Committee closely follows up on Ontex's efforts in the areas of human capital, talent management, retention and health and safety, which are regular topics on the agenda In addition, the Remuneration and Nomination Committee (which reports to the Board) is regularly updated on Ontex's efforts in these areas, both at the executive level and for the wider organization.

We refer to the 'Own workforce' section in the Sustainability Statements for more information.

Divestitures

As part of the revised strategy that we announced in December 2021, we continue to pursue our strategic options to divest our businesses in the emerging countries (Mexico, Brazil, Turkey, Algeria and Pakistan and related export markets). In 2023, we completed the sale of our Mexican business and in 2024 we completed the sale of our Algerian and Pakistani businesses and entered into a binding agreement to sell our Brazilian activities. At the start of 2025, we entered into a binding agreement to sell our Turkish activities. We expect to complete the sales of our Brazilian and Turkish businesses in the course of 2025. Each divestment process brings challenges in terms of, among others, complexity and workload for the people involved in the divestment process, employee engagement in the entities to be divested, a fairly negotiated price for the entities to be divested, risks to achieve completion of the divestments (e.g. obtaining the requisite merger clearances and satisfying other conditions precedent), as well as post-completion risk (e.g. risks of claims from acquirers or other third parties).

Risk management

For the ongoing divestments, a dedicated project team is in place which steers the various steps of the process. We are working together with reputable, international accounting and law firms and banks, which are guiding Ontex throughout this process with a view to bringing the required expertise to successfully conclude the divestments. Ontex is committed to finding suitable partners to acquire the businesses that it seeks to divest and will take the time that is needed to achieve this goal. All entities planned to be divested will continue to be treated as part of Ontex until the divestment is concluded.

The Board is competent for the monitoring and approval of matters related to Ontex's divestments, and for mergers and acquisitions (M&A) more broadly. The Board receives periodic updates on Ontex's efforts and key developments in the different divestment projects.

GOV- 8.9.4 Legal and Financial risks

Intellectual property

Although we are monitoring changes in intellectual property rights and related legal developments, we may inadvertently infringe intellectual property rights owned by third parties or applicable legislation. Also, there is a risk that Ontex fails to register or defend its intellectual property rights in a timely manner. As a potential consequence thereof, Ontex may face legal claims, be obliged to pay royalties or face other consequences that may erode its profit margins or have other negative implications for its business or reputation.

Risk management

Going hand-in-hand with innovation as one of the strategic pillars of Ontex, intellectual property is an important enabler to the Company's ability to develop and deliver the right product and packaging innovation at the right time. We complete regular third-party intellectual property rights screening and legal analyses. We also continue to grow our leading IP portfolio in the retail segment of the personal hygiene field.

Liquidity & Leverage ratio

Prior to financial year 2023, while indebtedness remained largely stable, Ontex was faced with declining results. This resulted in negative impacts on Ontex's leverage ratio and liquidity position, both of which needed to be monitored closely on a continuous basis.

Since financial year 2023, Ontex has successfully executed a transformation plan whereby profit margins have been restored and net proceeds from divestments were used to lower indebtedness. In 2024 both leverage ratio and liquidity position showed a significant headroom.

Going forward, execution of Ontex's strategy is expected to lead to further growth of profit margins and a sustainable free cash flow generation. Moreover, in September 2024, Ontex reached a binding agreement to sell its Brazilian business activities to Softys SA for which net proceeds of approximately €82 million are due at closing, which is expected during the first half of 2025.

Thanks to these improvements, S&P and Moody's upgraded their credit ratings for Ontex during 2024, acknowledging improved cash flow generation and progressive deleveraging.

Nevertheless, the risks described higher in this section on Liquidity & Leverage ratio could put pressure on the company's results. As a result, the Group's leverage ratio and liquidity remain a focus area to be closely monitored, as a negative evolution might increase the financial risk for suppliers, customers, debt providers and investors.

Risk management

Detailed reporting and monthly forecasting of our liquidity and leverage are in place. Initiatives to stimulate co-ownership of the business on working capital have been rolled out over the past years. Net sales, adjusted EBITDA, working capital and free cash flow (cash conversion cycle) are part of the incentive metrics across the organization. Those metrics are monitored by various layers in the organization through disciplined reporting and steering to assess any negative deviation from plan/forecasts and secure that intended improvement actions are being realized.

Ontex secures that it has sufficient credit facilities to finance its liquidity needs. In November 2024, Ontex entered into a new Revolving Credit Facility, with a duration of five years and an amount of up to €270 million. In the course of 2025, Ontex also aims to refinance its High-Yield Bond of €580 million that will expire mid 2026, so that it safeguards sufficient financial sources for the coming years.

GOV-9 Remuneration report

GOV-9.1 Introduction

GOV- 9.1.1 Remuneration policy

In 2024, the Company continued to apply the Remuneration Policy (2023 version) that was approved by the annual shareholders' meeting of May 5, 2023. The Remuneration Policy aims to strongly incentivize management to accelerate the realization of the Company's ongoing turnaround by further strengthening the alignment of executive rewards and shareholder returns. The key changes made to the Remuneration Policy in 2023 to achieve that aim can be summarized as follows:

- The weighing between the annual bonus amount (short-term incentive or "STI") and the long-term incentive ("LTI") of the members of the Executive Committee was rebalanced. This rebalancing is an exceptional, one-off measure for the financial years 2023 until 2025. During this period, a larger portion of the remuneration is attributed to the LTI and the STI annual bonus amount is reduced by half.
- A single, exceptional LTI grant (still consisting solely of performance stock units) was made in May 2023 that covers the financial years 2023, 2024 and 2025, and which has a single KPI, being the Company's share price.
- For the STI, the financial KPI "Cash Flow" was replaced by "Cash Conversion Cycle" to further optimize the alignment of the STI with the underlying financial performance of the Company. Moreover, the ESG KPIs (which were previously included in the LTI) were moved to the STI to stimulate short-term attention to these KPIs. By also introducing a "personal leadership multiplier" with respect to the annual bonus, the new policy incentivizes strong individual performance and leadership excellence and reinforces the focus on talent development and people impact of executives.
- By Board resolution of May 2024, the Remuneration Policy (2023 version) was revised to formalize certain non-material changes. These changes are: (i) deletion of the Chair's transformation fee, which automatically expired atter the Company's annual shareholders' meeting of May 3, 2024; and (ii) amending the termination rights in the services agreements between the members of the Executive Committee and the Company.

For more details, refer to the Remuneration Policy (2023 version, updated in May 2024) as included on the Company's website (https://ontex.com/investors/leadership).

GOV- 9.1.2 Composition of Executive Committee

In 2024, there have not been any changes to the composition of the Executive Committee.

GOV- 9.1.3 Performance highlights and remuneration outcomes

For financial year 2024, the following financial and non-financial performance results are of relevance for the 2024 STI, as detailed further in this Remuneration Report:

- Net sales for the Total Group was €2,020.3 million (compared to a target of €2,038,3 million).
- Adjusted EBITDA for the Total Group was €240.7 million (compared to a target of €250.6 million).
- Cash Conversion Cycle was 49.9 days (compared to a target of 50.9).
- Scope 1 & 2 CO_2 emissions increased by 5% (compared to a target of -0%).
- Scope 3 CO_2 emissions increased by 1.7% (compared to a target of -2.6%).
- Accidents Rate (percentage reduction in labor accidents) was reduced by -9% (compared to a target of -30%).

These financial and non-financial KPIs, together with the personal leadership multiplier (see further in this Remuneration Report), resulted in pay-outs under the STI that are above target: an average of 103,7% of target for the members of the Executive Committee. The details of the STI bonus calculation can be found in the section on the 2024 remuneration of the members of the Executive Committee (see further).

GOV- 9.1.4 2023 Remuneration report

The Company's Remuneration Report regarding financial year 2023 was approved by 95.2% of the votes cast at the annual shareholders' meeting of May 3, 2024. The Board views this as an endorsement of the Company's transparency on remuneration matters. The Board remains open to further feedback from the Company's shareholders and other stakeholders regarding the subject matter of this Report.

GOV-9.2 2024 remuneration of the directors

All members of the Board are Non-Executive Directors. During financial year 2024, each Director received an annual fixed fee, as well as attendance fees which are a function of the number of Board and committee meetings attended by such Director (except for certain ad hoc Board and Board Committee meetings for which no separate attendance fee was paid). Directors did not receive any other variable compensation, nor any fringe benefits or pension contribution payments.

During 2024, ten meetings of the Board of Directors (compared to eight in 2023), six Audit and Risk Committee Meetings (compared to seven in 2023) and four Remuneration and Nomination Committee Meetings (compared to six in 2023) took place. The aggregate remuneration of the Directors in 2024 was 6.63% lower than in 2023.

The composition of the Board underwent the following changes during 2024:

- the annual shareholders' meeting of May 3, 2024 resolved to approve the re-appointment as independent director of ViaBylity BV, with Hans Van Bylen as permanent representative, for a period which will end immediately after the annual shareholders' meeting of the Company that shall approve the Company's annual accounts for the financial year ending on December 31, 2027; and
- Paul McNulty resigned from the Board of Directors (and thus from the Audit and Risk Committee) with effect from October 1, 2024.

The remuneration paid to the Directors during the financial year 2024 is shown in the table below.

Name	Mandate	Fixed fee (€)	# Board meetings attended	Board attendance fee (€)	# R&N Committee meetings attended	R&N Committee attendance fee (€)	# A&R Committee meetings attended	A&R Committee attendance fee (€)	Total fees for 2024 (€)
ViaBylity BV, permanently represented by Hans Van Bylen	Chairman of the Board of Directors, Chairman of the Remuneration and Nomination Committee, Independent Director	272,500 [6]	10/10	5,000	4/4	5,000	6/6	2,500	350,000
Ebrahim Attarzadeh	Non-Executive Director	60,000	10/10	2,500	4/4	2,500	N/A	N/A	92,500
Inge Boets BV, permanently represented by Inge Boets	Chairwoman of the Audit and Risk Committee, Independent Director	70,000	10/10	2,500	N/A	N/A	6/6	5,000	117,500
Michael Bredael	Non-Executive Director	60,000	10/10	2,500	N/A	N/A	5/6	2,500	93,750
Isabel Hochgesand	Independent Director	60,000	10/10	2,500	3/4	2,500	N/A	N/A	90,000
HVV GmbH, permanently represented by Jesper Hojer	Non-Executive Director	60,000	10/10	2,500	4/4	2,500	N/A	N/A	92,500
MJA Consulting BV, permanently represented by Manon Janssen	Independent Director	60,000	10/10	2,500	4/4	2,500	N/A	N/A	92,500
Paul McNulty	Independent Director	45,000	7/7 [7]	2,500	N/A	N/A	3/3 [8]	2,500	67,500
Rodney Olsen	Non-Executive Director	60,000	10/10	2,500	N/A	N/A	6/6	2,500	95,000

[6] The fixed fee for ViaBylity BV, permanently represented by Hans Van Bylen, includes an annual transformation fee of €12,500 provided for in the Company's Remuneration Policy, which expired at the Company's annual shareholders' meeting of 3 May 2024 and is included in ViaBylity BV's fixed fee on a prorated basis.

[7] Paul McNulty resigned from the Board of Directors with effect from October 1, 2024.

[8] Paul McNulty resigned from the Audit and Risk Committee with effect from October 1, 2024.

GOV-9.3 2024 remuneration of the members of the executive committee

GOV- 9.3.1 Introduction

As described in the introduction to this Remuneration Report, there were no changes to the composition of the Executive Committee in 2024.

GOV- 9.3.2 Total remuneration summary

The total remuneration paid to the CEO and the other members of the Executive Committee in respect of financial year 2024 is summarized in the table below (all amounts in €):

Name	Fixed remuneration		Variable remuneration		Extra-ordinary items	Pension expense	Total remuneration
	Base salary	Other benefits	One-year variable	Multi-year variable			
Calvo Paz, Gustavo (Chief Executive officer)	900,000	87,978	491,400	-	-	187,920	1,667,298
Other members of the Executive Committee	2,885,286	569,644	837,303	167,804 [9]	-	354,252	4,814,289

The relative share of the different remuneration components in the total remuneration is shown below.

Total remuneration	CEO	Other
Fixed remuneration as % of total remuneration	71%	79%
Variable remuneration as % of total remuneration	29%	21%
Extraordinary remuneration as % of total remuneration	0%	0%

Fixed remuneration

Base remuneration

In line with the Company's Remuneration Policy, the base remuneration of the CEO and the other members of the Executive Committee is aligned with a benchmark representing the median compensation for a European peer group of personal and household goods companies. The base remuneration remained unchanged, in line with the Company's Remuneration Policy to keep the base remuneration fixed for three years (except in the event of a substantial change in responsibility, a significant change in general economic circumstances or misalignment with the median of the peer group).

Other benefits

Other benefits of the members of the Executive Committee include, among others, housing allowances, the cost of medical, life and disability insurances and the use of a company car.

Variable remuneration

One-year variable (STI)

The 2024 bonus for the CEO and the other members of the Executive Committee has been determined on the basis of a set of financial and non-financial KPIs. For the Sales and EBITDA financial KPIs, the threshold performance was set at 75% of target, with up to 100% of the target bonus earned in case of on-target performance and a maximum of 200% of the target bonus payable for a performance reaching 125% of target or more. For the Cash Conversion Cycle financial KPI, in 2024, the threshold performance was set at 97.7% of target, with up to 100% of the target bonus earned in case of on-target performance and a maximum of 200% of the target bonus payable for a performance reaching 103.9% of target or more.

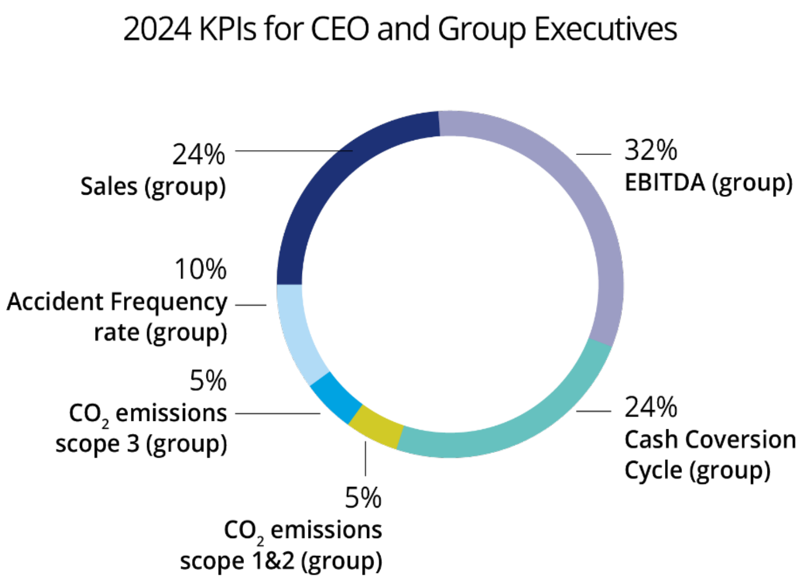
[9] The multi-year variable remuneration reflects the long-term incentive plan grants that have vested during the financial year 2024. Further detail is included further in this report.

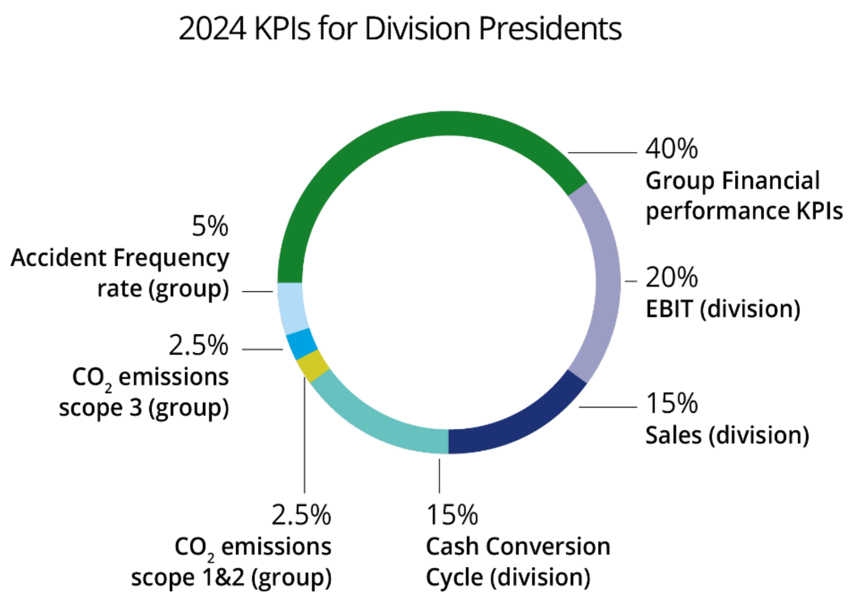
For the non-financial KPIs, the threshold, target and maximum are set annually by the Board, at its discretion and upon recommendation of the Remuneration and Nomination Committee, depending on the nature of the relevant KPI. In addition, a "personal leadership multiplier" is applied in function of the individual leadership performance and people impact of the relevant member of the Executive Committee, as explained in the Company's Remuneration Policy.

For 2024, the respective weight of the financial and non-financial KPIs was as follows:

Beneficiary	Group financial performance	Divisional performance	ESG performance
CEO and Group executives	80%	-	20%
Division Presidents	40%	50%	10%

For 2024, the specific financial and non-financial KPIs, and their respective weight, were as follows:





In addition to the CEO, the Group Executives are the Chief Financial Officer, Chief Supply Chain Officer, Chief R&D and Sustainability Officer and Chief HR and Legal Officer. The Division Presidents are the President of the Europe Division and the President of the North America Division.

KPIs, weight and targets for Group and division financial performance for 2024

The KPIs for the 2024 Group Financial Performance and 2024 Division Financial Performance were “Sales”, “EBIT(DA)” and “Cash Conversion Cycle”. These KPIs for 2024 were measured as follows:

- **“Sales”**: total revenue (at Group level for Group Financial Performance and at division level for Division Financial Performance).
- **“EBIT(DA)”**: the adjusted EBIT(DA) (Adjusted EBITDA at Group level as per the Company’s financial results in its Annual Report for Group Financial Performance and EBIT at division level for Division Financial Performance).
- **“Cash Conversion Cycle” (“CCC”)**: days sales outstanding + days inventory outstanding – days payable outstanding (at Group level for Group Financial Performance and at division level for Division Financial Performance). This KPI was measured on a monthly basis and averaged over 12 months.

At Group level, the target KPIs and actuals for 2024 were as follows:

Group performance (2024)	Net Sales (€ million)	EBITDA (€ million)	CCC (days)
Target	2,038.3	250.6	51.5
Actuals	2,020.3	240.7	49.9

Based on the target KPIs and actuals for the 2024 Group Financial Performance and 2024 Division Financial Performance, the average pay-out ratio compared to target for the members of the Executive Committee was 93% for Net Sales, 80% for EBITDA and 180% for CCC.

KPIs, weight and targets for non-financial performance for 2024

The KPIs for the 2024 Non-Financial Performance were “CO_2 Emissions (Scope 1 & 2)”, “CO_2 Emissions (Scope 3)” and “Accidents Rate”. These KPIs for 2024 were measured as follows:

- **“CO2 Emissions (Scope 1 & 2)”**: percentage reduction in Scope 1 & 2 CO_2 emissions.
- **“CO2 Emissions (Scope 3)”**: percentage reduction in Scope 3 CO_2 emissions.
- **“Accidents Rate”:** percentage reduction of labor accidents.

For 2024, the targets for the Non-Financial Performance KPIs were as follows:

- **“CO2 Emissions (Scope 1 & 2)”**: reduction by 0% (as a result of a switch to non-renewable electricity at Ontex’s plants in Noginsk and Sydney, the effort to maintain the same level of CO_2 Emissions (Scope 1 & 2) in 2024 as in 2023 required a 10% reduction in the remainder of Ontex’s operations).
- **“CO2 Emissions (Scope 3)”**: reduction by 2.6%.
- **“Accidents Rate”:** reduction by 30%.

Group performance (2024)	CO_2 emissions Scope 1 & 2	CO_2 emissions Scope 3	Accident frequency
Target	0.0%	-2.6%	-30%
Actuals	5.0%	1.7%	-9%

KPIs, weight and targets for personal leadership multiplier for 2024

For 2024, the personal leadership performance assessment led to an outcome on a five-point scale, with a multiplier effect on the annual bonus amount as follows:

Leadership Performance	Multiplier effect
1 (did not meet expectations)	x0.50 (-50%)
2 (partially met expectations)	x0.80 (-20%)
3 (fully met expectations)	x1.00 (=)
4 (often exceeded expectations)	x1.10 (+10%)
5 (consistently exceeded expectations)	x1.20 (+20%)

Based on the abovementioned financial and non-financial KPIs and personal leadership multiplier, the CEO received an aggregate bonus of €491,400 for financial year 2024. The aggregate bonus amount paid to the other members of the Executive Committee for financial year 2024 amounted to €837,303.

The annual bonus of each member of the Executive Committee is subject to a claw-back (without time limitation) in case the Company's financial results would have to be materially restated as a result of the fraud, willful misconduct or gross negligence of such member.

Multi-year variable (LTI)

Long-term Incentive vesting in 2024

The table below shows the performance stock units ("PSUs"), restricted stock units ("RSUs") and stock options which were granted in 2021 and which vested in 2024. The value of the performance stock units is calculated by multiplying the number of performance stock units vested by the share price at noon on the date of the vesting.

Name	Date		At vest		Performance share units		Restricted share units		Stock Options	
	of grant	of vesting	Share price (€)	Payout %	# vested	Value at vest (€)	# vested	Value at vest (€)	# vested	Value at vest (€)
De Poorter, Annick	27/05/2021	28/05/2024	8.95	31.9%	6,791	60,779	-	-	-	-
Deroo, Jonas	27/05/2021	28/05/2024	8.95	31.9%	4,829	43,220	-	-	-	-
Laurent Nielly	27/05/2021	28/05/2024	8.95	31.9%	7,129	63,805	-	-	-	-

For the performance stock units under the 2021 Performance Share Plan, the combined targets (EPS, relative TSR, Labor Accident Frequency and CO2 emissions), generated a payout of 32% at vesting.

Extra-ordinary items and pension expenses

Extra-ordinary items

There were no extra-ordinary items in 2024.

Pension expenses

The pension expenses include the contributions paid by the Company in 2024 to a defined contribution pension plan (or an equivalent cash allowance) for the benefit of the CEO and the members of the Executive Committee, for a total amount of €542,172. More details on the pension expenses to the CEO and the other members of the Executive Committee are summarized in section 9.3.2 (Total Remuneration Summary).

GOV- 9.3.3 Share-based remuneration

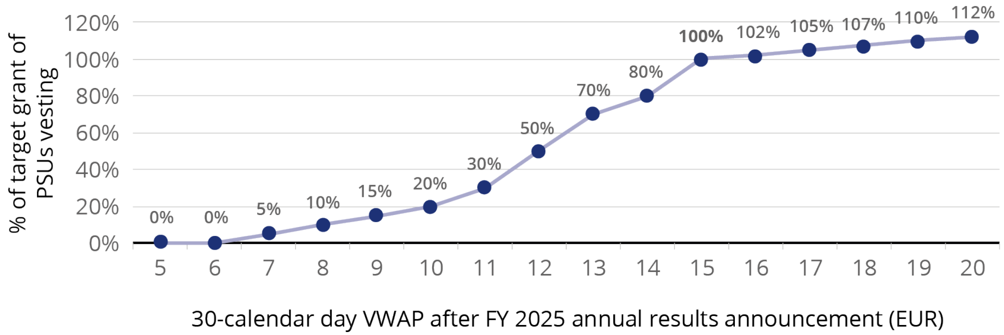
VCP LTIP grant

As provided in the Company's Remuneration Policy, between January 1, 2023 and December 31, 2025, the Company's regular annual long-term incentive program is temporarily suspended for the CEO and the other members of the Executive Committee (as well as for certain other members of the Company's senior management). Instead, in 2023, the CEO and other members of the Executive Committee received a one-time special grant of performance stock units covering financial years 2023, 2024 and 2025 under the Company's special 2023-2025 "Value Creation Projects" Long-Term Incentive Plan (the "VCP LTIP")). The grant price for the performance stock units under the VCP LTIP was €6.8931 (i.e. the 30 days volume-weighted average price of the Company's shares on Euronext Brussels as of March 27, 2023).

The performance stock units issued by the Company under the VCP LTIP vest subject to a performance test and continued engagement over the three-year vesting period. The vesting of the performance stock units is subject to a single performance KPI, being the share price of the Company. The calculation of the share price for such performance testing shall occur once, after the end of the three-year period, and shall be calculated as the 30-calendar day volume-weighted average price (VWAP) of a share in the Company after the public announcement by the Company of the full-year annual results for the financial year that ends on 31 December 2025.

It is required that a threshold performance is reached before any vesting will occur. As of that threshold, the vesting increases on a scale that reaches 100% for an on-target performance and a maximum of 112% for a stretch level of performance. The target and thresholds for the VCP LTIP are as follows:

VCP LTIP vesting curve



At vesting of the performance stock units under the VCP LTIP, the Company shall deliver to beneficiaries either existing shares of the Company, newly issued shares of the Company or a combination of both. As the default option, the Board has foreseen that the shares to be delivered upon vesting under the VCP LTIP will be newly issued shares. The Board may however elect to deliver (in full or in part) existing shares instead of newly issued shares. To deliver newly issued shares, the Board may make use of the authorized capital, which allows the Board, within the limits set by Belgian law and the authorization granted by the shareholders' meeting, to increase the Company's capital without further shareholder approval. On December 2, 2024, the Company launched a share buy-back program with a view to acquiring shares that will contribute to meeting the Company's obligations under its current and future long-term incentive plans (including the VCP LTIP).

The table below provides the details of the VCP LTIP grant for the CEO and the other members of the Executive Committee.

Executive Committee Member	Position	Number of PSUs awarded and accepted	Award date	Vesting date
Calvo Paz, Gustavo	Chief Executive Officer	1,005,668	27/03/2023	08/05/2026
De Poorter, Annick	Chief Innovation and Sustainability Officer	293,854	27/03/2023	08/05/2026
Deroo, Jonas	Chief HR and Legal Officer & Secretary General	299,430	27/03/2023	08/05/2026
Peeters, Geert	Chief Financial Officer	292,466	01/12/2023	08/05/2026
Querzoli, Marco	Chief Supply Chain Officer	348,174	11/09/2023	08/05/2026
Nielly, Laurent	President Europe division	327,762	27/03/2023	08/05/2026
Wood, Paul	President North America division	375,595	27/03/2023	08/05/2026

Overview of share-based remuneration for the CEO and other members of the Executive Committee

The tables below set out the opening and closing balances, as well as movements during the year 2024, in share-based remuneration for the CEO and the other members (or former members) of the Executive Committee.

Since 2021, members of the Executive Committee are required to hold on to at least 50% of the long-term incentive instruments when they vest until they have acquired a shareholding representing two times (for the CEO) or equal to (for other members of the Executive Committee) their annual base remuneration. Furthermore, once this threshold has been crossed, members of the Executive Committee will be required to maintain such minimum shareholding throughout their executive tenure.

The KPIs for the Performance Share units(PSUs) grant of 2022, which are subject to a three year vesting period, are Adjusted Basic EPS (50%), Relative TSR (30%), CO2 Emissions (10%) and Labor Accident Frequency (10%). Vesting for each of the KPIs is between 0 and 200%.

The sole KPI for the Performance Share units(PSUs) grant of 2023 is share price (100%).

Beneficiary	Plan type	Main conditions of the Stock Option plan				Information for the reported financial year											
						Opening balance		During the year								Closing balance	
		Grant date	Vesting date	Exercise period	Strike price (€)	Vested	Un-vested	# awarded	Value awarded (€)	# vested	Value vested (€)	# exercised	Value exercised (€)	# forfeited	Value forfeited (€)	Vested	Un-vested
De Poorter, Annick	SOP 2017	11/05/2017	12/05/2020	8 years	33.11	9,316	-	-	-	-	-	-	-	-	-	9,316	-
	SOP 2018	29/05/2018	30/05/2021	8 years	23.56	17,931	-	-	-	-	-	-	-	-	-	17,931	-
	SOP 2019	13/06/2019	14/06/2022	8 years	14.00	16,125	-	-	-	-	-	-	-	-	-	16,125	-
	SOP 2020	28/05/2020	31/05/2023	8 years	13.90	24,717	-	-	-	-	-	-	-	-	-	24,717	-
Deroo, Jonas	SOP 2017	11/05/2017	12/05/2020	8 years	33.11	1,995	-	-	-	-	-	-	-	-	-	1,995	-
	SOP 2018	29/05/2018	30/05/2021	8 years	23.56	3,376	-	-	-	-	-	-	-	-	-	3,376	-
Nielly, Laurent	SOP 2017	11/05/2017	12/05/2020	8 years	33.11	13,734	-	-	-	-	-	-	-	-	-	13,734	-
	SOP 2018	29/05/2018	30/05/2021	8 years	23.56	19,212	-	-	-	-	-	-	-	-	-	19,212	-
	SOP 2019	13/06/2019	14/06/2022	8 years	14.00	18,878	-	-	-	-	-	-	-	-	-	18,878	-
	SOP 2020	28/05/2020	31/05/2023	8 years	13.90	19,031	-	-	-	-	-	-	-	-	-	19,031	-

"Value awarded" is obtained by multiplying the number of options awarded by the value of the option at grant.

"Value vested" is obtained by multiplying the number of options vested by the difference between the exercise price and the share price at vesting, if positive.

"Value exercised" is obtained by multiplying the number of options exercised by the difference between the exercise price and the share price at exercise, if positive.

"Value forfeited" is obtained by multiplying the number of options forfeited by the difference between the exercise price and the share price at the time of forfeiture, if positive.

Beneficiary	Plan	Main conditions of the Performance Share plan			Information for the reported financial year							
					Opening balance	During the year						Closing balance
		Performance period	Grant date	Vesting data	Unvested	# awarded	Value awarded (€)	# vested	Value vested (€)	# forfeited	Value forfeited (€)	Unvested
Calvo Paz, Gustavo	PS 2023	2023-2025	08/05/2023	08/05/2026	1,005,668	-	-	-	-	-	-	1,005,668
De Poorter, Annick	PS 2021	2021-2023	27/05/2021	29/05/2024	21,293	-	-	6,791	60,779	14,502	131,823	-
	PS 2022	2022-2024	10/03/2022	10/03/2025	33,613	-	-	-	-	-	-	33,613
	PS 2023	2023-2025	08/05/2023	08/05/2026	293,854	-	-	-	-	-	-	293,854
Deroo, Jonas	PS 2021	2021-2023	27/05/2021	29/05/2024	15,138	-	-	4,829	43,220	10,309	93,709	-
	PS 2022	2022-2024	10/03/2022	10/03/2025	23,896	-	-	-	-	-	-	23,896
	PS 2023	2023-2025	08/05/2023	08/05/2026	299,430	-	-	-	-	-	-	299,430
Nielly, Laurent	PS 2021	2021-2023	27/05/2021	29/05/2024	22,353	-	-	7,129	63,805	15,224	138,386	-
	PS 2022	2022-2024	10/03/2022	10/03/2025	35,286	-	-	-	-	-	-	35,286
	PS 2023	2023-2025	08/05/2023	08/05/2026	327,762	-	-	-	-	-	-	327,762
Peeters, Geert	PS 2023	2023-2025	01/12/2023	08/05/2026	292,466	-	-	-	-	-	-	292,466
Querzoli, Marco	PS 2023	2023-2025	11/09/2023	08/05/2026	348,174	-	-	-	-	-	-	348,174
Wood, Paul	PS 2023	2023-2025	08/05/2023	08/05/2026	375,595	-	-	-	-	-	-	375,595

"Value awarded" is obtained by multiplying the number of performance stock units awarded by the closing share price on the date preceding the grant.

"Value vested" is obtained by multiplying the number of performance stock units vested by the share price at 12PM on the date of the vesting.

"Value forfeited" is obtained by multiplying the number of performance stock units forfeited by the closing share price on the date of forfeiture.

GOV-9.4 Remuneration and performance evolution over the last 5 years

The table below sets out the evolution of the remuneration of the Directors, the CEO and the other members of the Executive Committee, the average remuneration of the other employees, as well as the Revenue and Adjusted EBITDA performance of the Company (on a consolidated basis) at reported currencies.

Remuneration (€)		2020	2021	2022	2023	2024
Remuneration directors		1,384,408	1,356,500	1,663,417	1,173,750	1,091,250
	Year-on-year change [10]	+74%	-2%	+23%	-29%	-8%
Remuneration CEO		6,779,690	1,588,121	3,945,342	1,769,154	1,667,298
	Year-on-year change [11]	+164%	-77%	+148%	-55%	-6%
Remuneration other Executives		7,827,523	6,635,885	5,289,606	6,032,993	4,814,289
	Year-on-year change [12]	-14%	-15%	-20%	+14%	-20%
Reported revenue	Year-on-year change	-9%	-3%	+22%	+10%	+2.0%
Reported adjusted EBITDA	Year-on-year change	-4%	-27%	-21%	+65%	+12.8%
Reported cash conversion cycle	Year-on-year change				New KPI	-5.3 days
Remuneration average employee		38,944	34,884	39,986	26,646	31,073
	Year-on-year change [13]	-2%	-10%	+14%	-33%	+17%

Remuneration in the table above includes the total remuneration as defined in sections 9.2 (2024 Remuneration of the Directors) and 9.3.2 (Total Remuneration Summary). In addition to the financial KPIs, the variable remuneration of members of the Executive Committee is set based on non-financial KPIs and a personal leadership multiplier (see section 9.3.2.). Revenue and Adjusted EBITDA are as per financial communications. The average employee remuneration represents the total remuneration paid to all employees of Ontex in 2024, divided by the average total number of employees during 2024.

The 2024 ratio of the total remuneration of the CEO versus the total remuneration of the lowest remunerated employee (located in Brazil) is 1,171. For the calculation of this ratio, the remuneration includes fixed remuneration, variable remuneration as well as employee benefits on a full-time equivalent (FTE) basis. It excludes employer contributions for social security and extra-ordinary payments, because of their non-recurring nature.

[10] The decrease in the remuneration of the Directors compared to 2023 is explained mainly by the expiry of the Chair's annual transformation fee provided at the shareholders' meeting of May 3, 2024 and the resignation of Paul McNulty from the Board with effect from October 1, 2024.

[11] The year-on-year change reported from 2023 to 2024 is -8%, which is mainly explained by a reduced STI pay-out in 2024 compared to 2023.

[12] The year-on-year decrease is explained, among others, by a decrease in the extra-ordinary items paid out to members of the Executive Committee compared to 2023.

[13] The year-on-year increase is mainly explained by perimeter changes as a result of the sale of our businesses in Pakistan and Algeria in the course of 2024.

GOV-9.5 2025 remuneration outlook

In 2025, the Company will continue to apply the Remuneration Policy that was approved by the annual shareholders' meeting of May 5, 2023, subject to certain changes that will be proposed to the shareholders' meeting of May 5, 2025. These changes will include (i) the proposed introduction of a restricted stock units (RSU) plan for members of the Board (in accordance with the recommendation in the 2020 Corporate Governance Code that non-executive board members should receive part of their remuneration in the form of shares in the company) (ii) certain proposed changes to provide more flexibility regarding the financial and non-financial KPIs of the annual bonus and the award of exceptional bonuses or retention schemes, and (iii) certain proposed changes to the VCP LTIP.

This revised Remuneration Policy will continue to aim to strongly incentivize management to continue the acceleration of the realization of the Company's ongoing turnaround. For 2025, this means, among other things, the following for the members of the Executive Committee:

- In terms of long-term variable remuneration (LTI), an LTI plan (consisting solely of performance stock units) was issued in May 2023 that covers the financial years 2023, 2024 and 2025, and which has a single KPI, being the Company's share price. This LTI plan does not include a grant in 2025.
- In terms of short-term variable remuneration (STI) for 2025, the financial and non-financial KPIs, their respective weight and targets, and the multiplier effect of the "personal leadership multiplier" have been set by the Board, upon recommendation of the Remuneration and Nomination Committee.

The Board has set the different targets and pay-out curves in alignment with the Company's strategic and operational priorities for 2025, as follows:

- Targets for Financial Performance – As the targets for Financial Performance for the 2025 STI are commercially sensitive, these will not be disclosed upfront. They will however be disclosed in next year's remuneration report, along with actual results for financial year 2025.
- Targets for Non-Financial Performance – The targets for Non-Financial Performance for the 2025 STI will be as follows:
  - "CO2 Emissions (Scope 1 & 2)": reduction by 3.8% compared to 2024 level;
  - "CO2 Emissions (Scope 3)": reduction by 2.6% compared to 2024 level; and
  - "Accidents Rate": reduction by 30% compared to 2024 level.
- Personal Leadership Multiplier – Finally, the personal leadership multiplier for the 2025 STI will be the same as for the 2024 STI (as detailed above).

Consolidated financial statements

For the financial years ended December 31, 2024 and 2023

FIN-1 Statement of the Board of Directors

The Board of Directors of Ontex Group NV certifies in the name and on behalf of Ontex Group NV, that to the best of their knowledge,

- 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 Ontex Group NV and of the entities included in the consolidation;
- the annual review presents a fair overview of the development and the results of the business and the position of Ontex Group 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.

The amounts in this document are represented in millions of euros (€ million), unless noted otherwise.

Due to rounding, numbers presented throughout these consolidated financial Statements may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

FIN-2 General information

FIN-2.1 Corporate information

The consolidated financial statements of Ontex Group NV for the year ended December 31, 2024 were authorized for issue in accordance with a resolution of the Board of Directors on March 14, 2025.

FIN-2.2 Business activities

Ontex is a leading international provider of personal hygiene solutions, with expertise in baby care, feminine care and adult care. Ontex's innovative products are distributed in more than 110 countries through leading retailer brands, lifestyle brands and Ontex brands. Employing approximately 7,000 passionate people all over the world, Ontex has a presence in 14 countries, with its headquarters in Aalst, Belgium.

FIN-2.3 History of the Group

Ontex was founded in 1979 by Paul Van Malderen and initially produced mattress protectors for the Belgian institutional market. During the 1980s and the first half of the 1990s, the Company expanded its product range into its current core product categories and grew the business internationally both organically and through acquisitions.

After opening a production facility in the Czech Republic and acquiring businesses in Belgium, Germany and Spain, Ontex was listed on Euronext Brussels in 1998. Following the listing, Ontex experienced rapid growth over several years, primarily through bolt-on acquisitions in France, Germany and Turkey.

Ontex was acquired by funds advised by Candover in 2003 and subsequently de-listed from Euronext Brussels. Ontex acquired a diaper production unit of Paul Hartmann in Germany in 2004 and opened a production facility in China in 2006. The activities in China have been stopped in the meantime. In 2008, we opened a production facility in Algeria. In 2010, Ontex acquired iD Medica, which sells incontinence products in Germany.

In 2010, Ontex was acquired by funds managed by GSCP and TPG. In 2011, Ontex opened two additional production facilities, one in Australia and one in Russia, and acquired Lille Healthcare, a company operating in the adult incontinence market in France. In 2013, Ontex acquired Serenity, a company operating in the adult incontinence market in Italy, and opened a production facility in Pakistan.

In June 2014, Ontex Group NV successfully listed its shares on the Euronext Brussels exchange and trades under the ticker 'ONTEX'.

In February 2016, Ontex acquired Grupo Mabe, a leading Mexican manufacturer of disposable personal hygiene products.

In March 2017, Ontex acquired the personal hygiene business of Hypermarcas (renamed to "Ontex Brazil").

In July 2017 Ontex opened a production plant in Ethiopia for the manufacturing of baby diapers that are specifically meeting the needs of African families.

In February 2019, Ontex opened a production plant in Radomsko, Poland to support its Central European business.

In July 2020, Ontex acquired the US feminine hygiene assets from Albaad Massuot Yitzhak Ltd. in Rockingham County to further develop the North American business.

In December 2021, Ontex announced its reviewed strategy to focus on its partner and healthcare brands business, which is concentrated in Europe and North America, and thereby is pursuing alternative strategic solutions for its mainly own brand focused businesses in the Emerging Markets of Central and South America, as well as the Middle East and Africa. This strategy was formalized and reflected in the Company's financial statements beginning of 2022.

In July 2022, Ontex entered into a binding agreement to sell its Mexican and related export activities to Softys S.A., marking a milestone in the transformation of Ontex. The transaction was completed in May 2023.

In August 2023, Ontex announced that it had reached an agreement for the sale of its business activities in Algeria to Hygianis SPA. In September 2023, Ontex announced that it had reached an agreement with ASAIA Holding FZ for the divestment of its business activities in Pakistan. Both transactions were completed in the first half of 2024.

In September 2024, Ontex entered into a binding agreement to sell its Brazilian business activities to Softys S.A. The transaction is expected to be completed in the first half of 2025. In February 2025, Ontex announced that it had entered into a binding agreement to sell its Turkish subsidiary to Dilek Grup, with an expectation to complete the transaction in the third quarter of 2025.

FIN-2.4 Legal status

Ontex Group NV is a limited-liability company incorporated as a "*naamloze vennootschap*" ("NV") under Belgian law with company registration number 0550.880.915. Ontex Group NV has its registered office at Korte Keppestraat 21, 9320 Erembodegem (Aalst), Belgium. The shares of Ontex Group NV are listed on the regulated market of Euronext Brussels.

FIN-3 Consolidated financial statements

FIN-3.1 Consolidated statement of financial position

Assets		December 31	
in € million	Note	2024	2023
Non-current Assets			
Goodwill	9	799.4	796.0
Intangible assets	9	33.8	32.6
Property, plant and equipment	10	497.6	461.5
Right-of-use assets	11	100.9	105.2
Deferred tax assets	19	27.6	11.7
Non-current receivables	13	11.1	29.0
		1,470.4	**1,436.1**
Current Assets			
Inventories	12	292.9	252.8
Trade receivables	13	204.1	206.1
Prepaid expenses and other receivables	13	67.2	63.5
Current tax assets	19	3.3	4.9
Derivative financial assets	5.1	6.3	5.1
Cash and cash equivalents	14	56.9	97.2
Assets classified as held for sale	8	259.3	296.1
		890.2	**925.7**
Total assets		**2,360.6**	**2,361.7**

Equity and liabilities		December 31	
in € million	Note	2024	2023
Equity attributable to owners of the company			
Share capital & premium	15	1,208.0	1,208.0
Treasury shares		(31.0)	(32.3)
Cumulative translation reserves		(242.6)	(246.8)
Retained earnings and other reserves		(8.7)	(26.8)
Total equity		**925.7**	**902.0**
Non-current liabilities			
Employee benefit liabilities	18	13.4	14.9
Interest-bearing debts	17	667.1	671.8
Deferred tax liabilities	19	16.0	19.9
Other payables		2.0	1.0
		698.5	**707.5**
Current liabilities			
Interest-bearing debts	17	53.1	141.1
Derivative financial liabilities	5.1	2.0	5.4
Trade payables	20	440.1	370.5
Accrued expenses and other payables	20	21.1	20.6
Employee benefit liabilities	18	45.3	41.0
Current tax liabilities	19	31.8	27.0
Provisions	21	38.3	10.0
Liabilities related to assets classified as held for sale	8	104.6	136.6
		736.3	**752.2**
Total liabilities		**1,434.8**	**1,459.7**
Total equity and liabilities		**2,360.6**	**2,361.7**

The accompanying notes are an integral part of the audited consolidated financial statements.

FIN-3.2 Consolidated income statement

		Full Year	
in € million	Note	2024	2023
Revenue	**6**	**1,860.5**	**1,794.7**
Cost of sales	25	(1,316.7)	(1,327.3)
Gross Profit		**543.8**	**467.4**
Distribution expenses	25	(207.0)	(190.5)
Sales and marketing expenses	25	(81.9)	(81.5)
General administrative expenses	25	(96.3)	(85.6)
Other operating income/(expenses), net	23-25	(10.1)	(6.6)
Income and expenses related to changes to Group structure	24	(61.9)	(10.3)
Income and expenses related to impairments and major litigations	24	(10.8)	(4.6)
Operating profit/(loss)		**75.8**	**88.3**
Finance income	26	4.2	7.0
Finance costs	26	(49.1)	(57.6)
Net exchange differences relating to financing activities	26	(6.5)	5.5
Net finance cost		(51.4)	(45.1)
Profit/(loss) before income tax		**24.3**	**43.2**
Income tax expense	27	(3.4)	(16.3)
Profit/(loss) for the period from continuing operations		**20.9**	**26.9**
Profit/(loss) for the period from discontinued operations	8	(10.7)	7.9
Profit/(loss) for the period		**10.3**	**34.8**
Profit/(loss) attributable to:			
Owners of the parent		10.3	34.8
Profit/(loss) for the period		**10.3**	**34.8**

Earnings per share

in €	Note	Full Year 2024	2023
For continuing operations			
Basic earnings per share	16	0.26	0.33
Diluted earnings per share	16	0.25	0.32
For continuing and discontinued operations			
Basic earnings per share	16	0.13	0.43
Diluted earnings per share	16	0.12	0.42
Weighted average number of ordinary shares outstanding during the period		81,178,171	81,105,045

The accompanying notes are an integral part of the audited consolidated financial statements.

FIN-3.3 Consolidated statement of comprehensive income

in € million	Note	Full Year 2024	2023
Profit/(loss) for the period		**10.3**	**34.8**
Other comprehensive income/(loss) for the period, after tax:			
Remeasurements of defined benefit plans		0.2	(1.9)
Deferred tax on items that will not be reclassified subsequently to income statement		(0.0)	0.5
Items that will not be reclassified subsequently to income statement, net of tax		**0.1**	**(1.4)**
Exchange differences on translating foreign operations		4.2	7.3
Fair value remeasurements - Cash flow hedge	5.1	7.5	0.1
Deferred tax on items that will be reclassified subsequently to income statement		(1.0)	(0.2)
Items that will be reclassified subsequently to income statement, net of tax		**10.7**	**7.1**
Other comprehensive income/(loss) for the period, net of tax		**10.8**	**5.7**
Total comprehensive income/(loss) for the period		**21.1**	**40.5**
Total comprehensive income/(loss) attributable to:			
Owners of the parent		21.1	40.5
Total comprehensive income/(loss) for the period		**21.1**	**40.5**

The accompanying notes are an integral part of the audited consolidated financial statements.

FIN-3.4 Consolidated statement of changes in equity

	Attributable to equity holders of the Company										
							Other reserves				
in € million	Number of shares	Share capital	Share Premium	Treasury shares	Cumulative translation reserves	Retained earnings	Defined benefit plans	Cash flow hedge	Share-based payments	Other	Total Equity
Balance at December 31, 2023	**82,347,218**	**795.2**	**412.8**	**(32.3)**	**(246.8)**	**(322.8)**	**2.0**	**(2.5)**	**11.5**	**285.0**	**902.0**
Transactions with owners at the level of Ontex Group NV:											
Share-based payments	-	-	-	-	-	3.0	-	-	0.7	-	3.7
Settlement of share-based payments	-	-	-	2.5	-	-	-	-	(0.9)	(1.6)	-
Share buy-back program	-	-	-	(1.1)	-	-	-	-	-	-	(1.1)
Descope	-	-	-	-	-	(0.2)	0.2	-	-	-	(0.0)
Total transactions with owners	**-**	**-**	**-**	**1.3**	**-**	**2.8**	**0.2**	**0.0**	**(0.1)**	**(1.6)**	**2.6**
Comprehensive income:											
Profit/(loss) for the period	-	-	-	-	-	10.3	-	-	-	-	10.3
Other comprehensive income/(loss)	-	0.0	(0.0)	-	4.2	0.0	0.1	6.5	-	-	10.8
Balance at December 31, 2024	**82,347,218**	**795.2**	**412.7**	**(31.0)**	**(242.6)**	**(309.7)**	**2.3**	**4.0**	**11.4**	**283.4**	**925.7**

in € million	Number of shares	Share capital	Share Premium	Treasury shares	Cumulative translation reserves	Retained earnings	Defined benefit plans	Cash flow hedge	Share-based payments	Other	Total Equity
	Attributable to equity holders of the Company						Other reserves				
Balance at December 31, 2022 [1]	**82,347,218**	**795.2**	**412.8**	**(34.2)**	**(254.1)**	**(361.6)**	**3.4**	**(2.3)**	**13.2**	**286.1**	**858.4**
Transactions with owners at the level of Ontex Group NV:											
Share-based payments	-	-	-	-	-	4.0	-	-	(1.0)	0.1	3.1
Settlement of share-based payments	-	-	-	1.9	-	-	-	-	(0.8)	(1.2)	(0.0)
Total transactions with owners	**-**	**-**	**-**	**1.9**	**-**	**4.0**	**0.0**	**0.0**	**(1.7)**	**(1.1)**	**3.1**
Comprehensive income:											
Profit/(loss) for the period	-	-	-	-	-	34.8	-	-	-	-	34.8
Other comprehensive income/(loss)	-	-	-	-	7.3	(0.0)	(1.4)	(0.2)	-	-	5.7
Balance at December 31, 2023	**82,347,218**	**795.2**	**412.8**	**(32.3)**	**(246.8)**	**(322.8)**	**2.0**	**(2.5)**	**11.5**	**285.0**	**902.0**

The shareholding of Ontex Group NV based on the declarations, received in the period up to December 31, 2024, is as follows:

Shareholder	December 31, 2024	% [2]
Groupe Bruxelles Lambert SA	16,454,453	19.98%
ENA Investment Capital LLC	12,411,999	15.07%
The Pamajugo Irrevocable Trust	2,722,221	3.64%
Mr. Joannes G.H.M. Niessen and Mont Cervin SARL	2,517,540	3.06%
BPCE SA, Natixis SA, Natixis Investment Managers, NIM Participations 3 and DNCA Finance	2,491,966	3.03%

The accompanying notes are an integral part of the audited consolidated financial statements.

[1] The impact of hyperinflation for both non-monetary and monetary items is presented in cumulative translation reserves as of 2023. The figures per December 31, 2022 have been restated, having a reclassification impact of €47.8 million between retained earnings and cumulative translation reserves.

[2] At the time of the transparency declaration

FIN-3.5 Consolidated statement of cash flows

The amounts below include both continuing and discontinued operations. For details regarding the discontinued operations, see note FIN-4.8.

		Full Year	
in € million	Note	2024	2023
Cash flows from operating activities			
Profit/(loss) for the period		10.3	34.8
Adjustments for:			
Income tax expense		9.7	21.9
Depreciation and amortization		74.1	70.7
Impairment losses and items relating to investing activities		32.4	18.9
Provisions (including employee benefit liabilities)		32.5	5.5
Change in fair value of financial instruments		(4.0)	4.8
Net finance cost		57.9	53.9
Changes in working capital:			
Inventories		(45.4)	17.2
Trade and other receivables and prepaid expenses		(16.3)	(52.9)
Trade and other payables and accrued expenses		70.8	0.1
Current employee benefit liabilities		4.0	6.6
Cash from operating activities before taxes		**226.0**	**181.4**
Income taxes paid		(10.3)	(20.8)
Net cash generated from operating activities		**215.7**	**160.6**
Cash flows from investing activities			
Purchases of property, plant and equipment and intangible assets		(112.4)	(96.5)
Proceeds from disposal of property, plant and equipment and intangible assets		0.2	15.8
Proceeds from divestments, net of cash disposed and transaction costs	8-13	10.3	199.6
Net cash generated from / (used in) investing activities		**(101.9)**	**119.0**

in € million	Note	Full Year 2024	Full Year 2023
Cash flows from financing activities			
Proceeds from borrowings	17	67.4	121.9
Repayment of borrowings	17	(184.7)	(385.8)
Interests paid		(37.6)	(50.8)
Interests received		7.2	4.4
Other costs of financing		0.9	(3.3)
Realized foreign exchange (losses)/gains on financing activities		0.1	7.1
Derivative financial assets		(1.5)	(3.2)
Net cash generated from / (used in) financing activities		**(148.1)**	**(309.8)**
Net increase : (decrease) in cash and cash equivalents		**(34.3)**	**(30.3)**
Effects of exchange rate changes on cash and cash equivalents		(9.7)	(10.2)
Cash and cash equivalents at the beginning of the period		168.3	208.7
Cash and cash equivalents at the end of the period		**124.2**	**168.3**
of which presented as part of Assets classified as held for sale	8	67.3	71.1

The accompanying notes are an integral part of the audited consolidated financial statements.

FIN-4 Notes to the consolidated financial statements

FIN-4.1 Summary of significant accounting policies

FIN-4.1.1 Introduction

The accounting policies used to prepare the consolidated financial statements for the period from January 1, 2024 to December 31, 2024 are consistent with those applied in the audited consolidated financial statements for the year ended December 31, 2023 of Ontex Group NV. The accounting policies have been consistently applied to all the periods presented.

FIN-4.1.2 Basis of preparation

These consolidated financial statements of the Ontex Group NV for the year ended December 31, 2024 have been prepared in compliance with IFRS ("International Financial Reporting Standards") as adopted by the European Union. These include all IFRS standards and IFRIC interpretations issued and effective as at December 31, 2024. The new standards, amendments to standards and interpretations that are mandatory for the first time for the financial year beginning January 1, 2024, did not have a significant impact. No new standards, amendments to standards or interpretations were early adopted.

These financial statements are prepared on an accrual basis and on the assumption that the entity is in going concern and will continue in operation in the foreseeable future.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Group accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note FIN-4.4.

IFRS accounting standards to be adopted as from 2024 and onwards

The following relevant new standards and amendments to existing standards have been published and endorsed by the European Union and are mandatory for the first time for the financial periods beginning on or after January 1, 2024:

Amendments to IAS 1 *Presentation of Financial Statements: Classification of Liabilities as current or non-current* affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. They:

- Clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
- Clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services;
- Clarify how conditions with which an entity must comply within 12 months after the reporting period, such as covenants, affect the corresponding liability's classification.

Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures: Supplier Finance Arrangements*. The amendment describes the characteristics for which reporters will have to provide additional disclosures regarding the impact of supplier finance arrangements on liabilities, cash flows and exposure to liquidity risk.

Amendments to IFRS 16 *Leases: Lease Liability in a Sale and Leaseback*. The amendments explain how an entity accounts for a sale and leaseback after the date of the transaction, specifically where some or all the lease payments are variable lease payments that do not depend on an index or rate. They state that, in subsequently measuring the lease liability, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that relates to the right of use it retains.

Any gains and losses relating to the full or partial termination of a lease continue to be recognized when they occur as these relate to the right of use terminated and not the right of use retained.

The above-mentioned standards did not have an impact on the financial statements.

Relevant IFRS accounting pronouncements to be adopted as from 2025 onwards

A number of new standards, amendments to existing standards and annual improvement cycles have been published and are mandatory for the first time for reporting periods beginning on or after January 1, 2025 and have not been early adopted. Those which may be the most relevant to the Ontex Group's consolidated financial statements are set out below,.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (effective January 1, 2025). IAS 21 previously did not cover how to determine exchange rates in case there is long-term lack of exchangeability and the spot rate to be applied by the company is not observable. The narrow scope amendments add specific requirements on:

- determining when a currency is exchangeable into another and when it is not;
- determining the exchange rate to apply in case a currency is not exchangeable;
- additional disclosures to provide when a currency is not exchangeable.

Amendments to IFRS 9 and to IFRS 7: *the Classification and Measurement of Financial Instruments* (effective on January 1, 2026). On May 30, 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement environment, social and governance (ESG) targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

Amendments to IFRS 9 and to IFRS 7: *Contracts Referencing Nature-dependent Electricity* (effective on January 1, 2026). On December 18, 2024, the IASB issued amendments to IFRS 9 and IFRS 7:

- clarify the application of the 'own-use' requirements;
- permit hedge accounting if these contracts are used as hedging instruments; and
- new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

IFRS 18 *Presentation and Disclosure in Financial Statements* (effective on January 1, 2027). The IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

IFRS 18 will apply for reporting periods beginning on or after January 1, 2027 and also applies to comparative information. The changes in presentation and disclosure required by IFRS 18 might require system and process changes.

The above-mentioned amendment to IAS 21 is not expected to have a significant impact on the consolidated financial statements. The impact of the amendments to IFRS 9 and IFRS 7 as well as the standard IFRS 18 still needs to be assessed.

Financial reporting in hyperinflationary economies

In 2022, the Turkish economy faced further high inflation resulting in the three-year cumulative inflation of Turkey to exceed 100%, thereby triggering the requirement to transition to hyperinflation accounting as prescribed by IAS 29 Financial Reporting in Hyperinflationary Economies. IAS 29 requires to report the results of the company's operations in Turkey as if these were highly inflationary as of January 1, 2022. The standard is applied as of 2022, and has been consistently applied in 2023 and 2024, except for the impact on equity which is fully presented in the cumulative translation reserves as of 2023.

Under IAS 29, the non-monetary assets and liabilities stated at historical cost, the equity and the income statement of subsidiaries operating in hyperinflationary economies are restated for changes in the general purchasing power of the local currency applying a general price index. These re-measured accounts are used for conversion into euro at the period closing exchange rate. As a result, the statement of financial position and net results of subsidiaries operating in hyperinflation economies are stated in terms of the measuring unit current at the end of the reporting period.

FIN-4.1.3 Consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. Control is established when the Group is exposed, or has the rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration agreement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired, liabilities assumed and contingent liabilities assumed in a business combination are measured initially at their fair values at acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary in the case of a bargain purchase, the difference is recognized directly in the income statement.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated but considered an impairment indicator of the asset transferred.

Transactions with non-controlling interests

The Group treats the transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of the net assets of the subsidiary is recorded in equity. Gains and losses on disposal to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

FIN-4.1.4 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets 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.

The goodwill recognized in the statement of financial position is allocated to three Cash-Generating Units (CGUs). These CGUs are Europe, Russia and North America. They represent the lowest level within the entity at which the goodwill is monitored for internal management purposes.

FIN-4.1.5 Foreign currencies

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in euro, which is the Group's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Foreign exchange gains and losses that relate to interest-bearing debts and cash and cash equivalents are presented in the income statement within 'Net finance cost'. All other foreign exchange gains and losses are presented in the income statement within 'Other operating income/(expenses), net'.

For the purpose of presenting consolidated financial statements, assets and liabilities of the Group's foreign operations are translated at the closing rate at the end of the reporting period. Items of income and expense are translated at the monthly average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions), and equity items are translated at historical rates. The resulting exchange rate differences are recognized in other comprehensive income and accumulated in a separate component of equity.

The principal exchange rates that have been used are as follows:

Currency	December 31			
	2024		2023	
	Closing Rate	Av Rate Year	Closing Rate	Av Rate Year
AUD	1.6772	1.6399	1.6263	1.6285
BRL	6.4253	5.8268	5.3618	5.4016
CZK	25.1850	25.1189	24.7240	24.0007
GBP	0.8292	0.8466	0.8691	0.8699
MXN	21.5504	19.8249	18.7231	19.1897
PLN	4.2750	4.3057	4.3395	4.5421
RUB	122.4011	100.8206	100.0297	92.6806
DZD	141.4406	145.5379	148.6338	147.5233
USD	1.0389	1.0821	1.1050	1.0816

FIN-4.1.6 Intangible assets

An intangible asset is recognized on the statement of financial position when the following conditions are met: (1) the asset is identifiable, i.e. either separable (if it can be sold, transferred, licensed) or it results from contractual or legal rights; (2) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group; (3) the Group can control the resource; and (4) the cost of the asset can be measured reliably.

Intangible assets are carried at acquisition cost (including the costs directly attributable to the transaction) less any accumulated amortizations and less any accumulated impairment losses.

Within the Group, internally generated intangibles represent IT projects and product/process development projects.

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 following criteria are met:

- it is technically feasible to complete the project so that it will be available for use
- management intends to complete the project and use or sell it
- there is an ability to use or sell the project
- it can be demonstrated how the project will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the project are available, and
- the expenditure attributable to the project during its development can be reliably measured.

The Group's systems allow a reliable measure of expenses directly attributable to the different IT and product/process development projects.

Research expenditure and development expenditure that do not meet the criteria above are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Externally acquired software is carried at acquisition cost less any accumulated amortization and less any accumulated impairment loss.

Maintenance costs as well as the costs of minor upgrades whose objective is to maintain (rather than increase) the level of performance of the asset are expensed as incurred.

Borrowing costs that are directly attributable to the acquisition, construction and or production of a qualifying intangible asset are capitalized as part of the cost of the asset.

Intangible assets are amortized on a systematic basis over their useful life, using the straight-line method. The applicable useful lives are:

Intangible assets	
Brands	20 years
IT implementation costs	5 years
Capitalized development costs	3 to 5 years
Licenses	3 to 5 years
Acquired concessions, patents, know-how, and other similar rights	5 years

Amortization commences only when the asset is available for use.

FIN-4.1.7 Property, plant and equipment

Property, plant and equipment are carried at acquisition cost less any accumulated depreciation and less any accumulated impairment loss. Acquisition cost includes any directly attributable cost of bringing the asset to working condition for its intended use. Borrowing costs that are directly attributable to the acquisition, construction and/or production of a qualifying asset are capitalized as part of the cost of the asset.

Expenditure on repair and maintenance which serve only to maintain, but not increase, the value of fixed assets is charged to the income statement. However, expenditure on major repair and major maintenance, which increases the future economic benefits that will be generated by the fixed asset, is identified as a separate element of the acquisition cost. The cost of property, plant and equipment is broken down into major components. These major components, which are replaced at regular intervals and consequently have a useful life that is different from that of the fixed asset in which they are incorporated, are depreciated over their specific useful lives. In the event of replacement, the component is replaced and removed from the statement of financial position, and the new asset is depreciated up until the next major repair or maintenance.

The depreciable amount is allocated on a systematic basis over the useful life of the asset, using the straight-line method. The depreciable amount is the acquisition cost, less residual value, if any. The applicable useful lives are:

Property, plant and equipment	
Land	N/A
Land improvements and buildings	30 years
Plants, machinery and equipment	10 to 15 years
Furniture and vehicles	4 to 8 years
Other tangible assets	5 years
IT equipment	3 to 5 years

The useful life of the machines is reviewed regularly. Each time a significant upgrade is performed, such upgrade extends the useful life of the machine. The cost of the upgrade is added to the carrying amount of the machine and the new carrying amount is depreciated prospectively over the remaining estimated useful life of the machine.

FIN-4.1.8 Leases

The Group leases several properties, machinery, vehicles and IT equipment. Leases are recognized as a right-of-use asset and corresponding liability at the date of which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (less any lease incentives),
- variable lease payments that are based on an index or rate,
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or the Group's incremental borrowing rate, i.e. the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which 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.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- an estimate of the costs related to the dismantling and removal of the underlying asset.

If it is reasonably certain that the Group will exercise a purchase option, the asset shall be depreciated on a straight-line basis over its useful life (see note FIN-4.1.7). In all other circumstances the asset is depreciated on a straight-line basis over the shorter of the useful life of the asset or the lease term.

For short-term leases (lease term of 12 months or less) or leases of low-value items (mainly IT equipment and small office furniture) to which the Group applies the recognition exemptions available in IFRS 16, lease payments are recognized on a straight-line basis as an expense over the lease term.

Some property leases contain variable payment terms that are linked to the use of the property (mainly warehouses). Variable lease payments that depend on the use are recognized in profit or loss in the period in which the condition that triggers those payments occurs.

FIN-4.1.9 Impairment of non-financial assets, other than goodwill

Intangible assets with indefinite useful lives and intangible assets not yet available for use are not subject to amortization, but are tested annually for impairment.

Other assets which are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

FIN-4.1.10 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises the production costs, like raw materials, direct labor, and also the indirect production costs (production overheads based on normal operating capacity). Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Spare parts held by the Group are classified as property, plant and equipment if they are expected to be used in more than one period and if they are specific to a single machine. If they are not expected to be used in more than one period or if they can be used on several machines, they are classified as inventory. For the spare parts classified as inventory, the Group uses write-down rules based on the economic use of these spare parts.

FIN-4.1.11 Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. For a sale to be highly probable, management should be committed to a plan to sell the asset (or disposal group), an active program to locate a buyer and complete the plan should be initiated, the asset (or disposal group) should be actively marketed at a price which is reasonable in relation to its current fair value, the sale should be expected to be completed within one year from the date of classification, and actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

A disposal group is a group of assets to be disposed of, by sale or otherwise, together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction. The group includes goodwill acquired in a business combination if the group is a cash-generating unit to which goodwill has been allocated, or if it is an operation within such a cash-generating unit.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Any excess of the carrying amount over the fair value less costs to sell is recognized as an impairment loss. Depreciation of such assets is discontinued as from their classification as held for sale. Prior period consolidated statements of financial position are not restated to reflect the new classification of a non-current asset (or disposal group) as held for sale.

A discontinued operation is a component of the Group which the Group has disposed of or which is classified as held for sale, and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

FIN-4.1.12 Revenue recognition

Ontex Group's core activity is the sale of goods with as only performance obligation the delivery of goods. As such, the Group recognizes revenue at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. The Group sells its products to its customers directly, through distributors or agents. This can result in a different moment to recognize revenue. Following delivery to distributors, the distributor has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when selling the goods and bears the risks of obsolescence and loss in relation to the goods.

Next to the sale of goods, distinct services – mainly customer training or customer assistance services – are rendered predominantly over the period that the corresponding goods are sold to the customer. Transportation (shipping) is not be considered as a separate performance obligation as control over the goods is only transferred to the customer after the shipment.

Payment terms can differ depending on the customer, based on the credit risk and prior payment behavior of the customer. In addition, the geographical location of the company and the customer have an effect on the payment terms. There are no significant financing components in the transaction prices and the considerations are paid in cash.

Customer contracts include trade discounts or volume rebates, which are granted to the customer if the delivered quantities exceed a certain threshold. In these cases, the transaction price includes a variable consideration. The effect of the variable consideration on the transaction price is taken into account in revenue recognition by estimating the probability of the realization of the discount or rebate for each contract. Furthermore, the estimated variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved (constraining the variable consideration). Furthermore, the Group considers all payments made to customers and whether these are related to the revenue generated from the customer.

A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

FIN-4.1.13 Financial assets

The Group classifies its financial assets in the following categories: financial assets at fair value and financial assets at amortized cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition.

Regular purchases and sales of financial assets are recognized on the trade date – the date on which the Group commits to purchase or sell an asset.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets (such as loans, trade and other receivables, cash and cash equivalents) are subsequently measured at amortized cost using the effective interest method, less any impairment if they are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Trade and other receivables after and within one year are recognized initially at fair value and subsequently measured at amortized cost, i.e. at the net present value of the receivable amount, using the effective interest rate method, less allowances for impairment.

The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortized cost. For trade receivables, the Group applies the simplified approach permitted by IFRS 9 *Financial Instruments*, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

The amount of the allowance is deducted from the carrying amount of the asset and is recognized in the income statement within 'Sales and marketing expenses'.

Trade receivables are no longer recognized when (1) the rights to receive cash flows from the trade receivables have expired, (2) the Group has transferred substantially all risks and rewards related to the receivables.

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

FIN-4.1.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

FIN-4.1.15 Share capital

Ordinary shares are classified as equity. Where any Group company purchases the company's equity share capital (treasury shares), the consideration paid is deducted from equity attributable to owners of the company until the shares are cancelled or reissued. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Financial instruments are either classified as financial liabilities or equity. The financial instrument is included in equity if, and only if, the instrument does not include a contractual obligation to deliver cash or another financial asset or to exchange financial assets or liabilities under conditions that are potentially unfavorable to the Group, and if the instrument will or may be settled in a fixed number of the Group's own equity instruments.

FIN-4.1.16 Government grants

Grants from governments are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to property, plant and equipment are deducted from the acquisition cost of the assets to which they relate and are credited to the income statement on a straight-line basis over the expected lives of the related assets.

FIN-4.1.17 Employee benefits

Short-term employee benefits

Short-term employee benefits are recorded as an expense in the income statement in the period in which the services have been rendered. Any unpaid compensation is included in 'Employee benefit liabilities' in the statement of financial position.

Post-employment benefits

Group companies operate various pension schemes. Most of the schemes are unfunded. Some schemes are funded through payments to insurance companies or pension funds, determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise.

Past-service costs are immediately recognized in the income statement. The net interest cost relating to the defined benefit plans is recognized within financial expenses.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Long-term employee benefits

Unfunded obligations arising from long-term benefits are provided for using the projected unit credit method.

Termination benefits

Early termination obligations are recognized as a liability when the Group is 'demonstrably committed' to terminating the employment before the normal retirement date. The Group is 'demonstrably committed' when, and only when, it has a detailed formal plan for the early termination without realistic possibility of withdrawal. Where such benefits are long term, they are discounted using the same rate as above for defined benefit obligations.

FIN-4.1.18 Share-based payments

The Group operates an equity settled share-based compensation plan, consisting of stock options (hereafter 'options') (until 2020), restricted stock units ('RSU') (until 2020) and performance stock units ('PSU') (exclusively since 2021). For grants of options, RSU's and PSU's, the fair value of the employee services received is measured by reference to the fair value of the shares or options granted on the date of the grant. The Group recognizes the fair value of the services received in exchange for the grant of the options as an expense and a corresponding increase in equity on a straight-line basis over the vesting period. The fair value of the options granted is determined using option pricing models, which take into account the exercise price of the option, the share price at date of grant of the option, the risk-free interest rate, the expected volatility of the share price over the life of the option and other relevant factors. Vesting conditions included in the terms of the grant are not taken into account in estimating fair value except where those terms relate to market conditions. Non-market vesting conditions are considered by adjusting the number of shares or options included in the measurement of the cost of employee services so that ultimately the amount recognized in the income statement reflects the number of vested shares or options.

At each statement of financial position date, the entity revises its estimates of the number of instruments that are expected to become exercisable and recognizes the impact of revision of original estimates, if any, in the income statement and a corresponding adjustment to equity over the remaining vesting period.

When the instruments are exercised, the proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

The social security contributions payable in connection with the grant of the instruments is considered an integral part of the grant itself, and the charge will be treated as a cash-settled transaction.

FIN-4.1.19 Provisions and contingent liabilities

Provisions are recognized when (1) the Group has a present legal or constructive obligation as a result of past events; (2) it is probable that an outflow of resources will be required to settle the obligation; and (3) the amount has been reliably estimated. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as finance cost.

If the Group has an onerous contract, it will be recognized as a provision. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognized for future operating losses.

A provision for restructuring is only recorded if the Group demonstrates a constructive obligation to restructure at the statement of financial position date. The constructive obligation should be demonstrated by: (a) a detailed formal plan identifying the main features of the restructuring; and (b) raising a valid expectation to those affected that it will carry out the restructuring by starting to implement the plan or by announcing its main features to those affected.

Contingent liabilities are disclosed when there is a possible obligation depending on the occurrence of an uncertain event, or when there is a present obligation but the payment is not probable or the amount cannot be reliably measured.

FIN-4.1.20 Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries operate and generate taxable income. In line with paragraph 46 of IAS 12 *Income taxes*, management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. This evaluation is made for tax periods open for audit by the competent authorities.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

However, the deferred tax is not recognized for:

- the initial recognition of goodwill; and
- the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax is recognized on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax liabilities are generally recognized for taxable temporary differences.

Deferred tax assets are generally recognized for tax losses and tax attributes to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred taxes are calculated at the level of each fiscal entity in the Group. The Group is able to offset deferred tax assets and liabilities only if the deferred tax balances relate to income taxes levied by the same taxation authority.

FIN-4.1.21 Financial liabilities

Financial liabilities (including borrowings and trade and other payables) are classified as at amortized cost, except for derivative instruments (see FIN-4.1.22 below).

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

When a financial liability measured at amortized cost is modified without this resulting in derecognition, a gain or loss is recognized in profit or loss. The gain or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate.

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

FIN-4.1.22 Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate, foreign exchange rate and commodity price risks, including foreign exchange forward contracts, commodity hedging contracts and interest rate CAP's and SWAP's.

Derivatives are accounted for in accordance with IFRS 9. Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

The fair values of various derivative instruments are disclosed in note FIN-4.5. The full fair value of a derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

If no hedge accounting is applied, the Group recognizes all gains or losses resulting from changes in fair value of derivatives in the consolidated income statement within Other operating income/expense to the extent that they relate to operating activities and within Net finance cost to the extent that they relate to the financing activities of the Group (e.g. interest rate swaps relating to the floating rate borrowings).

FIN-4.1.23 Hedge accounting

The Group designates certain hedging instruments, which include derivatives in respect of foreign currency risk and commodities, as cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of 'cash flow hedging reserve'. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss and is included in the 'other operating income/(expense)' line item.

Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item is recognized in profit or loss, in the same line of the consolidated income statement as the recognized hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognized in other comprehensive income and accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss.

FIN-4.1.24 Operating segments

The Group's activities are in one segment. There are no other significant classes of business, either singularly or in aggregate. The chief operating decision maker, the Board of Directors, reviews the operating results (defined as Adjusted EBITDA) and operating plans, and make resource allocation decisions on a company-wide basis; therefore, the Group operates as one segment.

FIN-4.1.25 Statement of cash flows

The cash flows of the Group are presented using the indirect method. This method reconciles the movement in cash for the reporting period by adjusting net profit of the year for any non-cash items and changes in working capital, and identifying investing and financing cash flows for the reporting period.

FIN-4.2 Alternative performance measures

Alternative performance measures (non-GAAP) are used in the financial communication of the Group since management believes that they are widely used by certain investors, securities analysts and other interested parties as supplemental measure of performance and liquidity. The alternative performance measures may not be comparable to similarly titled measures of other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results, our performance or our liquidity under IFRS.

FIN-4.2.1 EBITDA adjustments

Income and expenses classified under the heading “EBITDA adjustments” are those items that are considered by management not to relate to transactions, projects and adjustments to the value of assets and liabilities taking place in the ordinary course of activities of the Company. EBITDA adjustments are presented separately, due to their size or nature, so as to allow users of the consolidated financial statements of the Company to get a better understanding of the normalized performance of the Company. EBITDA adjustments relate to:

- acquisition- and divestment-related expenses;
- changes to the measurement of contingent considerations in the context of business combinations;
- changes to the Group structure, business restructuring costs, including costs related to the liquidation of subsidiaries and the closure, opening or relocations of factories;
- impairment of assets and major litigations.

EBITDA adjustments of the Group for the years ended December 31 are composed of the following items presented in the consolidated income statement and can be reconciled in note FIN-4.24:

- income/(expenses) related to changes to Group structure; and
- income/(expenses) related to impairments and major litigations.

FIN-4.2.2 Adjusted EBITDA

Adjusted EBITDA is defined as earnings before net finance cost, income taxes, depreciations and amortizations (commonly called EBITDA) plus EBITDA adjustments. The adjusted EBITDA margin is the adjusted EBITDA divided by revenue.

Adjusted EBITDA reconciliation of the Group for the years ended December 31 are as follows:

	Full Year					
	2024			2023		
in € million	Continuing Operations	Discontinued Operations	Total Group	Continuing Operations	Discontinued Operations	Total Group
Revenue	**1,860.5**	**306.9**	**2,167.4**	**1,794.7**	**546.8**	**2,341.5**
Operating profit/(loss)	75.8	2.1	77.9	88.3	22.3	110.6
Depreciation and amortization	74.1	0.0	74.1	70.7	0.0	70.7
EBITDA	**149.9**	**2.1**	**152.0**	**159.0**	**22.3**	**181.3**
EBITDA adjustments	72.7	27.1	99.9	14.9	27.1	42.0
Adjusted EBITDA	**222.6**	**29.2**	**251.9**	**173.9**	**49.4**	**223.3**
Adjusted EBITDA margin	*12.0%*	*9.5%*	*11.6%*	*9.7%*	*9.0%*	*9.5%*

Further information on the EBITDA adjustments can be found in note FIN-4.24 for the continuing operations and note FIN-4.8 for the discontinued operations.

FIN-4.2.3 Net financial debt/LTM Adjusted EBITDA ratio (Leverage)

Net financial debt is calculated by adding short-term and long-term debt and deducting cash and cash equivalents. LTM adjusted EBITDA is defined as EBITDA excluding EBITDA adjustments for the last twelve months (LTM). Net financial debt/LTM Adjusted EBITDA ratio of the Group for the years ended December 31 are as follows:

	December 31					
	2024			2023		
in € million	Continuing Operations	Discontinued Operations	Total Group	Continuing Operations	Discontinued Operations	Total Group
Non-current interest-bearing debts	667.1	10.9	678.0	671.8	15.3	687.0
Current interest-bearing debts	53.1	5.2	58.3	141.1	5.4	146.5
Cash and cash equivalents	(56.9)	(67.3)	(124.2)	(97.2)	(71.1)	(168.3)
Net financial debt	**663.3**	**(51.2)**	**612.0**	**715.7**	**(50.4)**	**665.3**
Adjusted EBITDA (LTM) [3]	222.6	25.7	248.3	173.9	30.7	204.6
Leverage ratio			*2.46*			*3.25*

[3] The LTM Adjusted EBITDA (LTM) in the full year 2024 excludes the €3.5 million contribution of the Algerian and Pakistani activities, which were sold in the first half of 2024. The LTM Adjusted EBITDA (LTM) in the full year 2023 excludes the €18.7m contribution of the Mexican activities which were sold in May 2023

FIN-4.2.4 Free Cash Flow

Free cash flow is defined as net cash generated from operating activities (as presented in the consolidated cash flow statement, i.e. including income taxes paid) less capital expenditures (Capex, defined as purchases of property, plant and equipment and intangible assets), less repayment of lease liabilities and including cash (used in)/from disposal, less financing cash flows, i.e. interests paid and received, and other financing cash flows (Other costs of financing, realized foreign exchange (losses)/gains on financing activities and derivative financial assets).

Free Cash Flow of the Group for the years ended December 31 is as follows:

	Full Year	
in € million	2024	2023
Operating profit/(loss)	75.8	88.3
Depreciation and amortization	74.1	70.7
EBITDA	**149.9**	**159.0**
EBITDA from discontinued Operations	2.1	22.3
Non-cash items and items relating to investing and financing activities	61.0	29.1
Change in working capital		
Inventories	(45.4)	17.2
Trade and other receivables and prepaid expenses	(16.3)	(52.9)
Trade and other payables and accrued expenses	70.8	0.1
Employee benefit liabilities	4.0	6.6
Cash from operating activities before taxes	**226.0**	**181.4**
Income taxes paid	(10.3)	(20.8)
Net cash generated from operating activities	**215.7**	**160.6**
Capex	(112.4)	(96.5)
Cash (used in)/from on disposal	0.2	15.8
Repayment of lease liabilities	(24.8)	(25.0)
Free Cash Flow before financing	**78.7**	**54.9**
Interests paid & received	(30.4)	(46.4)
Other financial cash flow	(0.4)	0.6
Free Cash Flow	**47.9**	**9.1**

FIN-4.2.5 Adjusted Basic Earnings and Adjusted Basic Earnings per Share

Adjusted Basic Earnings (or Adjusted Profit) are defined as profit for the period plus EBITDA adjustments and tax effect on EBITDA adjustments, attributable to the owners of the parent. Adjusted Basic Earnings per share are defined as Adjusted Basic Earnings divided by the weighted average number of ordinary shares. Adjusted Basic Earnings per Share for the years ended December 31 are presented in note FIN-4.16.

FIN-4.2.6 Net Working Capital

The components of our net working capital are inventories, trade receivables and prepaid expenses and other receivables plus trade payables and accrued expenses and other payables.

	December 31	
in € million	2024	2023
Inventories	292.9	252.8
Trade receivables	204.1	206.1
Prepaid expenses and other receivables	67.2	63.5
Trade payables	(440.1)	(370.5)
Accrued expenses and other payables	(21.1)	(20.6)
Total Net Working Capital	**103.0**	**131.3**

FIN-4.2.7 Alternative Performance Measures included in the Press releases and other Regulated information

Like-for-Like (LFL) revenue

Like-for-Like revenue is defined as revenue at constant currency excluding change in scope of consolidation or M&A and hyperinflation.

in € million	2023	Vol/mix	Price	Scope change	2024 LFL	Forex	2024
Continuing Operations	1,794.7	101.8	(39.2)	-	1,857.2	3.3	1,860.5
Discontinued Operations	546.8	(20.3)	1.1	(196.6)	331.0	(24.1)	306.9
Total Group	**2,341.5**	**81.5**	**(38.1)**	**(196.6)**	**2,188.2**	**(20.8)**	**2,167.4**

FIN-4.3 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide benefits for shareholders.

The Group monitors capital on the basis of the net financial debt position and its leverage. The Group's net financial debt position is calculated by adding all short and long-term interest-bearing debts and by deducting the available short-term liquidity.

The leverage is computed as the net financial debt divided by the LTM adjusted EBITDA (i.e. EBITDA plus EBITDA adjustments for the last twelve months (LTM)).

The net financial debt and leverage of the Group for the years ended December 31 are as follows:

	December 31	
in € million	2024	2023
Non-current interest-bearing debts	678.0	687.0
Current interest-bearing debts	58.3	146.5
Cash and cash equivalents	(124.2)	(168.3)
Net Financial Debt	**612.0**	**665.3**
LTM Adjusted EBITDA	248.3	204.6
Net Financial Debt/LTM Adjusted EBITDA ratio	2.46	3.25

For more information on the applicable debt covenants related to the available credit facilities, refer to note FIN-4.4.

FIN-4.4 Critical accounting estimates and judgments

The amounts presented in the consolidated financial statements involve the use of estimates and assumptions about the future. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual amounts may differ from these estimates. The estimates and assumptions that could have an impact on the consolidated financial statements are discussed below.

FIN-4.4.1 Liquidity situation

The consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities during the normal course of business.

On November 27, 2024, the Group refinanced its €242.5 million revolving credit facility, which had a maturity date in December 2025, with a new revolving credit facility that has a principal amount of €270.0 million and a maturity date in November 2029. The new revolving credit facility is subject to one financial covenant, being a leverage covenant. The leverage ratio of net financial debt over the last-twelve-months adjusted EBITDA is not to exceed 3.50 throughout all reporting periods.

Management has prepared detailed budgets and cash flow forecasts for the next years, which reflect the strategy of the Group. The Company is confident that, taking into account its available cash, cash equivalents and facilities available to the Company as committed facilities, it has sufficient liquidity to meet its present and future obligations and cover working capital needs.

The Group complied with all requirements of the loan covenants on its available credit facilities throughout the reporting period.

FIN-4.4.2 Income taxes

The Group has tax losses and other tax incentives that can be used to offset future taxable profits, mainly in Belgium, France, United States and Spain amounting to €633.8 million at December 31, 2024 (€595.1 million at December 31, 2023).

The Group has only recognized deferred tax assets on €115.4 million of tax losses and other tax incentives out of the €633.8 million mentioned above. The measurement of these deferred tax assets depends on a number of judgmental assumptions regarding the future probable taxable profits of different Group subsidiaries in different jurisdictions. These estimates are made prudently to the extent of the best current knowledge.

The Group applies significant judgement in identifying uncertainties over income tax treatments. Since the Group operates in a complex multinational environment, it assesses whether certain uncertain tax provisions should be recognized in its consolidated financial statements (based on the requirements of IFRIC 23).

The European Commission challenged Belgium's excess profit ruling (EPR) system, characterizing this system as illegal state aid. Ontex, through its Belgian subsidiary Ontex BV, had an EPR covering the years 2011-2015. Ontex has lodged an appeal against this EC Decision. The General Court has handed down its judgment on February 14, 2019 in the joint case of Belgium vs Commission and Magnetrol International vs Commission. The General Court annulled the EC Decision for the reason that the Commission erroneously considered that the excess profit exemption system constituted an aid scheme. The European Commission appealed the General Court's judgement of February 14, 2019 to the EU Court of Justice and in September 2021, the Court decided that the proceedings regarding the EPR decision must be re-opened before the General Court. The General Court judgement of September 20, 2023 upholds the EC Decision. On December 6, 2023 Ontex appealed the judgement of September 20, 2023 before the EU Court of Justice. Ontex awaits the outcome.

Furthermore, the European Commission opened individual investigations in September 2019 into each of the individual EPRs including that of Ontex, as it believes that each EPR grants illegal state aid, even if the EPR system does not constitute an aid "scheme". The formal investigation into the Ontex EPR continues and it is unclear when a final decision can be expected. Ontex will have the right to appeal against any decision that concludes the Ontex EPR grants illegal state aid. Any such appeal will take some time to be heard.

Ontex had fully taken into account the impact of the Commission's position that the EPR system is illegal state aid being successful, and the Commission concluding that the Ontex EPR grants illegal state aid in its tax position. Since the outcome of both challenges is not yet final, Ontex will not release the relevant provisions at this stage.

FIN-4.4.3 Business combinations

For business combinations, the Group must make assumptions and estimates to determine the purchase price allocation of the business being acquired. To do so, the Group must determine the acquisition-date fair value of the identifiable assets acquired and liabilities assumed. These assumptions and estimates have an impact on the asset and liability amounts recorded in the consolidated statement of financial position on the acquisition date. In addition, the estimated useful lives of the acquired property, plant and equipment, the identification of other intangible assets and the determination of the indefinite or finite useful lives of other intangible assets acquired requires significant judgments and will have an impact on the Group's profit or loss.

FIN-4.4.4 Impairment

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in note FIN-4.1.4. The outcome of these goodwill impairment tests in 2024 did not result in an impairment, nor in 2023. For more detailed information, see note FIN-4.9.

The Group identifies the following cash-generating units:

- Europe
- Russia
- North America
- As part of Assets held for sale (Brazil and Turkey). For more information, see note FIN-4.4.9 and FIN-4.8

The recoverable amounts of cash-generating units ('CGUs') have been determined based on value-in-use calculations. These calculations require the use of estimates and assumptions, including macroeconomic conditions, demand and competition in the markets where we operate, product offerings, product mix and pricing, raw materials availability and cost, direct and indirect expenses, operating margins, growth rates, capital expenditure and working capital, etc. as reflected in Ontex' financial budgets and strategic plans, as well as discount rates.

Climate-related matters

In the preparation of its impairment exercises, the Group also considers climate risks. A climate risk assessment has been conducted during 2023 and re-assessed during 2024, focusing on both physical and transition risks to better prepare the Group for and mitigate the effects of climate change.

Physical risks entail more frequent and severe adverse natural events, such as the disruption of both own operations and key suppliers' activities due to extreme weather events. Transition risks are related to changes made in response to climate change issues, such as carbon taxes and upcoming legislations, the latter are industry-related and not entity-specific.

The scenarios studied (RCP 2.6 and RCP 8.5, see Sustainability Report) are scientifically validated by the Intergovernmental Panel on Climate Change (IPCC) and represent two extreme possibilities for future greenhouse gas emissions and resulting climate change impacts. The exposure to specific climate risks integrates the likelihood of each climate risk at the specific area or location of a production site, as well as the existing solutions in place to protect production sites against such risks and also the effects on the performance of the activity. Although some production sites might already be exposed to extreme weather such as heat waves, a business continuity plan has already been developed to prevent any impact on our operations.

The climate risk assessment has also identified exposure to potential physical risks (such as wildfire) that could disrupt the supply chain related to renewable materials (pulp, cotton). To limit the exposure associated to such risks, the Group is already implementing preventive actions, with the ambition to source 100% certified materials (94% in 2024), thereby mitigating these risks.

The Group efforts to limit the exposure of transitional risks (such as carbon taxes and upcoming legislations) that the industry could face is translated into the Sustainability Strategy by

(1) having climate targets recognized by the Science Based Targets initiative (SBTi), aligning with the Paris Agreement goals;

(2) increasing the recycled content in our packaging (with the aim to reach >30% recycled or renewable content in our plastic packaging by 2025) on top of already having 100% recyclable packaging.

Although the Group has a certain exposure to different climate related risks, it was concluded that they do not have a material impact on the current impairment exercise as they only have an impact on a long term and the Group is confident that it has already taken the necessary measures or will be able to take these in order to limit the exposure to the current risks. The Group will continue to monitor climate related risks and mitigate those through a mitigation plan.

Sensitivity analysis

For more details on the impairment test performed, we refer to note FIN-4.9. The discount rates used are summarized here below:

Pre-tax discount rate	Full Year	
in %	2024	2023
Europe	9.4%	8.9%
North America	8.9%	8.1%
Russia	22.4%	18.5%

As a result of the impairment recognized in 2022 on the CGU "Russia", no goodwill is allocated anymore to this CGU.

A sensitivity analysis indicates that the recoverable amount of Europe, North America and Russia would be equal to their carrying amount if the pre-tax discount rates of the CGUs were 18.7%, 11.6% and 37.0% respectively and all other variables kept constant.

As indicated in note FIN-4.9, cash flows beyond the four-year period are extrapolated using an estimated growth rate of 2.0% for both Europe and North America. These same percentages are used as perpetual growth rates. The growth rates have been determined by management but do not exceed the current market expectations in which the two CGUs are currently operating. Should the long growth rate for the CGUs decrease by 40.0%, no impairment would need to be recognized. For Russia, no perpetual growth rate has been taken into account, given the uncertain economic environment.

Should the estimated operating margins for any of the CGUs decrease by 20.0%, no impairment would be recognized.

Future cash flows are estimates that are likely to be revised in future periods as underlying assumptions change. Key assumptions in supporting the value of goodwill include long-term interest rates and other market data. Should the assumptions vary adversely in the future, the value in use of goodwill may reduce below their carrying amounts. Based on current valuations, headroom appears to be sufficient to absorb a normal variation in the underlying assumptions.

FIN-4.4.5 Expected useful lives

The expected useful lives of the property, plant and equipment and intangible assets must be estimated. The determination of the useful lives of the assets is based on management's judgment and it is reviewed at least at each financial year-end, pursuant to IAS 16 and IAS 38.

FIN-4.4.6 Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. All derivative financial instruments are, in accordance with IFRS 7, level 2. This means valuation methods are used for which all inputs that have a significant effect on the recorded fair value are observable in the market, either directly or indirectly.

FIN-4.4.7 Employee benefits

The carrying amount of the Group's employee benefit obligations is determined on an actuarial basis using certain assumptions. One particularly sensitive assumption used for determining the net cost of the benefits granted is the discount rate. Any change to this assumption will affect the carrying amount of those obligations.

The discount rate depends on the duration of the benefit, i.e. the average duration of the engagements, weighted with the present value of the costs linked to those engagements. According to IAS 19, the discount rate should correspond to the rate of high-quality corporate bonds of similar term to the benefits valued and in the same currency.

FIN-4.4.8 Revenue recognition

For the accrual for volume discounts (to customers and from suppliers) some judgements are made on the impact of commercial decisions that will influence the final discount to be received or to be granted.

FIN-4.4.9 Discontinued operations and disposal group held for sale

Following its strategic review that was announced at the end of 2021 and formalized beginning of 2022, the Group announced that it would pursue divestment opportunities for the activities located in the "Emerging Markets". Activities in "Emerging Markets" were and are primarily driven by own brands and essentially grouped the Central and South American activities, as well as those in the Middle East and Africa.

As such, these operations have been classified as a disposal group held for sale and presented separately in the statement of financial position. The sale of the Central American activities was finalized beginning of May 2023 and as such, are no longer included in the Assets held for sale at December 31, 2023. In the first half of 2024, the sale of both the Algerian and Pakistani activities was realized, and these are therefore no longer included in the Assets held for sale at December 31, 2024.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Any excess of the carrying amount over the fair value less costs to sell is recognized as an impairment loss. On December 31, 2024, the discontinued CGUs (Assets held for Sale) are carried at their estimated fair value less cost to sell. Depreciation of such assets is discontinued as from their classification as held for sale.

FIN-4.4.10 Operations in Russia

Ontex is closely following the developments in the conflict between Russia and Ukraine as this disrupts Ontex's ability to operate in these regions. Ontex's first focus is the safety of its employees, and the Group is providing the necessary support. Ontex has sales and marketing offices in Russia and Ukraine and a manufacturing plant in Noginsk, near Moscow.

In 2024, Ontex generated €95.0 million (2023: €104.1 million) revenue in its Russian subsidiary. The fixed assets held in Russia represent €12.5 million (2023: €18.7 million) consolidated fixed assets, including mainly machinery and right-of-use assets (leased manufacturing facilities). The manufacturing and commercial operations are ongoing as the Russian Ontex operation provides essential care products, but these are significantly dependent from the supply of the necessary raw materials and resources to the local manufacturing facility.

From the start of the invasion of Ukraine by Russia, Ontex has defined tight conditions to its continued operation in Russia including an investment stop with funds not generated by the Russian operations as well as a stop on exports from Russia to other Europe entities, and the adaptation to the evolving economic sanctions and supply disruptions. The operating model evolved to ensure compliance with the evolving applicable regulations on economic sanctions. This has led to the progressive autonomation of most local activities in Russia within a framework defined by the Group, allowing to remain compliant to Ontex's standards on quality, safety as well as financial controls, reporting and objectives.

The Group already had a very limited presence in Ukraine prior to the conflict, only having a few people in commercial roles and no owned production or assets, and now maintains a minimum activity level without putting any of its employees in danger. Ontex realized a revenue of approximately €5.0 million in 2024 in Ukraine.

FIN-4.5 Financial instruments and financial risk management

FIN-4.5.1 Overview of financial instruments

The table below summarizes all financial instruments by category in accordance with IFRS 9 and discloses the fair values of each instrument and the fair value hierarchy:

	December 31, 2024			
in € million	Designated in hedge relationship	At amortized cost	Fair value	Fair value level
Non-current receivables		11.1	11.1	Level 3
Trade receivables		204.1	204.1	Level 2
Other receivables		67.2	67.2	Level 2
Derivative financial assets	6.3		6.3	
Forward foreign exchange contracts	6.3		6.3	Level 2
Cash and cash equivalents		56.9	56.9	Level 2
Assets classified as held for sale		259.3	259.3	Level 3
Total financial assets	**6.3**	**598.7**	**605.0**	
Interest-bearing debts - non-current		667.1	668.2	
Senior Notes		577.2	578.3	Level 1
Lease & other liabilities		89.9	89.9	Level 2
Derivative financial liabilities	2.0		2.0	
Forward foreign exchange contracts	2.0		2.0	Level 2
Other payables - non-current		2.0	2.0	Level 2
Interest-bearing debts - current		53.1	53.1	
Revolving Credit Facility		24.0	24.0	Level 2
Accrued interests - Other		9.3	9.3	Level 2
Lease & other liabilities		19.8	19.8	Level 2
Trade payables		440.1	440.1	Level 2
Other payables - current		21.1	21.1	Level 2
Liabilities related to assets classified as held for sale		104.6	104.6	Level 3
Total financial liabilities	**2.0**	**1,288.0**	**1,291.1**	

	December 31, 2023			
in € million	Designated in hedge relationship	At amortized cost	Fair value	Fair value level
Non-current receivables		29.0	29.0	Level 3
Trade receivables		206.1	206.1	Level 2
Other receivables		63.5	63.5	Level 2
Derivative financial assets	5.1		5.1	
Interest rate swap	4.2		4.2	Level 2
Forward foreign exchange contracts	0.9		0.9	Level 2
Cash and cash equivalents		97.2	97.2	Level 2
Assets classified as held for sale		296.1	296.1	Level 3
Total financial assets	**5.1**	**691.8**	**696.9**	
Interest-bearing debts - non-current		671.8	647.6	
Senior Notes		575.5	551.4	Level 1
Lease & other liabilities		96.3	96.3	Level 2
Derivative financial liabilities	5.4		5.4	
Forward foreign exchange contracts	5.2		5.2	Level 2
Commodity hedging contracts	0.2		0.2	Level 2
Other payables - non-current		1.0	1.0	Level 2
Interest-bearing debts - current		141.1	141.1	
Syndicated Term Loan A < 1 year		113.1	113.1	Level 2
Accrued interests - Other		9.5	9.5	Level 2
Lease & other liabilities		18.6	18.6	Level 2
Trade payables		370.5	370.5	Level 2
Other payables - current		20.6	20.6	Level 2
Liabilities related to assets classified as held for sale		136.6	136.6	Level 3
Total financial liabilities	**5.4**	**1,341.5**	**1,322.8**	

Hedge accounting

In the context of the Group's financial risk management, the Group uses derivative instruments to cover specific risks, such as foreign currency exposure, interest rate exposure and commodity price exposure. The following table presents an overview of the derivative instruments outstanding at reporting date:

	Fair value		Nominal amounts	
in € million	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Derivative financial assets	**6.3**	**5.1**	**223.5**	**237.1**
Interest rate swap	0.0	4.2	0.0	150.0
Forward foreign exchange contracts	6.3	0.9	216.5	87.1
Commodity hedging contracts	0.0	0.0	7.0	0.0
Derivative financial liabilities	**2.0**	**5.4**	**149.5**	**211.9**
Forward foreign exchange contracts	2.0	5.2	149.5	198.1
Commodity hedging contracts	0.0	0.2	0.0	13.8

The derivative instruments presented in the tables above are all designated in a cash flow hedge relationship (see below in notes FIN-4.5.3 to FIN-4.5.5). The impact on OCI of the different derivates is as follows:

OCI *in € million*	December 31, 2023	Amounts recognized in 2024	Amounts derecog-nized in 2024 (Recycled to P&L)	Total movement in 2024	December 31, 2024
Forward foreign exchange contracts	(2.7)	8.6	(1.6)	7.0	4.3
Commodity hedging contracts	(0.2)	(1.8)	2.0	0.2	(0.0)

OCI *in € million*	December 31, 2022	Amounts recognized in 2023	Amounts derecog-nized in 2023 (Recycled to P&L)	Total movement in 2023	December 31, 2023
Forward foreign exchange contracts	(9.3)	5.1	1.5	6.6	(2.7)
Commodity hedging contracts	(1.1)	(5.4)	6.3	0.9	(0.2)
Interest rate swap	7.6	0.5	(8.1)	(7.6)	0.0

The tables above do not reconcile with the Consolidated Statement of Changes in Equity as a result of the deferred tax on the derivatives included in the Other Comprehensive Income for an amount of €-0.3 million for the Total Group (2023: €0.7 million), and derivates within Assets held for sale for an amount of €-0.1 million (2023: €-0.3 million).

The fair value of a derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is exceeding 12 months and, as a current asset or liability, if the maturity of the hedged item is less than 12 months.

The fair value of the derivatives is based on level 2 inputs as defined under IFRS 7.27, meaning inputs that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The above table provides an analysis of financial instruments grouped into Levels 1 to 3 based on the degree to which the fair value (recognized on the statement of financial position or disclosed in the notes) is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of financial assets and financial liabilities are based on mathematical models that use market observable data and are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes listed redeemable notes).
- The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. Foreign currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.
- The fair values of other financial assets and financial liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.
- Level 3 liabilities: the amount has been determined based on contractual agreements.

The Group has derivative financial instruments which are subject to offsetting, enforceable master netting arrangements and similar agreements. No offsetting needed to be done per December 31, 2024 (nor 2023).

The counterparties of the outstanding derivative instruments have an A-credit rating.

FIN-4.5.2 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and commodity price risk), credit risk and liquidity risk.

There have been no changes in the risk management department since last year-end or in any risk management policies.

FIN-4.5.3 Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the British pound (GBP), the Polish zloty (PLN), the Australian dollar (AUD) and Russian ruble (RUB) in relation to sales, and the US dollar (USD) and the Czech crown (CZK) in relation to procurement. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities. The Group also has exposures to the Russian ruble (RUB), Czech crown (CZK) and Australian dollar (AUD) due to their net investments in foreign operations.

The carrying amounts of the Group's main foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Assets		Liabilities	
in € million	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
EUR	1,339.5	1,880.8	1,974.4	2,520.2
USD	223.7	187.6	266.1	188.2
MXN	66.7	91.7	66.0	97.7
PLN	48.7	84.8	11.8	51.6
GBP	29.3	79.2	2.5	51.0
RUB	26.7	37.6	3.8	3.3
AUD	11.0	19.1	1.4	12.0
CZK	7.0	13.4	1.4	12.6

The Group monitors its foreign exchange exposure closely and will enter into hedging transactions if deemed appropriate to minimize exposure throughout the Group to foreign exchange fluctuations. All hedging decisions are subject to approval of the Board of Directors. The strategy regarding FX hedges was maintained.

To manage their foreign exchange risk arising from future commercial transactions, recognized assets and liabilities, the Group uses forward exchange contracts. Foreign exchange risk arises when future commercial transactions, recognized assets and liabilities are denominated in a currency that is not the entity's functional currency. The Group treasury is responsible for optimizing the net position in each foreign currency when possible and appropriate. The Group applies hedge accounting for the hedge related transactions, the impact of the revaluation is recognized in other comprehensive income.

The Group has entered into foreign exchange forward contracts in 2024 maturing at the latest in March 2026 in order to limit volatility in the business resulting from exposures to sales in British pound, Polish zloty, Australian dollar as well as purchases in US dollar and Czech crown during 2025. Based on the hedge strategy, the foreign exchange forward contracts hedge the following forecasted exposures until December 31, 2025: for British pound (GBP) 84.1 million, for Polish zloty (PLN) 238.5 million, for Australian dollar (AUD) 27.2 million, for Czech crown (CZK) 939.7 million, for US dollar (USD) 58.5 million versus EUR and US dollar (USD) 17.1 million versus Czech crown (CZK).

The terms of the foreign currency forward contracts have been negotiated to match the terms of the highly probable forecast transactions. The Group applies hedge accounting to the foreign currency forward contracts.

The changes in the fair value of these hedging instruments, designated as effective instruments in a cash flow hedge, are recognized in OCI until the moment the transaction occurs. At the moment the transaction leads to the recognition of a trade receivable or a trade payable, this cash flow hedge reserve including the changes in fair value of the hedging instrument is included in P&L where it adjusts revenue/costs or, if the transaction leads to the recognition of a non-financial asset or non-financial liability, as an adjustment of the carrying amount of the asset and liability. Further changes in the hedging instrument are recognized in P&L together with the changes in the trade receivables or payables.

For the year ended December 31, 2024, an unrealized gain of €8.5 million (mainly Brazilian real versus EUR for €3.1 million, US dollar versus EUR for €2.7 million and Polish zloty versus EUR for €1.6 million) has been recognized in other comprehensive income, offset by an unrealized loss of €1.5 million (mainly British pound).

As of December 31, 2024, the fair value of the derivative financial asset for the foreign exchange contracts amounted to €6.3 million (2023: €0.9 million) and of the derivative financial liability amounted to €2.0 million (2023: €5.2 million).

An amount of €1.6 million was reclassified to P&L (gain) during 2024 (2023: €1.5 million loss).

The following table sets forth the impact on pre-tax profit and equity for the year of a 10% weakening/strengthening of the Euro against the reported currency for the outstanding derivative positions with all other variables held constant.

	10% weakening of the € impact on			10% strengthening of the € impact on		
	2024		2023	2024		2023
in € million	P&L	Equity	P&L	P&L	Equity	P&L
AUD	(0.2)	(1.6)	(0.2)	0.2	1.3	0.2
GBP	(1.2)	(10.0)	(1.0)	1.0	8.2	0.8
PLN	(0.5)	(5.5)	(0.7)	0.4	4.5	0.5
USD	(4.9)	4.7	1.7	4.0	(3.8)	(1.4)

FIN-4.5.4 Interest rate risk

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. Borrowings issued at fixed rate expose the Group to fair value interest rate risk. These risks are managed centrally by Group treasury taking into account the expectations of the Group with respect to the evolutions of the market rates. The Group has used interest rate swaps to manage these risks.

On November 27, 2024, the Group refinanced its €242.5 million revolving credit facility, which had a maturity date in December 2025, with a new revolving credit facility that has a principal amount of €270.0 million and a maturity date in November 2029. The credit facility bears an interest rate of EURIBOR 1 month + margin.

At December 31, 2024, there has been €24.0 million withdrawn on the Floating Rate Revolving Credit Facility, carrying an interest of EURIBOR 1 month + margin of 1.60%. In 2023, the Group had an interest rate swap in place for a notional amount of €150.0 million, but this has ended on December 8, 2024.

There was no OCI net impact for 2024 as all gains/losses were recorded within P&L during 2024. In 2023, the OCI net impact was a €7.7 million gain and €8.1 million was reclassified to P&L (gain).

FIN-4.5.5 Price risk (commodity)

The Group has some exposure to the price of oil because certain of the raw materials used in production are manufactured from oil derivatives. These include glues, polyethylene, propylene and polypropylene.

The Group also decided to continue to hedge a portion of the fluff, propylene, polypropylene, polyethylene and LDPE exposure in 2024.

Forward contracts to cover the commodity price risk are being reviewed and potentially executed monthly. Forward contracts are initiated over a future period of 12 months covering monthly expected exposure. The total notional amount hedged in 2024 was €42.8 million covering fluff (€28.3 million) and propylene (€14.5 million). The average hedged rate for 2024 was €1,765/Ton for fluff and €1,118/Ton for propylene.

The OCI net impact for 2024 was a €0.2 million loss (2023: €0.9 million loss). €2.0 million was reclassified to P&L (loss) during 2024 (2023: loss of €6.3 million).

Sensitivity of the fair value of derivative financial instruments related to commodities: at December 31, 2024, if there would be a shift of the commodity forward curve by 10% increase/decrease with all other variables held constant, pre-tax other comprehensive income for the year would have been respectively €0.7 million higher / €0.7 million lower (2023: impact was €1.4 million higher / €1.4 million lower).

FIN-4.5.6 Equity price risk

Following the issuance of options, RSU's and PSU's as share-based payment arrangements under the different long-term incentive programs ("LTIP") (refer to note FIN-4.28 for details of these programs), the Group is exposed to variations in the Group share price.

In addition, in May 2023, the Company issued a one-time grant of PSUs covering financial years 2023, 2024 and 2025 under the Company's 2023-2025 "Value Creation Projects" Long-Term Incentive Plan (the "VCP LTIP"). For further details on the VCP LTIP, please refer to the Remuneration Report, which forms part of the annual report. The VCP LTIP provides that, at vesting (in May 2026), the Company shall deliver to beneficiaries either existing shares of the Company, newly issued shares of the Company or a combination of both. As the default option, the Board has foreseen that the shares to be delivered upon vesting under the VCP LTIP will be newly issued shares. The Board may however elect to deliver (in full or in part) existing shares instead of newly issued shares. To deliver newly issued shares, the Board would make use of the authorized capital, which allows the Board, within the limits set by Belgian law and the authorization granted by the shareholders' meeting, to increase the Company's capital without further shareholder approval. Any such issuance of new shares would lead to a corresponding dilution for existing shareholders.

In December 2024, the Group launched a share buy-back program to acquire a maximum of 1.5 million shares, representing 1.8% of its issued shares. The shares acquired through the program will contribute to meeting Ontex's obligations under its current and future long-term incentive plans. The share purchases will be spread over a seven-month period, starting on December 1, 2024 and ending on June 30, 2025.

FIN-4.5.7 Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to corporate customers, including outstanding receivables and committed transactions. The Group assesses the credit quality of the customer, taking into account their financial position, past experience and other factors based on which individual risk limits are set in accordance with the limits set by business managers. Historical default rates have been below 1% for 2024 and 2023. Trade receivables are spread over different countries and counterparties and there is no large concentration with one or a few counterparties.

Refer to note FIN-4.13 for the aging of the receivables and the doubtful receivables.

All financial instruments are held at banks and financial institutions with a credit rating of at least A.

The maximum exposure to credit risk at the reporting date is the carrying amount as presented in the table above in the note FIN-4.5.1.

FIN-4.5.8 Liquidity risk

Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities (note FIN-4.17 Interest-bearing debts) at all times so that the Group does not breach borrowing limits or covenants (where applicable) on its borrowing facilities.

The table below analyzes the Group's financial liabilities (including interest payments) into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

in € million	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At December 31, 2024				
Interest-bearing debts	(44.4)	(590.6)	-	-
Lease liabilities	(25.9)	(19.8)	(43.3)	(53.5)
Trade payables	(440.1)	-	-	-
Total non-derivative financial liabilities	**(510.4)**	**(610.4)**	**(43.3)**	**(53.5)**
Forward foreign exchange contracts	(355.0)	(11.0)	-	-
Total derivative financial liabilities	(355.0)	(11.0)	-	-
At December 31, 2023				
Interest-bearing debts	(136.1)	(20.4)	(590.6)	-
Lease liabilities	(30.0)	(26.9)	(46.2)	(70.9)
Trade payables	(370.5)	-	-	-
Total non-derivative financial liabilities	**(536.6)**	**(47.3)**	**(636.8)**	**(70.9)**
Forward foreign exchange contracts	(274.5)	(10.7)	-	-
Total derivative financial liabilities	(274.5)	(10.7)	-	-

FIN-4.6 Operating segments

According to IFRS 8, reportable operating segments are identified based on the "management approach". This approach stipulates external segment reporting based on the Group's internal organizational and management structure and on internal financial reporting to the chief operating decision maker. The Group's activities are in one segment, "Hygienic Disposable Products". There are no other significant classes of business, either singularly or in aggregate. The chief operating decision maker, the Board of Directors, reviews the operating results and operating plans, and make resource allocation decisions on a company-wide basis. Therefore, the Group operates as one segment. Enterprise-wide disclosures about product sales, geographic areas and revenue from major customers are presented below:

FIN-4.6.1 Information by product group

The key product categories are:

- Baby Care products, principally baby diapers, baby pants and, to a lesser extent, wet wipes;
- Adult Care products, such as adult pants, adult diapers, incontinence towels and bed protection; and
- Feminine Care products, such as sanitary towels, panty liners and tampons.

	Full Year	
in € million	2024	2023
Adult Care	800.5	736.4
Baby Care	793.4	790.0
Feminine Care	236.6	241.3
Other	30.0	27.0
Total revenue	**1,860.5**	**1,794.7**

FIN-4.6.2 Information by country

The sales in the country of domicile of Ontex Group NV (Belgium) represent less than 3% of Ontex Revenue. Sales to countries in our top five markets are presented in the table below. The sales in all other individual countries represent less than 10% of the Group's revenue.

	Full Year	
in € million	2024	2023
United Kingdom	316.2	303.9
Italy	252.7	219.3
USA	248.9	197.2
France	188.3	190.2
Poland	173.7	167.8
Other countries	680.7	716.2
Total revenue	**1,860.5**	**1,794.7**

The following table presents an overview of the non-current assets (property, plant and equipment (PP&E), right to use assets and intangible assets) located in the main countries. Goodwill is not included in the below table as this is not monitored on a country-basis, but at the divisional level.

	December 31	
in € million	2024	2023
Belgium	133.5	123.5
Spain	89.9	72.3
Poland	87.9	83.7
United States	71.8	42.1
Mexico	56.9	68.0
Other countries	192.3	209.8
Total	**632.3**	**599.4**

FIN-4.6.3 Revenue from major customers

The Group does not have a single significant customer. In 2024 the largest customer represents 8.3% (2023: 8.5%) of the revenue. The 10 largest customers represent 37.9% of 2024 revenue (2023: 37.3%).

FIN-4.7 List of consolidated companies

		Percentage of interest held by the Group			
Name	Country	2024	2023	Registered office	Company legal number
Can Hygiène SPA [4]	Algeria	0.0%	100.0%	Haouch Sbaat Nord, Zone Industrielle de Rouiba, Voie H, lot 83B, 16012 Rouiba, Alger, Algeria	04/B/0965101
Ontex Australia Pty Ltd	Australia	100.0%	100.0%	Suite 10, 27 Mayneview Street, Milton, QLD 4064, Australia	ABN 59 130 076 283
Ontex Manufacturing Pty Ltd	Australia	100.0%	100.0%	Wonderland Drive 5, Eastern Creek, NSW, 2766, Australia	ABN 16 145 822 528
Eutima BV	Belgium	100.0%	100.0%	Korte Moeie 53, 9900 Eeklo, Belgium	0415.412.891
Ontex BV	Belgium	100.0%	100.0%	Genthof 5, 9255 Buggenhout, Belgium	0419.457.296
Active Industria De Cosméticos S.A.	Brazil	100.0%	100.0%	Rua Contorno Oeste 1/16 Quadra 01, Lote 01/16, Modulo 2 Senador Canedo, Goiania, Brazil	CNPJ 22.010816/0001-39
Falcon Distribuidora Armazenamento E Transporte S.A.	Brazil	100.0%	100.0%	Rua Iza Costa 1.104 Quadra: Area Lote Modulo 2, Fazenda Retio, Goiania, Brazil	CNPJ 23.191.831/0001-93
Ontex Hygienic Disposables (Yangzhou) Co.TD	China	100.0%	100.0%	Hangji industrial park, Hanjiang Dictrict, N°1 Zhaizhuang Road, 225111 Yangzhou, China	321000400010102
Ontex Hygienic Disposables (Shanghai) LTD	China	100.0%	100.0%	4F, Building G, No. 69, Hongqiao Green Valley Community, Yuhong Road, Minhang District, Shanghai	91310000MA1GCW6L6Y
Ontex CZ S.r.o.	Czech Republic	100.0%	100.0%	Vesecko 491, 51101 Turnov, Czech Republic	44564422
Ontex Hygienic Disposables PLC	Ethiopia	100.0%	100.0%	Tracon Tower Building Addis Ababa, Subcity Arada, Werada 02, Kebele 01, House n° : 30/97, Ethiopia	EIA-PC/01/005318/08
Hygiène Medica SAS	France	100.0%	100.0%	30 Rue Hubble Parc Européen de la Haute Borne, 59262 Sainghin-en-Mélantois, France	401 439 872
Ontex France SAS	France	100.0%	100.0%	586 Boulevard Albert Camus, 69400 Villefranche-sur-Saône, France	338 081 102
Ontex Santé France SAS	France	100.0%	100.0%	Quai du rivage 62119 Dourges, France	502 601 297
Moltex Baby-Hygiene GmbH	Germany	100.0%	100.0%	Robert-Bosch-Straße 8, 56727 Mayen, Germany	HRB 5260
Ontex Engineering GmbH & Co .KG	Germany	100.0%	100.0%	Robert-Bosch-Straße 8, 56727 Mayen, Germany	HRA 21335
Ontex Healthcare Deutschland GmbH	Germany	100.0%	100.0%	Hansaring 6, Lotte 49504, Germany	HRB 9669
Ontex Hygiënartikel Deutschland GmbH	Germany	100.0%	100.0%	Fabrikstrasse 30, 02692 Grosspostwitz, Germany	HRB 3865
Ontex Inko Deutschland GmbH	Germany	100.0%	100.0%	Robert-Bosch-Straße 8, 56727 Mayen, Germany	HRB 20630

[4] Can Hygiène SPA and Ontex Pakistan Ltd were sold during 2024, see note FIN-4.8

Name	Country	Percentage of interest held by the Group 2024	2023	Registered office	Company legal number
Ontex Care GmbH	Germany	100.0%	100.0%	Robert-Bosch-Straße 8, 56727 Mayen, Germany	HRB 21024
Ontex Mayen GmbH	Germany	100.0%	100.0%	Robert-Bosch-Straße 8, 56727 Mayen, Germany	HRB 11699
Ontex Vertrieb GmbH	Germany	100.0%	100.0%	Robert-Bosch-Straße 8, 56727 Mayen, Germany	HRB 4983
WS Windel-Shop GmbH	Germany	100.0%	100.0%	Robert-Bosch-Straße 8, 56727 Mayen, Germany	HRB 2793
Ontex Manufacturing Italy S.r.l.	Italy	100.0%	100.0%	Localita Cucullo, Zona Industriale, 66026 Ortona (Chieti), Italy	02456370697
Serenity Holdco S.r.l.	Italy	100.0%	100.0%	Localita Cucullo, Zona Industriale, 66026 Ortona (Chieti), Italy	CH-178769
Serenity Spa	Italy	100.0%	100.0%	Localita Cucullo, Zona Industriale, 66026 Ortona (Chieti), Italy	CH-99632
Ontex Mexico Operations S.A. de C.V.	Mexico	100.0%	100.0%	Calle 12 Norte No. 105, Ciudad Industrial, Tijuana, Mexico	OMO220624KA3
Ontex Pakistan ltd[4]	Pakistan	0.0%	100.0%	Office No 705, 7th Floor, Park Avenue, Main Sharh-e-Faisal, Karachi Sindh 7400, Pakistan	076658
Ontex Polska sp. z.o.o.	Poland	100.0%	100.0%	ul. Przedsiebiorcrow 6, 97-500 Radomsko, Poland	0000010044
Ontex Romania Srl	Romania	100.0%	100.0%	Bucharest Mun. District 1, 48 Iancu de Hunedoara Boulevard, 2nd Floor, Office 1, Bucharest, Romania	J1995007353400
Ontex RU LLC	Russia	100.0%	100.0%	Zemlyanoy Val Street 9, 10564 Moscow, Russia	1055008702649
Ontex ES Holdco S.A.	Spain	100.0%	100.0%	Poligono Industrial Nicomedes Garcia, C/Fresno s/n, sector C, 40140 Valverde del Majano, Segovia, Spain	B85082832
Ontex ID SAU	Spain	100.0%	100.0%	Poligono Industrial Nicomedes Garcia, C/Fresno s/n, sector C, 40140 Valverde del Majano, Segovia, Spain	NIFA-60617875
Ontex Peninsular S.A.	Spain	100.0%	100.0%	Poligono Industrial Nicomedes Garcia, C/Fresno s/n, sector C, 40140 Valverde del Majano, Segovia, Spain	A40103855
Valor Brands Europe, S.L	Spain	100.0%	100.0%	Torviscal 12, 45007 Toledo, Spain	B2837-1540
Ontex Hygienic Spain, S.L.U.	Spain	100.0%	100.0%	Poligono Industrial Nicomedes Garcia, C/Fresno s/n, sector C, 40140 Valverde del Majano, Segovia, Spain	M635-328
Ontex Tüketim. Urn. San. ve Tic. AS	Turkey	100.0%	100.0%	Tekstilkent Cad. Koza Plaza B Blok Kat:31 No:116-117 Esenler, Istanbul	137334
Ontex Ukraine LLC	Ukraine	100.0%	100.0%	Building 7(C), 13 M. Pymonenko Street, 04050 Kyiv, Ukraine,	37728333
Ontex Healthcare UK Ltd	United Kingdom	100.0%	100.0%	Kettering Parkway, Kettering Venture Park, Kettering, Northants, NN156XR, United Kingdom	02274216
Ontex Retail UK Ltd	United Kingdom	100.0%	100.0%	Unit 5 (1st Floor), Grovelands Business Centre, Boundary Way, Hemel Hempstead, Hertfordshire, HP2 7TE, United Kingdom	1613466
Ontex US Holdco, LLC	USA	100.0%	100.0%	1201 North Market Street, 19801 Wilmington, New Castle county, Delaware, United States of America	35-2548297

Name	Country	Percentage of interest held by the Group 2024	2023	Registered office	Company legal number
Valor Brands, LLC	USA	100.0%	100.0%	960 North Point Parkway, Suite 100, Alpharetta, GA 30005, USA	06-1661367
Ontex Operations USA, LCC	USA	100.0%	100.0%	1900 Barnes Street, Reidsville, NC 27320	85-0811594

The percentage of voting rights directly or indirectly held by the Group in the subsidiaries listed in the table above is equal to the percentage of equity interest directly or indirectly held by the Group.

The Group's most significant subsidiaries are Ontex BV, Ontex Mayen GmbH, Ontex Hygiënartikel Deutschland GmbH, Ontex Santé France SAS, Ontex CZ Sro, Serenity Spa, Ontex Manufacturing Italy S.r.l. and Valor Brands LLC.

For the financial year ending December 31, 2024 the following companies make use of the exemptions in accordance with the German regulations of § 267 section 3 HGB:

- Ontex Vertrieb GmbH, Mayen;
- Ontex Mayen GmbH, Mayen;
- Moltex Baby-Hygiene GmbH, Mayen;
- WS Windel-Shop, Mayen;
- Ontex Healthcare Deutschland GmbH, Lotte;
- Ontex Hygiëneartikel Deutschland GmbH, Grosspostwitz; and
- Ontex Engineering GmbH & Co. KG, Mayen.

FIN-4.8 Disposal group held for sale and discontinued operations

Following its strategic review that was announced at the end of 2021 and formalized in the beginning of 2022, the Group announced that it would pursue divestment opportunities for the activities located in the “Emerging Markets”. Activities in “Emerging Markets” were and are primarily driven by own brands and essentially grouped the Central and South American activities, as well as those in the Middle East and Africa.

These operations, which are expected to be sold within 12 months, have been classified as a disposal group held for sale and are presented separately in the statement of financial position. As a result, discontinued operations are shown as one line item in the consolidated financial statements as detailed below. The discontinued statement of financial position items are presented at lower of the fair value less cost-to-sell and the carrying amount, in accordance with IFRS 5.

The associated assets and liabilities are consequently presented as held for sale as from January 1, 2022. The related financial performance is thereby reported as discontinued operations in the income statement.

Ontex entered into a binding agreement in July 2022 to sell its Mexican and related export activities to Softys S.A., marking a milestone in the transformation of Ontex. Closing of the transaction occurred at the beginning of May 2023 and the proceeds from the transaction were exclusively applied to reduce debt. During 2023, Ontex entered into binding agreements for the sale of both its Algerian and Pakistan business. Both transactions were closed in the first half of 2024.

In September 2024, Ontex entered into a binding agreement to sell its Brazilian business activities to Softys S.A. The transaction is expected to be completed in the first half of 2025. In February 2025, Ontex announced that it has entered into a binding agreement to sell its Turkish subsidiary to Dilek Grup, with an expectation to close the transaction in the third quarter of 2025. Upon closing of the Turkish transaction, all assets held for sale at December 31, 2024 will be disposed.

Disposal group classified as held for sale

Within the result for the period from discontinued operations, there are EBITDA adjustments for an amount of €27.1 million (in 2023: €27.1 million) of which €51.6 million (in 2023: €14.4 million) is related to changes to the group structure, including the sale of the Algerian and Pakistani business as well as project costs made for the sale of the Brazilian business, while an income of €24.5 million was booked related to impairments (in 2023: loss of €12.7 million). This €24.5 million consists of the reversal of previously booked impairments on the Brazilian business of €30.9 million based on the expected proceeds of the Brazilian sale versus the Brazilian net assets, while an impairment of €6.4 million was booked for Turkey, based on the expected proceeds from that transaction.

From the €51.6 million loss related to changes to the group structure, a loss of €26.5 million is related to the sale of the Algerian and Pakistani business and is detailed as follows:

	Full Year
in € million	2024
Total cash received at December 31, 2024	33.6
Cash disposed	(9.5)
Net cash impact	**24.1**
Tax on realized statutory gain	(7.4)
Carrying amount of net assets sold	(23.4)
Result on disposal before reclassification of foreign currency translation reserve	**(6.8)**
Reclassification of foreign currency translation reserve [5]	(19.7)
Result on disposal	**(26.5)**

The remaining amount is mostly related to the sale of the Brazilian activities for which an upfront cost of €21.1 million has been incurred and which is therefore part of the investing cash flow. The incurred cost relates to the Protege legal case which is disclosed in note FIN-4.29 and the amounts corresponds to the Protege contributions for the period 2020 to date.

[5] The reclassification of foreign currency translation reserve is for €9.2 million related to the Algerian activities and for €10.5 million to the Pakistani activities

The €14.4 million loss related to changes to the group structure in 2023 was mostly related to the sale of the Mexican business (€11.2 million), while the impairment losses in 2023 were related to impairments on the business in Algeria (€9.0 million) and Pakistan (€3.6 million). The Mexican transaction entailed a deferred consideration for which we refer to FIN-4.13.

The major classes of assets and liabilities comprising the operations classified as held for sale are as follows:

in € million	December 31	
	2024	2023
Non-current Assets		
Intangible assets	7.6	0.1
Property, plant and equipment	81.1	69.4
Right-of-use assets	20.8	18.0
Deferred tax assets	0.0	4.1
Non-current receivables	0.2	0.3
	109.8	**92.0**
Current Assets		
Inventories	34.0	57.7
Trade receivables	41.2	63.6
Prepaid expenses and other receivables	4.8	7.9
Current tax assets	1.8	3.8
Derivative financial assets	0.4	0.0
Cash and cash equivalents	67.3	71.1
	149.5	**204.1**
Assets classified as held for sale	**259.3**	**296.1**

in € million	December 31	
	2024	2023
Non-current liabilities		
Employee benefit liabilities	4.3	2.8
Interest-bearing debts	10.9	15.3
Deferred tax liabilities	11.6	7.6
	26.8	**25.7**
Current liabilities		
Interest-bearing debts	5.2	5.4
Derivative financial liabilities	-	0.2
Trade payables	58.2	82.2
Accrued expenses and other payables	7.2	11.8
Employee benefit liabilities	5.6	8.5
Provisions	1.5	2.8
	77.8	**110.9**
Liabilities related to assets classified as held for sale	**104.6**	**136.6**

The cumulative foreign exchange losses recognized in other comprehensive income in relation to the discontinued operations as at December 31, 2024 were €210.7 million.

Financial performance

The results of the discontinued operations, which have been included in the consolidated income statement, were as follows:

	Full Year	
in € million	2024	2023
Revenue	**306.9**	**546.8**
Operating expenses (excl. depreciations and amortizations)	(277.7)	(497.4)
Adjusted EBITDA	**29.2**	**49.4**
Income and expenses related to impairment losses and restructuring	(27.1)	(27.1)
EBITDA	**2.1**	**22.3**
Depreciation and amortization	(0.0)	(0.0)
Financial result	(6.4)	(8.8)
Profit/(loss) before income tax	**(4.3)**	**13.5**
Income tax expense	(6.3)	(5.7)
Profit/(loss) for the period from discontinued operations	**(10.7)**	**7.9**

Earnings per share for discontinued operations	Full Year	
in €	2024	2023
Basic earnings per share	(0.13)	0.10
Diluted earnings per share	(0.13)	0.09

Cash flows

The cash flow information presented for the period ended December 31, 2024 and 2023:

	Full year	
in € million	2024	2023
Net cash generated from / (used in) operating activities	24.2	117.6
Net cash generated from / (used in) investing activities	(11.0)	37.8
Net cash generated from / (used in) financing activities	(12.7)	(139.1)
Net increase / (decrease) in cash and cash equivalents	**0.5**	**16.3**
Effects of exchange rate changes on cash and cash equivalents	(4.3)	(4.9)

The above cash flow does not include the total cash received for the sale of the Mexican activities in 2023 as this was received by the owners of the Mexican activities, i.e. Ontex BV and Eutima BV, which are part of the continuing operations

Hyperinflation

In 2022, the Turkish economy faced further rapid inflation resulting in the three-year cumulative inflation of Turkey to exceed 100%, thereby triggering the requirement to transition to hyperinflation accounting as prescribed by IAS 29 Financial Reporting in Hyperinflationary Economies as of January 1, 2022. The main principle in IAS 29 is that the financial statements of an entity that reports in the currency of a hyperinflationary economy must be stated in terms of the measuring unit current at the end of the reporting period. Therefore, the non-monetary assets and liabilities stated at historical cost, the equity and the income statement of subsidiaries operating in hyperinflationary economies are restated for changes in the general purchasing power of the local currency applying a general price index. Monetary items that are already stated at the measuring unit at the end of the reporting period are not restated. These re-measured accounts are used for conversion into euro at the period closing exchange rate.

Consequently, Ontex has applied hyperinflation accounting for its Turkish subsidiary in these financial statements applying the IAS 29 rules as follows:

- Hyperinflation accounting was applied as of January 1, 2022 and was continuously applied during 2023 and 2024;
- Non-monetary assets and liabilities stated at historical cost (e.g. property plant and equipment, intangible assets, goodwill, etc.) and equity of Turkey were restated using official Consumer Price Index ('CPI') published by the Turkish Statistic Institute TUIK. The hyperinflation impacts resulting from changes in the general purchasing power until December 31, 2021 were reported in cumulative translation reserves and the impacts of changes in the general purchasing power from January 1, 2022 are reported through the income statement on a dedicated account for hyperinflation monetary adjustments in the finance line. This impact on the finance line in 2024, in combination with the application of the CPI on the income statement, amounted to €-12.2 million (2023: €-10.0 million). The CPI index at December 31, 2024 amounted to 2,684.55 which means an increase of 44% versus December 31, 2023; and
- Next to adjusting the income statement at the end of each reporting period using the change in the consumer price index, it is also converted at the closing exchange rate of each period (rather than the monthly average rate for non-hyperinflationary economies), of which the impact is offset in the finance line. This impact in 2024 amounted to €2.0 million (2023: €1.2 million).

In 2024, the Turkish operations after hyperinflation accounting represented 34.4% (2023: 17.0%) of the company's revenue from discontinued operations. The increase is explained by the sale of the Mexican, Algerian and Pakistani business during 2023 and 2024.

The hyperinflation impact on the net assets held for sale presented above of €154.8 million, amounts to €15.3 million (2023: €14.7 million).

FIN-4.9 Goodwill and intangible assets

in € million	Goodwill	Capitalized Development	IT implementation costs	Other intangibles	Total
Period ended December 31, 2024					
Opening carrying amount	**796.0**	**7.4**	**17.7**	**7.5**	**828.6**
Additions	0.0	1.1	6.0	2.6	9.8
Transfers	0.0	2.8	1.3	(2.8)	1.3
Reclassified as held for sale	0.0	0.0	(0.0)	0.1	0.1
Amortization expense	0.0	(2.3)	(7.5)	0.0	(9.7)
Impairment	0.0	(0.2)	0.0	(0.0)	(0.2)
Exchange differences	3.4	0.0	(0.0)	0.0	3.4
Closing carrying amount	**799.4**	**8.8**	**17.5**	**7.4**	**833.2**
At December 31, 2024					
Cost	841.2	18.6	82.2	21.5	963.6
Accumulated amortization and impairment	(41.8)	(9.8)	(64.7)	(14.1)	(130.4)
Carrying amount	**799.4**	**8.8**	**17.5**	**7.4**	**833.2**
Period ended December 31, 2023					
Opening carrying amount	**797.9**	**4.1**	**18.9**	**9.6**	**830.6**
Additions	0.0	0.3	7.4	3.0	10.7
Transfers	0.0	5.0	0.3	(5.0)	0.3
Amortization expense	0.0	(1.7)	(7.6)	0.0	(9.2)
Impairment	0.0	(0.4)	(1.4)	0.0	(1.8)
Exchange differences	(1.9)	0.0	(0.0)	(0.0)	(1.9)
Closing carrying amount	**796.0**	**7.4**	**17.7**	**7.5**	**828.6**
At December 31, 2023					
Cost	847.1	14.7	75.4	21.6	958.9
Accumulated amortization and impairment	(51.1)	(7.4)	(57.7)	(14.1)	(130.2)
Carrying amount	**796.0**	**7.4**	**17.7**	**7.5**	**828.6**

Capitalized IT implementation costs represent internally developed and externally purchased software for own use.

The amortization expense is included in the captions of the consolidated income statement as follows:

	Full year	
in € million	2024	2023
Cost of sales	0.2	0.1
General and administrative expenses	9.6	9.2
Total amortization expense	**9.7**	**9.2**

The Group incurred €14.5 million of research and development expenses in 2024 (2023: €13.5 million) that has been recorded under the caption 'General and administrative expenses'.

No intangible assets have been pledged in the context of financial liabilities.

FIN-4.9.1 Goodwill

History

At the end of 2010, Ontex was acquired from Candover by Goldman Sachs Capital Partners and TPG Capital, both holding 50% of the shares of the new Ontex top-holding company. At the time of the acquisition, the net assets of Ontex were negative which resulted in the generation of goodwill of €841.5 million.

In 2013, Ontex acquired Serenity, a company operating in the adult incontinence market in Italy. This acquisition resulted in the recognition of a goodwill of €18.6 million.

In February 2016, Ontex acquired Grupo Mabe, a leading Mexican manufacturer of disposable personal hygiene products. This major acquisition resulted in the recognition of a goodwill for €236.1 million, which was denominated in Mexican peso and US dollars.

In March 2017, Ontex has completed the acquisition of the personal hygiene business of Hypermarcas (renamed to "Ontex Brazil"). This resulted in a goodwill of €128.3 million, which was denominated in Brazilian real.

Following its strategic review that was announced at the end of 2021 and formalized in the beginning of 2022, the Group announced that it would pursue divestment opportunities for the activities located in the "Emerging Markets". Activities in "Emerging Markets" were and are primarily driven by own brands and essentially grouped the Central and South American activities, as well as those in the Middle East and Africa. Following this strategy, €170.6 million of goodwill was reclassified to assets held for sale.

Goodwill impairment

The Group has determined the following cash-generating units for the purpose of the goodwill impairment testing:

- Europe
- Russia
- North America

Annual impairment reviews are performed during the fourth quarter of each year for all CGUs, except if there would be factors indicating a risk for impairment loss. These reviews compare the carrying value of each CGU with the recoverable amount of the CGU's assets calculated using a discounted cash flow model. If the recoverable amount is less than the carrying value of the CGU, an impairment loss is recognized immediately in the income statement. The test at year-end did not lead to any impairment, nor in 2023.

The judgments and estimates considered in the context of the impairment tests are disclosed in note FIN-4.4.4.

Goodwill allocated to the CGUs as at December 31 was as follows:

	Full year	
in € million	2024	2023
Europe	743.1	743.1
North America	56.3	53.0
Goodwill allocated to the CGU's	**799.4**	**796.0**

The recoverable amount of a CGU is determined by means of value-in-use calculations. These calculations are based on pre-tax cash flow projections (prepared in euros) using key parameters from the consolidated financial budget approved by Ontex' Board of Directors, the Group's Strategic Plan through 2027 and 2028 figures based on the average growth rate in the

Strategic Plan. Cash flows beyond the four-year period are extrapolated using an estimated growth rate of 2.0% for both Europe and North America.

The key assumptions for the value-in-use calculations used to determine the recoverable amount are those regarding the discount rates, estimated changes to selling prices, product offerings, direct costs, operating margins and terminal growth rates. Climate-related matters were considered but did not have a material impact on the value-in-use calculation as explained in note FIN-4.4.4.

The discount rate is a measure based on industry average weighted cost of capital and risk-free rates weighted for the different regions in which the CGU's are operating.

Changes in selling practices and direct costs are based on past practices and expectations of future changes in the market. The calculation uses cash flow projections based on key parameters from the consolidated financial budget approved by the Board of Directors, the Group's Strategic Plan through 2027, and pre-tax discount rates for each CGU, as described in note FIN-4.4.4, based on current market assessments of the time value of money and the risks specific to the Group.

The development of the financial budget and Strategic Plan relies on a number of assumptions, including:

- The market growth, the evolution of the Group's market share, competitive landscape and innovation trends in the different markets as well as strategic initiatives
- The product mix
- The expected evolution of various direct and indirect expenses
- The estimated future capital expenditure

The assumptions were derived mainly from:

- Available historic data
- External market research
- Internal market expectations based on trend reports, etc.

The key assumptions used are reviewed and updated on a yearly basis by the Group's management. Taking into account the excess of the cash-generating unit's recoverable amount over its carrying amount, and based on sensitivity testing performed, management is of the opinion that any reasonably possible changes in key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed the recoverable amount at December 31, 2024. The Group has performed a sensitivity analysis by reducing the risk-adjusted cash flow projections and by increasing the pre-tax discount rate as disclosed in note FIN-4.4.4.

FIN-4.10 Property, plant and equipment

in € million	Land, land improvements and buildings	Plant, machinery and equipment	Furniture and vehicles	Other tangible assets	Assets under construction and advance payments	Total
Period ended December 31, 2024						
Opening carrying amount	**75.9**	**300.6**	**0.9**	**1.1**	**83.0**	**461.5**
Additions	1.8	41.1	0.3	0.1	55.8	99.2
Transfers	1.7	42.9	0.0	0.1	(46.0)	(1.3)
Disposals	0.0	(0.0)	(0.0)	0.0	0.0	(0.1)
Depreciation expense	(4.1)	(38.6)	(0.3)	(0.2)	0.0	(43.1)
Impairment	0.0	(10.5)	0.0	0.0	0.1	(10.4)
Capital grants received	0.0	(0.9)	0.0	0.0	0.0	(0.9)
Exchange differences	(0.9)	(5.5)	(0.0)	0.0	(1.3)	(7.8)
Reclassified as held for sale	(0.1)	(2.5)	0.0	0.0	3.1	0.5
Closing carrying amount	**74.4**	**326.5**	**0.9**	**1.1**	**94.7**	**497.6**
At December 31, 2024						
Cost	126.2	634.3	3.8	4.2	94.7	863.3
Accumulated depreciation and impairment	(51.8)	(307.8)	(2.9)	(3.2)	(0.0)	(365.7)
Carrying amount	**74.4**	**326.5**	**0.9**	**1.1**	**94.7**	**497.6**

in € million	Land, land improvements and buildings	Plant, machinery and equipment	Furniture and vehicles	Other tangible assets	Assets under construction and advance payments	Total
Period ended December 31, 2023						
Opening carrying amount	**77.8**	**300.4**	**0.9**	**0.4**	**40.6**	**420.1**
Additions	1.9	25.4	0.3	0.7	51.9	80.3
Transfers	3.2	12.2	(0.1)	(0.3)	(15.4)	(0.3)
Disposals	(3.9)	(0.3)	(0.0)	0.0	(0.3)	(4.5)
Depreciation expense	(2.8)	(36.7)	(0.2)	(0.2)	0.0	(39.9)
Impairment	(0.0)	0.3	0.0	0.0	(0.3)	0.0
Capital grants received	0.0	(0.4)	0.0	0.0	0.0	(0.4)
Exchange differences	(0.0)	2.9	(0.0)	0.0	0.9	3.8
Reclassified as held for sale	(0.1)	(3.4)	(0.0)	0.4	5.5	2.4
Closing carrying amount	**75.9**	**300.6**	**0.9**	**1.1**	**83.0**	**461.5**
At December 31, 2023						
Cost	124.1	567.0	3.7	4.1	83.0	781.9
Accumulated depreciation and impairment	(48.2)	(266.4)	(2.8)	(3.0)	0.0	(320.4)
Carrying amount	**75.9**	**300.6**	**0.9**	**1.1**	**83.0**	**461.5**

The additions to property, plant and equipment represent mainly investments in capacity extension, investments in innovation, investments to improve the efficiency and IT investments.

Impairment losses in 2024 amount to €10.4 million and are mostly related to the Belgian restructuring with the closure of the Eeklo plant and the reorganization of the Buggenhout plant, leading to the cancellation of some production lines, while others were moved to different plants within the Group. This had an overall impact of €6.4 million. In 2023, no material impairments were needed.

The depreciation expense is included in the consolidated income statement as follows:

	Full year	
in € million	2024	2023
Cost of Sales	38.7	36.1
Distribution expenses	1.3	1.2
Sales and marketing expenses	0.1	0.1
General administrative expenses	1.4	1.4
Other operating income	1.6	1.1
Total depreciation expense	**43.1**	**39.9**

No pledges have been set on the items of property, plant and equipment, except for some machinery in the context of local borrowings.

FIN-4.11 Leases

in € million	Land, land improvements and buildings	Plant, machinery and equipment	Furniture and vehicles	Total
Period ended December 31, 2024				
Opening carrying amount	**92.3**	**2.3**	**10.6**	**105.2**
Additions	3.5	2.0	7.5	13.0
Depreciation expense	(14.6)	(1.2)	(5.4)	(21.2)
Modifications to lease liabilities	3.7	0.1	0.0	3.7
Exchange differences	0.3	(0.0)	(0.1)	0.1
Closing carrying amount	**85.2**	**3.0**	**12.7**	**100.9**
At December 31, 2024				
Cost	158.0	6.3	23.4	187.8
Accumulated depreciation and impairment	(72.8)	(3.3)	(10.7)	(86.8)
Carrying amount	**85.2**	**3.0**	**12.7**	**100.9**
Period ended December 31, 2023				
Opening carrying amount	**100.1**	**2.5**	**7.5**	**110.1**
Additions	0.3	0.7	7.2	8.2
Disposals	0.0	0.0	0.1	0.1
Depreciation expense	(15.5)	(1.2)	(4.7)	(21.5)
Impairment	(2.9)	0.0	0.0	(2.9)
Modifications to lease liabilities	10.5	0.3	0.6	11.4
Exchange differences	(0.1)	0.0	(0.1)	(0.2)
Closing carrying amount	**92.3**	**2.3**	**10.6**	**105.3**
At December 31, 2023				
Cost	157.4	5.3	21.8	184.5
Accumulated depreciation and impairment	(65.0)	(3.1)	(11.2)	(79.3)
Carrying amount	**92.3**	**2.3**	**10.6**	**105.2**

The Group leases mainly plants and warehouses (lease terms between 3 and 25 years), machinery (lease terms of 5 years on average) and company cars (lease terms between 4 and 5 years).

For the lease of land and buildings, the Group is exposed to potential future increases in variable lease payments based on an index, which 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.

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximize operational flexibility in terms of managing the assets used in the group's operations. As at December 31, 2024, potential future cash outflows of €15.4 million (undiscounted) have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated) (2023: €9.3 million).

The consolidated income statement presents the following amounts relating to leases:

	Full year	
in € million	2024	2023
Cost of Sales	8.4	7.5
Distribution expenses	8.8	9.4
Sales and marketing expenses	1.3	1.1
General administrative expenses	2.8	3.2
Other operating income/(expenses)	0.0	0.3
Total depreciation expense	**21.2**	**21.5**
Interest expense	4.5	4.4
Expense relating to short-term leases	16.0	13.8
Expense relating to leases of low-value assets	0.2	0.2
Expense relating to variable lease payments	4.1	3.4

The lease liabilities are detailed in note FIN-4.17.

FIN-4.12 Inventories

Inventories can be split as follows:

	December 31	
in € million	2024	2023
Raw materials	128.2	122.8
Work in progress	1.4	1.0
Finished goods	175.1	137.2
Other	6.6	6.2
Write-down on inventories	(18.3)	(14.4)
Inventories	**292.9**	**252.8**

The Group mainly uses fluff, super-absorbers and non-woven fabrics. Other raw materials used by the Group for its production include polyethylene, adhesives and tapes as basic raw materials. The finished products are baby diapers, baby pants, towels, tampons, panty liners, incontinence products and trade goods.

The cost of inventories recognized as an expense and included under 'Cost of sales' amounted to €1,316.7 million in 2024 (€1,327.3 million in 2023).

FIN-4.13 Trade receivables, prepaid expenses and other receivables

The current trade and other receivables are detailed below:

in € million	December 31 2024	December 31 2023
Trade receivables	208.1	210.4
Less: allowance for impairment of trade receivables	(4.0)	(4.4)
Trade receivables - net	**204.1**	**206.1**
Prepayments	3.4	4.8
Other amounts receivable	63.9	58.7
Prepaid expenses and other receivables	**67.2**	**63.5**
Trade and other receivables - Current	**271.3**	**269.5**

Other amounts receivable include recoverable VAT for an amount of €59.0 million for 2024 (2023: €55.5 million). The fair value of the current receivables approximates their carrying amounts.

The aging of the trade receivables (net) at December 31 is as follows:

in € million	December 31 2024	December 31 2023
Not due	183.8	182.5
0 to 30 days	12.3	12.6
31 to 60 days	2.9	4.4
61 to 90 days	1.5	1.6
Over 90 days	3.6	5.0
Total	**204.1**	**206.1**

The Group does not systematically apply external credit rating.

The carrying amount of the Group's trade receivables (net) are denominated in the following currencies:

in € million	December 31 2024	December 31 2023
EUR	75.7	87.7
PLN	35.9	33.6
USD	34.9	25.9
GBP	28.0	29.0
RUB	12.9	14.7
Other	16.8	15.3
Total	**204.1**	**206.1**

During the year, the payment terms for the receivables have neither deteriorated nor been renegotiated that affect the overall payment terms. The maximum credit risk exposure at the end of the reporting period is the carrying value of each caption of receivables mentioned above. The Group does not hold any collateral as security.

An impairment analysis of trade receivables is done based on expected losses, next to individual assessments, but there are no significant impairments.

Movements on the Group allowance for impairment of trade receivables are as follows:

in € million	December 31 2024	December 31 2023
Opening Balance	**4.4**	**4.1**
Allowance for receivable impairment	0.5	0.8
Receivables written off during the year as uncollectible	(0.7)	(0.3)
Unused amounts reversed	(0.0)	(0.0)
Foreign exchange differences	(0.1)	(0.2)
At December 31	**4.0**	**4.4**

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.

The creation and the release of the allowance for impaired receivables have been included in 'Sales and marketing expense' in the income statement.

Factoring

The Group has a long term, standing non-recourse syndicate factoring agreement with BNP Paribas Fortis Factor and KBC Commercial Finance (the "Factor"). The Agreement provides us with a maximum credit facility of up to €200.0 million and up to 95% of the amount of the approved outstanding receivables on all debtors that we transfer to the Factor. The remaining 5% of the relevant receivables is paid by the Factor to us upon receipt of payment from the relevant debtor, upon which also the remaining balance of the receivable is derecognized. Financing per debtor is capped at 10% of the aggregate amount of all approved outstanding receivables transferred to the Factor. Any financing within the credit limit is non-recourse to the Group.

The non-recourse syndicate factoring agreement with BNP Paribas Fortis Factor and KBC Commercial Finance has an interest rate based on Euribor 3 months + margin and the all-in cost for factoring, including interest and factoring fees is €7.1 million for 2024, compared to €6.4 million in 2023.

In accordance with IFRS 9 Financial instruments, all non-recourse trade receivables, included in these factoring programs, are derecognized for the non-continuing involvement part.

For the non-recourse syndicate factoring agreement with BNP Paribas Fortis Factor and KBC Commercial Finance, at December 31, 2024 the trade receivables before factoring amounted to €185.3 million out of which €127.6 million was derecognized leading to a continuing involvement of €57.7 million. As at December 31, 2023 the trade receivables before factoring balance was €178.3 million out of which €112.0 million was derecognized leading to a continuing involvement of €66.3 million.

Next to the above-mentioned Group factoring agreement a number of local non-recourse agreements are in place at local level. Bilateral factoring agreements are in place for Serenity (Italian subsidiary) with Ifitalia, Banca Sistema and BFF and Ontex Russia has agreements with AK BARS BANK PJSC and Rosbank. The all-in cost for factoring, including interest and factoring fees for these programs amounts to €3.1 million for 2024, compared to €3.1 million in 2023.

As at December 31, 2024, €167.9 million (December 31, 2023: €155.8 million) of financing was obtained through the above mentioned factoring programs, this is in addition to €6.4 million (December 31, 2023: €4.3 million) of financing which was obtained through the use of supply chain financing programs offered by our customers. Including the factoring amount in the Assets held for sale (€1.5 million), the total outstanding factoring amount at December 31, 2024, amounts to €175.8 million (2023: €163.8 million). The late payment risk related to the factoring has been assessed as immaterial at closing 2024 and 2023.

Non-current receivable

During 2023, Ontex completed the sale of its Mexican business for which a part of the total consideration was classified as a deferred consideration, amounting to €28.6 million at December 31, 2023. A large part of this deferred consideration has been paid in the meantime and is part of the 'proceeds from divestments, net of cash disposed and transaction costs' in the investing cashflow. The remaining balance amounts to €10.8 million.

FIN-4.14 Cash and cash equivalents

The net cash position as presented in the consolidated statement of cash flows is as follows:

	December 31	
in € million	2024	2023
Short-term bank deposits (no longer than 3 months)	15.7	23.5
Cash at bank and on hand	41.3	73.7
Total	**56.9**	**97.2**

The carrying amount of the cash and cash equivalents is a reasonable approximation of their fair value. Ontex Russia has cash that can only be used to a certain extent by other entities within the group but is accessible on demand by the subsidiary and is therefore included in cash and cash equivalents in the statement of financial position.

The credit quality of the banks and financial institutions the Group is working with is mentioned in the following table:

	December 31	
in € million	2024	2023
AA	0.3	0.8
A	38.0	69.7
BBB	1.3	0.4
BB	-	0.5
No credit rating	17.3	25.8
Total	**56.9**	**97.2**

FIN-4.15 Share capital

The share capital and premium of €1,208.0 million is represented by 82,347,218 shares, of which 1,260,044 treasury shares (2023: 1,199,429 treasury shares). As such, 81,087,174 shares (2023: 81,147,789) are held by third parties.

The issued capital is fully paid up and consists of ordinary shares without par value. For information on the amount of authorized shares, refer to GOV-4.8.

FIN-4.16 Earnings per share

In accordance with IAS 33, the basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. The number of shares used for 2024 was 81,178,171, which is the weighted average number of shares for 2024 (2023: 81,105,045 shares).

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent (after adjusting for the effects of all dilutive potential ordinary shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

In case of Ontex Group NV, no effects of dilution affect the net profit attributable to ordinary equity holders. The table below reflects the income and share data used in the basic and diluted earnings per share computations:

	Full Year	
in € million	2024	2023
Basic earnings		
Profit/(loss) from continuing operations attributable to equity holders of the Company	20.9	26.9
Profit/loss attributable to equity holders of the Company	10.3	34.8
Diluted earnings		
Profit/(loss) from continuing operations attributable to equity holders of the Company	20.9	26.9
Profit/loss attributable to equity holders of the Company	10.3	34.8
Adjusted Basic Earnings		
Profit from continuing operations attributable to equity holders of the Company	20.9	26.9
EBITDA adjustments	72.7	14.9
Tax correction	(17.9)	(3.3)
Adjusted Basic Earnings	**75.8**	**38.6**
Adjustment dilution	-	-
Adjusted Earnings, after dilution effect	**75.8**	**38.6**

Number of Shares	Full Year	
	2024	2023
Weighted average number of ordinary shares outstanding during the period	81,178,171	81,105,045
Dilution	3,997,921	2,484,081

Earnings per share	Full Year	
in €	2024	2023
For continuing operations		
Basic earnings per share	0.26	0.33
Diluted earnings per share	0.25	0.32
Adjusted basic earnings per share	0.93	0.48
Adjusted diluted earnings per share	0.89	0.46
For continuing and discontinued operations		
Basic earnings per share	0.13	0.43
Diluted earnings per share	0.12	0.42

A weighted average number of 1,430,523 options were not included in the denominator of the diluted earnings per share as they were out-of-the-money at year-end 2024 (2023: 2,891,615 options).

FIN-4.17 Interest-bearing debts

	December 31	
in € million	2024	2023
Non-current		
Borrowings:	577.4	575.7
Senior Notes	577.2	575.5
Other borrowings	0.1	0.2
Lease and other liabilities	89.8	96.1
Lease liabilities	89.8	96.1
Interest-bearing debts non-current	**667.1**	**671.8**
Current		
Borrowings:	33.3	122.5
Revolving Credit Facility	24.0	113.1
Accrued interests	9.3	9.5
Lease and other liabilities	19.8	18.6
Lease liabilities	19.8	18.6
Interest-bearing debts current	**53.1**	**141.1**
Total interest-bearing debts	**720.2**	**812.9**

All borrowings are denominated in € as of December 31, 2024.

On November 27, 2024, the Group refinanced its €242.5 million revolving credit facility, which had a maturity date in December 2025, with a new revolving credit facility that has a principal amount of €270.0 million and a maturity date in November 2029. It carries an interest rate based on EURIBOR 1 month plus a margin. The margin is subject to the leverage ratio and equals 1.60% at a leverage of 2.46 at the end of 2024. At December 31, 2024, an amount of €24.0 million was utilized on the revolving credit facility, versus €115.0 million at December 31, 2023.

Ontex's main financing consists of its €580.0 million High Yield bond ('Senior Notes'), with a coupon of 3.50% fixed rate maturing in July 2026.

The following table reconciles the movements of the financial liabilities to the cash flows arising from financing activities:

in € million	Opening carrying amount	Cash flows	Non-cash movements: Acquisition	Descope	Exchange differences	Reclasses	Other	Closing carrying amount	Of which held for sale
December 31, 2024									
Non-current interest-bearing debts									
Borrowings	575.7	(0.1)	-	-	0.0	-	1.7	577.4	
Lease and other liabilities	111.3	(24.7)	13.6	(0.4)	(2.4)	(1.8)	5.0	100.7	10.9
Current interest-bearing debts									
Borrowings	123.5	(92.0)		0.0	0.0	-	1.8	33.3	
Lease and other liabilities	23.0	0.7	-	(0.1)	(0.3)	1.8	(0.0)	25.0	5.2
Total liabilities from financing activities	**833.5**	**(116.1)**	**13.6**	**(0.5)**	**(2.7)**	**0.0**	**8.5**	**736.3**	**16.1**
Presented in the statement of cash flows (financing activities) as follows:									
Proceeds from borrowings		67.4							
Repayment of borrowings [6]		(183.6)							
December 31, 2023									
Non-current interest-bearing debts									
Borrowings	793.4	(220.0)	-	-	(0.3)	(1.9)	4.4	575.7	0.0
Lease and other liabilities	115.2	(24.8)	11.0	(1.1)	(3.2)	1.6	12.7	111.3	15.3
Current interest-bearing debts									
Borrowings	134.1	(11.1)	-	-	(0.5)	1.9	(0.9)	123.5	0.9
Lease and other liabilities	33.5	(8.0)	-	(0.9)	0.2	(1.6)	(0.1)	23.0	4.5
Total liabilities from financing activities	**1,076.1**	**(263.9)**	**11.0**	**(2.0)**	**(3.8)**	**0.0**	**16.2**	**833.5**	**20.7**
Presented in the statement of cash flows (financing activities) as follows:									
Proceeds from borrowings		121.9							
Repayment of borrowings		(385.8)							

[6] Repayment of borrowings differs from the €184.7 million as reported in note FIN-3.5 as the share buy-back program is included there for €1.1 million

FIN-4.17.1 Collateral for borrowings

The Group is subject to regular information covenants, and certain financial ratios are monitored. At year-end 2024 and 2023, all covenants were met.

No assets have been pledged in the context of the syndicated term loans. However, certain subsidiaries act as guarantors for these loans. For local borrowings, some machinery are pledged.

FIN-4.17.2 Other information

Serenity Spa has a total of €55.0 million lines of credit available, of which €28.7 million has been used through the issuance of external bank guarantees:

- €30.0 million from UniCredit
- €25.0 million from BPER

A line of credit of AUD 1.0 million has been granted to Ontex Manufacturing Pty Ltd by Commonwealth Bank Australia, of which AUD 0.2 million has been used.

FIN-4.18 Employee benefit liabilities

The Group grants its working and retired personnel post-employment benefits, long-term benefits, and termination benefits. These benefits have been valued in conformity with IAS 19. The related IAS 19 liability recognized in the statement of financial position can be analyzed as follows:

	December 31	
in € million	2024	2023
Post-employment benefits	12.8	13.8
Long-term benefits	0.6	1.1
Employee benefit liabilities	**13.4**	**14.9**
Short-term employee benefit liabilities	45.3	41.0
Net liability	**58.7**	**55.9**

The calculation of the liability is based on actuarial assumptions that have been determined on the various statement of financial position dates. They are based not only on macro-economic factors valid for the dates in question but also on the specific characteristics of the various schemes evaluated. They represent the Group's best estimate for the future. They are periodically reviewed in accordance with the evolution of the markets and available statistics.

Post-employment benefits

Ontex makes payments on a defined contribution basis to both state and private pension arrangements across our operations. In addition, Ontex operates a defined benefit insurance scheme in Belgium and Ontex also has an obligation to make severance payments to employees upon their retirement in France.

Ontex also operates several unfunded pension arrangements in respect of its German operations. The German operations do not fund the pension arrangements but reflect pension scheme liabilities in company accounts on an IAS 19 basis. The pension benefits are paid by the relevant company as they fall due.

The Group operates a couple of defined contribution (DC) plans which receive fixed contributions. The Group's legal or constructive obligation for these plans is limited to the contributions. The expense recognized in the current period in relation to these contributions amounts to €3.6 million (see also note FIN-4.22 below; 2023: €3.3 million).

In Belgium, the defined contribution (DC) plans are subject to a minimum guaranteed rate of return by law and are hence treated as defined benefit (DB) plans. In practice, this guarantee is mainly covered by insurance companies. As there is no deficit as per December 31, 2024, no liability has been recognized (2023: nil). The accumulated reserves of these plans are equal to the assets. There are no risks to which the plan exposes the entity, focusing on any unusual, entity-specific or plan-specific risks, and of any significant concentrations of risk.

Reconciliation of the post-employment employee benefit liabilities

Recognition of the obligation	December 31	
in € million	2024	2023
Defined benefit obligation (DBO) at end of period	(32.0)	(32.0)
Fair value of plan assets at end of period	20.8	19.6
Funded status	**(11.2)**	**(12.4)**
Net (liability)/asset in statement of financial position	(11.2)	(12.4)
Defined benefit cost		
Current service cost	(2.1)	(1.6)
Past service cost	0.4	0.1
Service cost recognized in Income Statement	**(1.7)**	**(1.5)**
Interest expense on DBO	(1.1)	(1.1)
Interest income on plan assets	0.7	0.6
Net interest cost	**(0.4)**	**(0.5)**
Pension expense	**(2.1)**	**(2.0)**

Reconciliation of the obligation	December 31	
in € million	2024	2023
Defined benefit obligation (DBO) at beginning of year	**(32.0)**	**(26.2)**
Other significant events (transfers)	-	(4.4)
Current service cost	(2.1)	(1.6)
Past service cost	0.4	0.1
Service cost	**(1.7)**	**(1.5)**
Interest expense on DBO	(1.1)	(1.1)
Participant contributions	(0.1)	(0.1)
Administrative expenses included in the DBO	0.1	0.1
Taxes included in the DBO	0.2	0.1
Benefit payments from plan	1.0	0.7
Benefit payments from employer	0.7	0.6
Effect of changes in financial assumptions	0.2	(0.5)
Effect of experience adjustments	0.6	0.3
Effect of changes in foreign exchange rates	0.1	-
Defined benefit obligation (DBO) at end of year	**(32.0)**	**(32.0)**

Reconciliation of plan assets at fair value	December 31	
in € million	2024	2023
Fair value of plan assets at beginning of year	**19.6**	**15.2**
Interest income	0.7	0.6
Employer contribution	2.2	1.8
Plan participants' contributions	0.1	0.1
Other significant events (transfers)	-	3.7
Benefit payments from plan	(1.0)	(0.7)
Benefit payments from employer	(0.7)	(0.6)
Administrative expenses included in the DBO	(0.1)	(0.1)
Taxes paid from plan assets	(0.2)	(0.1)
Return on plan assets (excluding interest income)	0.2	(0.1)
Fair value of plan assets at end of year	**20.8**	**19.6**

Reconciliation of net (liability)/asset in statement of financial position	December 31	
in € million	2024	2023
Net (liability)/asset at beginning of year	**(12.4)**	**(11.1)**
Other significant events (transfers)	-	(0.8)
Defined benefit cost included in the income statement	(1.7)	(1.5)
Net interest expense	(0.4)	(0.5)
Total remeasurements included in OCI	1.0	(0.4)
Employer contributions	2.2	1.8
Effect of changes in foreign exchange rates	0.1	-
Net (liability)/asset at end of year	**(11.2)**	**(12.4)**
Unfunded versus Funded		
Part of DBO from plans that are wholly unfunded	(11.2)	(12.4)

The plan assets consist of insurance contracts.

Expected contributions to post-employment benefit plans for the year ending December 31, 2025 are €1.7 million.

Significant actuarial assumptions

December 31, 2024	Country					
	Poland	Mexico	Belgium	Germany	France	Italy
Discount rate	5.80%	9.90%	3.55%	3.30% / 3.46% / 3.50% pensions & jubilee and 2,00% ATZ	3.40%	3.30%
Expected Interest Income	5.80%	9.90%	3.55%	3.30% / 3.46% / 3.50% pensions & jubilee and 2.00% ATZ	3.40%	3.30%
Salary increase rate (on top of inflation)	7.50% in 2025 2.70% in 2026 2.50% afterwards	4.54%	3.50%	N/A / N/A / 2.50% ATZ	3.70%	N/A
Rate of inflation	5.20% in 2025 2.70% in 2026 2.50% afterwards	4.00%	2.00%	2.00% / 0.00% / 2.00% only pensions	2.00%	1.90%
Mortality table	For men: 90% PTTZ 2023 men For women: 90% PTTZ 2023 women	EMSSA09	MR -5 / FR -5	Heubeck 2018 G	INSEE 2018/2020	IPS55
Turnover table/rates	7.70%	Company experience	Mercer turnover table	N/A / N/A / only jubilee: 10% of employees 60 years old and younger	New client's table, nil after age 50	5% until age 50, 2% from age 51 to retirement including an allowance for advance payments
Disability table/rates	N/A	N/A	N/A	N/A	N/A	N/A
Weighted average durations	10.3	11.0	4.8	6.7	10.1	7.1

December 31, 2023	Country				
	Mexico	Belgium	Germany	France	Italy
Discount rate	9.90%	3.50%	3.20% / 3.50% / 3.50% pensions & jubilee and 3,10% ATZ	3.20%	3.40%
Expected Interest Income	9.90%	3.50%	3.20% / 3.50% / 3.50% pensions & jubilee and 3,10% ATZ	3.20%	3.40%
Salary increase rate (on top of inflation)	4.54%	3.50%	N/A / N/A/ 2.50% ATZ	4.00%	N/A
Rate of inflation	4.00%	2.25%	2.25% / 0.00% / 2.00% only pensions	2.25%	2.50%
Mortality table	EMSSA09	MR FR with age correction minus 5 years	Heubeck 2018 G	INSEE 2017/2019	IPS55
Turnover table/rates	Based on company experience	Mercer turnover table	N/A / N/A / only jubilee: 10% of employees 60 years old and younger	New client's table, nil after age 50	5% until age 50, 2% from age 51 to retirement including an allowance for advance payments
Disability table/rates	N/A	N/A	N/A	N/A	N/A
Weighted average durations	11.0	5.8	7.0	11.2	8.2

There are no unusual entity-specific or plan-specific risks to which the plan exposes the entity, neither are there any significant concentrations of risk.

The sensitivity analyses below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

	December 31, 2024					
in € million	Poland	Mexico	Belgium	Germany	France	Italy
Discount rate –0.25bp	(0.1)	(0.8)	(22.5)	(6.0)	(2.0)	(1.6)
Discount rate +0.25bp	0.1	0.8	22.2	5.8	1.9	1.5
Salary increase -0.25bp	(0.1)	(0.8)	(22.4)	(5.9)	(1.9)	(1.5)
Salary increase +0.25bp	0.1	0.8	22.4	5.9	2.0	1.5

	December 31, 2023				
in € million	Mexico	Belgium	Germany	France	Italy
Discount rate -0.25bp	(0.9)	(22.6)	(6.4)	(1.9)	(1.7)
Discount rate +0.25bp	0.9	22.1	6.2	1.8	1.6
Salary increase -0.25bp	(0.9)	(22.3)	(5.6)	(1.8)	(1.6)
Salary increase +0.25bp	0.9	22.3	5.6	1.9	1.6

Post-Employment Benefits by Country

Recognition of the obligation	December 31, 2024					
in € million	Poland	Mexico	Belgium	Germany	France	Italy
Defined benefit obligation (DBO) at end of period	(0.1)	(0.8)	(21.9)	(5.7)	(2.0)	(1.5)
Fair value of plan assets at end of period	-	-	20.8	-	-	-
Funded status	**(0.1)**	**(0.8)**	**(1.1)**	**(5.7)**	**(2.0)**	**(1.5)**
Net (liability)/asset in statement of financial position	(0.1)	(0.8)	(1.1)	(5.7)	(2.0)	(1.5)

Recognition of the obligation	December 31, 2023				
in € million	Mexico	Belgium	Germany	France	Italy
Defined benefit obligation (DBO) at end of period	(0.9)	(21.5)	(6.2)	(1.8)	(1.6)
Fair value of plan assets at end of period	-	19.6	-	-	-
Funded status	**(0.9)**	**(1.9)**	**(6.2)**	**(1.8)**	**(1.6)**
Net (liability)/asset in statement of financial position	(0.9)	(1.9)	(6.2)	(1.8)	(1.6)

FIN-4.19 Deferred taxes and current taxes

FIN-4.19.1 Deferred taxes

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset and when the deferred taxes relate to the same fiscal authority. The deferred tax assets and liabilities are attributable to the following items:

	December 31, 2024		December 31, 2023	
in € million	DTA	DTL	DTA	DTL
Intangible assets	1.7	-	2.1	-
Property, plant and equipment	-	(40.1)	-	(45.4)
Leases	14.1	(17.9)	27.2	(23.0)
Inventories	2.6	-	6.1	-
Financial instruments	7.9	-	-	(0.6)
Employee benefits	3.3	-	3.2	-
Accrued expenses and other payables	5.1	-	4.3	-
Others	4.0	-	-	(0.2)
Tax losses	156.8	-	145.9	-
Tax credit	10.6	-	11.4	-
Deferred tax assets & liabilities - Gross	**206.2**	**(58.0)**	**200.4**	**(69.2)**
Net deferred tax assets not recognized	(136.6)	-	(139.3)	-
Offsetting	(42.0)	42.0	(49.3)	49.3
Deferred tax assets & liabilities - Net	**27.6**	**(16.0)**	**11.7**	**(19.9)**

Deferred tax assets are recognized on temporary differences, tax attributes carried forward and tax losses carried forward to the extent that the realization of the related tax benefit through the future taxable profits is probable.

The tax losses carried forward mainly relate to Belgium, France, United States and Spain. In Belgium and France, deferred tax assets have been recognized on tax losses carried forward considering the expected taxable profits in the foreseeable future.

The Group did not recognize deferred tax assets for an amount of €136.6 million (2023: €139.3 million) on the tax losses carried forward and tax incentives of tax attributes carried forward.

Tax losses can in principle be carried forward indefinitely. The countries for which no deferred tax asset has been recognized are Belgium (€52.4 million), France (€39.4 million), United States (€26.5 million), Spain (€9.5 million), Poland (€4.5 million), Czech Republic (€2.5 million) and Germany (€1.7 million).

The Group did not recognize deferred taxes associated with investments in subsidiaries. There is currently no policy or detailed plan in relation to the payment of dividends within the Group.

The Group is in scope for Pillar II legislation. Pillar II taxes are those arising from tax laws enacted or substantively enacted to implement the Pillar Two framework published by the OECD. This tax reform aims to ensure that multinational groups pay taxes at a minimum rate of 15 percent on income arising in each jurisdiction in which they operate by applying a system of top-up taxes. The ultimate parent company of the Group is Ontex Group NV, located in Belgium. On 14 December 2023, the Belgian government has enacted the Pillar Two income taxes legislation effective from 1 January 2024. Given that the consolidated revenue threshold of €750 million is exceeded, the Group is required to pay top up tax on profits of its subsidiaries that are taxed at an effective tax rate of less than 15 per cent. Pillar II legislation has further been enacted or substantively enacted in several other jurisdictions in which the Group operates, effective for the financial year beginning 1 January 2024. The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

The Pillar II legislation has no material impact on the Group's tax position, since:

- in most of the jurisdictions, the Simplified Pillar II effective tax rate is above 15% and/or at least one of the other Transitional CbCR Safe Harbour tests is met (Routine Profits test and/or the Simplified De-Minimis test);
- in a very limited number of jurisdictions, the Transitional CbCR Safe Harbour relief does not apply. However, the Group has no Pillar II top-up tax exposure in those jurisdictions based on the full Pillar II calculations.

FIN-4.19.2 Current taxes

	December 31	
in € million	2024	2023
Current tax assets	3.3	4.9
Current tax liabilities	(31.8)	(27.0)

The current tax assets mainly relate to the excess of pre-payments made compared to the actual income tax payable for the year. The current tax liabilities include an amount of €23.7 million actual corporate taxes payable (2023: €20.9 million) and €8.1 million of provision for uncertain taxes (2023: €6.1 million).

FIN-4.20 Current and non-current liabilities

Other current liabilities (excluding provisions, income tax liabilities, financial liabilities and liabilities directly associated with non-current assets intended for sale) can be presented as follows:

	December 31	
in € million	2024	2023
Accrued expenses and other payables	21.1	20.6
Current accrued expenses and other payables	**21.1**	**20.6**
Trade payables	440.1	370.5
Employee benefit liabilities	45.3	41.0
Total current liabilities	**506.5**	**432.1**

The trade payables contain an accrual of €5.0 million regarding MedTech payback measure of the Italian Healthcare Law which was voted in 2015. Initially, there was a significant uncertainty on the scope and practical implementation of this law. During 2023, assessments were received for the period 2015-2018, which took into account incorrect revenue data and these were therefore appealed by Ontex. In October 2024, the Constitutional Court confirmed the constitutionality of the Italian MedTech payback measure, but confirmed that all entities should receive a discount on the assessment. Despite this outcome, there remains an uncertainty on the determination of the assessment, which is subject to further legislative and ministerial clarifications. Ontex has kept the provision of €5.0 million for the period 2015-2018 unchanged at December 31, 2024, as it believes that this still represents the best estimate. Ontex has no provision for the period as of 2019 as there is uncertainty whether the payback measure is applicable in those years and no reasonable estimate of a possible cost can be made.

FIN-4.21 Provisions

in € million	Legal claims	Restruc-turing	Other	Total
Opening Balance	**6.6**	**3.4**	**0.1**	**10.0**
Additional provisions	0.3	60.1	-	60.4
Unused amounts reversed	(0.0)	(0.5)	-	(0.6)
Used during the year	(0.0)	(31.6)	-	(31.6)
As at December 31, 2024	**6.8**	**31.4**	**0.1**	**38.3**
of which current	6.8	31.4	0.1	38.3

The Group recognizes a provision for certain legal claims filed against the Group by customers, suppliers or former employees. The restructuring provision in 2024 is related to the restructuring of its Belgian production and distribution activities, which entails the closure of the Eeklo plant as well as the transformation of the Buggenhout site into a Center of Excellence for research, development and production of medium & heavy incontinence care products. The used provision during the year is related to the social plan in Eeklo, which has mostly been paid in December 2024, and its related project costs. The outstanding provision at December 31, 2024, is the remaining part of the social plan for Eeklo as well as the social plan for the employees in Buggenhout.

On September 2, 2014, Ontex received a notification that the Spanish Competition Authorities (CNMC) opened infringement proceedings against 15 companies in the sector (including three subsidiaries of the Company: Ontex Es Holdco, S.A., Ontex Peninsular, S.A.U. and Ontex ID, S.A.U.) with respect to alleged conduct of fixing prices and other commercial conditions in the Spanish market for heavy adult incontinence products. On May 26, 2016, following the investigation, the CNMC issued its decision. In its decision, the CNMC has found eight companies, including Ontex' Spanish subsidiaries guilty of being part of a cartel. For its involvement from 1999 to 2014, the CNMC issued an administrative fine of €5.2 million to Ontex. All companies, including Ontex, filed appeals with the National Court, and, following the rejection of the appeals by the National Court, with the Spanish Supreme Court. On July 6, 2023, the Supreme Court has rejected Ontex's appeal, rendering the CNMC decision and related administrative fine final. As per December 31, 2016, a provision amounting to €5.2 million has been accounted for, which has not been adjusted up till December 31, 2024. During February 2025, Ontex has received a formal request for payment of the administrative fine corresponding to the provisioned amount.

FIN-4.22 Employee benefit expenses

	Full Year	
in € million	2024	2023
Wages and salaries	(224.1)	(211.7)
Social security costs	(63.8)	(49.3)
Defined benefit plans - Service cost	(1.7)	(1.5)
Defined contribution costs	(3.6)	(3.3)
Other employee benefit expenses	(49.2)	(46.6)
Total employee benefit expenses	**(342.4)**	**(312.4)**

The FTEs listed in the table below only contains the employees part of the continuing operations and therefore deviates significantly from the number of employees included in section FIN-1.2.

	Full Year	
in full time equivalents	2024	2023
Workers	3,570	3,458
Employees	1,888	1,954
Management	68	58
Average number of total employees	**5,526**	**5,470**

FIN-4.23 Other operating income/(expenses), net

	Full Year	
in € million	2024	2023
Gain on sale of assets	0.0	0.3
Foreign exchange differences on operating activities	(8.1)	(4.1)
Losses on sale of assets	(0.1)	(0.3)
Other income/(expenses)	(2.0)	(2.5)
Total other operating income/(expense), net	**(10.1)**	**(6.6)**

“Other income/(expenses)” consists mainly of depreciation expenses on idle equipment and machinery and pension expenses.

FIN-4.24 EBITDA adjustments

	Full Year	
in € million	2024	2023
Business restructuring	(61.9)	(10.3)
Income and expenses related to changes to Group structure	**(61.9)**	**(10.3)**
Impairment of assets	(10.6)	(4.4)
Litigation and legal claims	(0.3)	(0.2)
Income and expenses related to impairments and major litigations	**(10.8)**	**(4.6)**
Total EBITDA adjustments	**(72.7)**	**(14.9)**

Items classified under the heading EBITDA adjustments are those items that are considered by management not to relate to items in the ordinary course of activities of the Company. The Group has adopted this classification to allow a better understanding of its recurring financial performance.

These items are presented as follows in the consolidated income statement as follows:

- income and expenses related to changes to Group structure; and
- income and expenses related to impairments and major litigations.

FIN-4.24.1 Income and expenses related to changes to Group structure

Business restructuring

The majority of the business restructuring costs in 2024 are related to the Belgian restructuring, which entails the closure of the Eeklo site, as well as the transformation of the Buggenhout site into a Center of Excellence for research, development and production of medium and heavy incontinence care products. The total cost, which includes the social plan for both Eeklo and Buggenhout, but also other related costs, amounts to €61.3 million.

The restructuring expenses in 2023 are related to smaller restructuring projects in various countries and is part of the continuous search for organizational optimization.

FIN-4.24.2 Income and expenses related to impairments and major litigations

Impairment of assets

As a consequence of the Belgian restructuring, a number of production lines were stopped and others were moved to different plants within the Group. The combination of both items had an impact of €6.4 million.

In 2023, the impairment losses mainly include the impairment loss on a leased building under IFRS 16 which is no longer used by the Group.

Litigation and claims

The Company incurred specific legal fees in the context of certain on-going or potential litigation matters which are expected to result in a potential benefit for the Company or in the avoidance of potential future expenses.

FIN-4.25 Expenses by nature

Expenses by nature represent an alternative disclosure for amounts included in the consolidated income statement. There are classified under ‘Cost of sales’, ‘Distribution expenses’, ‘Sales and marketing expenses’, ‘General administrative expenses’ and ‘Other operating income / expense (net)’ in respect of the years ended December 31:

		Full Year	
in € million	Note	2024	2023
Changes in inventory work in progress and finished goods		15.8	3.9
Raw materials and consumables purchased		(993.4)	(1,031.4)
Employee benefit expenses	22	(342.4)	(312.4)
Depreciation and amortization	9, 10, 11	(74.1)	(70.7)
Rendered services		(287.4)	(256.8)
Lease expenses	11	(20.4)	(17.4)
Other income / (expenses)	23	(10.1)	(6.6)
Total cost of sales, distribution expenses, sales and marketing expenses, general administrative expenses and other operating income / (expense)		**(1,712.0)**	**(1,691.5)**

FIN-4.26 Net finance cost

The various items comprising the net finance cost are as follows:

	Full Year	
in € million	2024	2023
Interest income on current assets	4.2	2.8
Gains on derivatives	-	4.2
Finance income	**4.2**	**7.0**
Interest expense on group borrowings	(26.4)	(31.9)
Amortization of borrowing expenses	(3.7)	(4.8)
Interest expense on other borrowings and other liabilities	(13.7)	(14.9)
Interest expense	**(43.7)**	**(51.7)**
Banking cost	(1.6)	(1.6)
Factor fee	(2.6)	(1.8)
Losses on derivatives and cost of hedging	(1.2)	(2.1)
Other	(0.0)	(0.5)
Finance cost	**(49.1)**	**(57.6)**
Finance income as per income statement	4.2	7.0
Finance expense as per income statement	(49.1)	(57.6)
Net exchange differences relating to financing activities	(6.5)	5.5
Net finance cost as per income statement	**(51.4)**	**(45.1)**

The interest expense on other borrowings and other liabilities includes also the interest expense on lease liabilities as disclosed in note FIN-4.11. The decreased interest expense on group borrowings is mainly explained by the repayment of the term loan in the first half of 2023.

FIN-4.27 Income tax expense

The income tax (charged)/credited to the income statement during the year is as follows:

	Full Year	
in € million	2024	2023
Current tax (expense) / income	(24.5)	(17.2)
Deferred tax (expense) / income	21.1	1.0
Total income tax expense	**(3.4)**	**(16.3)**

The income tax expense can be reconciled as follows:

	Full Year	
in € million	2024	2023
Profit/(loss) before income tax	24.3	43.2
Income tax expense calculated at domestic tax rates	(5.7)	(8.3)
Disallowed expenses	(5.0)	(2.7)
Tax-exempt income	3.1	1.6
Write-off of previously recognized deferred tax assets on losses	(0.0)	(0.6)
Current year tax losses not recognized as deferred tax asset	(10.9)	(10.9)
Recognition of previously unrecognized deferred tax assets on losses	23.9	4.3
Adjustments in respect of prior year	(1.7)	0.6
Difference in statutory tax rates	-	(0.6)
Withholding tax	(4.2)	
Other	(2.8)	0.3
Total income tax expense	**(3.4)**	**(16.3)**

FIN-4.28 Share-based payments

Since September 2014 the Company implemented yearly Long-Term Incentive Plans ('LTIP'), which are based on a combination of stock options (further 'Options') and restricted stock units (further 'RSU's'). In 2019, the long-term incentive plan changed in a combination of RSU's, Options and Performance Stock Units (further 'PSU's'), each representing one third of the total long-term incentive grant value, while as of 2021, the long-term incentive plan consisted only of PSU's. The Options, RSU's and PSU's are accounted for as equity-settled share-based payments. The Options, RSU's and PSU's can only vest and Options giving the right to receive shares of the Company (further 'Shares') or any other rights to acquire Shares can only be exercisable as from three years after the grant. The RSU's, PSU's and Options will vest subject to the condition that the participant remains in service. The share price is considered to be the relevant performance indicator and the vesting of the award will not be subject to additional specific performance conditions. The Articles of Association authorize the Company to deviate from such rule, as allowed under the Belgian Companies Code.

The exercise price of the Options will be equal to the last closing rating of the Share immediately preceding the option grant date. For the Options, the exercise period will start on the vesting date.

The Shares underlying the RSU's and PSU's will be granted for free as soon as practicable after the vesting date of the RSU's and the PSU's.

Upon vesting of RSU's and PSU's, the Shares underlying the RSU's and PSU's are transferred to the participants, while upon vesting, Options may be exercised until their expiry date (eight years from the date of grant).

On or about May 10, 2017 a total of 299,914 stock options and 69,023 RSU's were granted, 86,338 options and 69,023 RSU's have forfeited, expired or have been exercised as of December 31, 2024. The stock options are exercisable between June 2020 and June 2025.

On or about June 15, 2018, a total of 471,064 stock options and 93,576 RSU's were granted, 173,236 options and 93,576 RSU's have forfeited, expired or have been exercised as of December 31, 2024. The stock options are exercisable between June 2021 and June 2026.

On or about June 13, 2019, a total of 393,403 stock options, 124,420 RSU's and 124,420 PSU's were granted. 183,421 options, 124,420 RSU's and 124,420 PSU's have forfeited, expired or have been exercised as of December 31, 2024. The stock options are exercisable between June 2022 and June 2027.

On or about May 28, 2020, the Group granted an LTIP plan consisting of 374,622 stock options, 119,244 RSU's and 119,244 PSU's. 243,676 options, 119,244 RSU's and 119,244 PSU's have forfeited, expired or have been exercised as of December 31, 2024. The stock options are exercisable between June 2023 and June 2028.

On or about May 27, 2021, the Group granted an LTIP plan consisting of 432,438 PSU's. 432,438 PSU's have been forfeited or exercised as of December 31, 2024.

On or about March 10, 2022, the Group granted an LTIP plan consisting of 611,477 PSU's. 262,094 PSU's have been forfeited as of December 31, 2024.

During 2023, the Group granted LTIP plans consisting of 5,206,379 PSU's. 1,181,681 PSU's have been forfeited as of December 31, 2024.

During the period, the Group granted new LTIP plans consisting of 301,634 PSU's. 47,971 PSU's have been forfeited as of December 31, 2024.

The following share-based payment arrangements were in existence during the current and prior years:

	Expiry Date	Exercise Price per stock option (€)	Weighted average Fair value (€)	# stock options/ RSU's/PSU's December 31, 2024	# stock options/ RSU's/PSU's December 31, 2023
LTIP 2017					
Options	2025	33.11	7.62	213,576	220,230
LTIP 2018					
Options	2026	23.56	4.68	297,828	309,806
LTIP 2019					
Options	2027	14.00	3.99	209,982	217,955
LTIP 2020					
Options	2028	13.90	3.13	130,946	187,503
LTIP 2021					
PSU's	2024	N/A	10.37	-	271,489
LTIP 2022					
PSU's	2025	N/A	7.30	349,383	356,470
LTIP 2023					
PSU's - Plan A	2026	N/A	2.49	2,942,949	2,942,949
PSU's - Plan B	2026	N/A	2.47	1,003,635	1,276,735
PSU's - Plan C	2026	N/A	2.34	78,114	99,412
LTIP 2024					
PSU's - Plan A	2026	N/A	1.31	188,173	-
PSU's - Plan B	2027	N/A	1.10	65,490	-
Total outstanding stock options [7]				**852,332**	**1,167,746**
Total outstanding PSU's				**4,627,744**	**4,947,055**

[7] The total outstanding stock options of 1,167,746 for 2023 includes the amounts for LTIP 2016 at the end of December 31, 2023 (232,252) as these were still outstanding at that moment in time, but are no longer included in the overview as expired at December 31, 2024

The following reconciles the options, RSU's and PSU's outstanding at the beginning and end of the year:

	Average exercise price per stock option (€) [8]	Stock options	RSU's	PSU's
As at January 1, 2023	**23.25**	**1,318,087**	**52,101**	**859,857**
Granted	-	-	-	5,206,379
Forfeited	19.31	(28,267)	(1,810)	(1,057,433)
Exercised	-	-	(50,291)	(20,780)
Expired	26.60	(122,074)	-	(40,968)
As at December 31, 2023	**23.00**	**1,167,746**	**-**	**4,947,055**
Granted	-	-	-	301,634
Forfeited	19.87	(16,136)	-	(535,220)
Exercised	-	-	-	(85,725)
Expired	26.20	(299,278)	-	-
As at December 31, 2024	**22.11**	**852,332**	**-**	**4,627,744**
of which vested and exercisable		852,332	-	-

The fair value of the PSU's in 2024 has been determined using a stochastic valuation model based on the Monte Carlo methodology. The expected volatility used in the model is based on the implied volatility of the Company. Below is an overview of all the parameters used in this model:

	LTIP 2017	LTIP 2018	LTIP 2019	LTIP 2020	LTIP 2021	LTIP 2022	LTIP 2023	LTIP 2024 [9]
Exercise Price (€)	33.11	23.56	14.00	13.90	-	-	-	-
Expected volatility of the shares (%)	27.12%	25.63%	37.98%	31.90%	43.12%	39.01%	34.14%	27.53%
Expected dividends yield (%)	2.31%	2.70%	3.82%	4.00%	3.00%	4.10%	4.00%	4.00%
Risk free interest rate (%)	0.60%	0.69%	0.10%	-0.18%	0.00%	0.00%	2.61%	2.79%

The fair value of the RSU's and PSU's has been determined by deducting from the exercise price the expected and discounted dividend flow, based on the same parameters as above.
The total cost incurred regarding the existing share-based payment plans amounted to €4.8 million during 2024 (2023: €3.9 million) and was included within employee benefit expenses. Social charges related to the LTIP are accrued for over the vesting period.

[8] The average exercise price mentioned in the table above relates only to the stock options, as the RSU's and PSU's do not have an exercise price

[9] LTIP 2023 and LTIP 2024 consisted of respectively three and two different plans. As the parameters were very similar, the average of the plans has been included in this overview

FIN-4.29 Contingencies

The Group is involved in a number of environmental, contractual, product liability, intellectual property, employment and other claims and disputes incidental to our business.

In October 2021, COFECE, the Mexican antitrust authority, announced its decision following its investigation into certain legacy practices in the personal hygiene industry in Mexico. In this decision, COFECE confirmed that Grupo PI Mabe, S.A. de C.V. ("Mabe") and certain individuals had committed antitrust violations in periods prior to the acquisition of Mabe by Ontex. Mabe recently won an appeal on grounds of unconstitutionality of the fines imposed and is awaiting a new COFECE resolution expected during the first quarter of 2025. Under the purchase agreement for its acquisition of Mabe in 2016, Ontex received a full indemnity for all resulting fines and legal fees from the selling shareholders of Mabe. In May 2023, Ontex completed the divestiture of Mabe to Softys, S.A.. As part of such divestiture, Ontex granted a back-to-back indemnity to Softys. Based on the back-to-back indemnity arrangements that are in place, the Group does not expect these proceedings to result in a net financial cost to it.

In 2018, the State of Goias issued a decree requiring Falcon Distribuição Armazenamento e Transportes S/A (Falcon) to pay a contribution to the Social Protection Fund of the State of Goias (Protege) in order to further benefit from a previously granted tax incentive under a Special Regime Agreement Term (TARE). As this condition was not provided for in the TARE, Falcon challenged this in court. In 2023, the court of first instance issued a favourable decision, against which the State of Goias filed an appeal. On November 19, 2024, this appeal was rejected by the court in second instance. The State of Goias can now still file an appeal to the superior court.

The Group believes that there are good arguments to support its position (as has been evidenced by the courts in first and second instance ruling in Falcon's favour) and as a result the Group does not believe that the loss of €5.5m is probable. Note that as part of the binding agreement entered into with Softys S.A. for the sale of Ontex's Brazilian business, Ontex paid the Protege contributions for the period 2020 to date, thus limiting the remaining risk to the period 2017-19. If and when a final decision is issued in favour of Ontex, Falcon will have the right to file a claim against the State of Goiás for reimbursement of such Protégé contributions, and such reimbursement received by Falcon shall be paid to Ontex.

The Group currently believes that the disposition of the claims and disputes, individually or in aggregate, should not have a material adverse effect on our consolidated financial condition, results of operations or liquidity.

FIN-4.30 Commitments

FIN-4.30.1 Capital commitments

The Group has contracted expenditures for the acquisition of property, plant and equipment at December 31, 2024 of €42.9 million (2023: €43.1 million).

FIN-4.30.2 Bank guarantees

As indicated in note FIN-4.17 'Interest-bearing debts', no assets are pledged as security for these borrowings. The entire amount of the Group's bank borrowings and accrued interest are secured according to collective pledge agreements.

The Group has given bank guarantees for an amount of €28.8 million in order to participate in public tenders as at December 31, 2024 (2023: €25.9 million).

For Ontex BV, a bank guarantee issued by BNL is in place for €1.5 million in favour of the Italian Custom Agency as at December 31, 2024.

For OMO, a bank guarantee issued by BBVA is in place for MXN 100.0 million in favour of the Mexican VAT authorities as at December 31, 2024.

For Ontex Group NV, a bank guarantee issued by Commerzbank is in place for €5.2 million in light of a legal case as at December 31, 2024.

For Eutima BV, a bank guarantee issued by BNP is in place for €0.2 million in favour of Koramic Real Estate Investment at December 31, 2024.

FIN-4.31 Related party transactions

As part of our business, Ontex has entered into several transactions with related parties.

FIN-4.31.1 Consolidated companies

A list of subsidiaries is given in note FIN-4.7 'List of consolidated companies'.

FIN-4.31.2 Relations with the shareholders

There are no transactions with shareholders per December 31, 2024 (nor in 2023).

FIN-4.31.3 Relations with non-executive members of the Board of Directors

	Full Year	
in € million	2024	2023
Remuneration	1.1	1.2

FIN-4.31.4 Relations with the key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Group. Key management for the Group are all the members of Management Committee.

FIN-4.31.5 Key management compensation

Remuneration of the CEO	Full Year	
in € million	2024	2023
Fixed and variable remuneration	1.7	1.8

The above remuneration includes post-employee benefits of €0.2 million (2023: €0.2 million), the remainder concerns short-term employee benefits. Next to the above remuneration, the CEO was not awarded any performance stock units in 2024 (2023: 1,005,668 performance stock units), as explained below. The share based payment cost amounted to €0.8 million in 2024 (2023: €0.5 million).

Remuneration of the Executive Team (excluding the CEO)	Full Year	
in € million	2024	2023
Fixed remuneration	3.5	3.1
Variable remuneration	1.0	0.7
Other remuneration	0.4	0.5
Total	**4.8**	**4.2**

The fixed and variable remuneration concerns short-term employee benefits, while the other remuneration mainly relates to post-employment benefit plans. Next to the above items, the executive team was not awarded any performance stock units in 2024 (in 2023: 1,937,281 performance stock units). The total share based payment cost (including older plans) amounted to €1.7 million in 2024 (2023: €1.2 million). For a more detailed breakdown, refer to the Remuneration Report.

The Company implemented Long-Term Incentive Plans ('LTIP'), which are based on a combination of stock options, restricted stock units and performance stock units (see note FIN-4.28).

The number of stock options, restricted stock units and performance stock units granted to the CEO and the Executive Management Team is summarized below:

For the year ended December 31, 2024	Number of RSU's	Number of PSU's	Number of Stock Options
LTIP 2019			
CEO	18,414	18,414	64,610
Executive Team (excluding CEO)	53,376	53,376	171,928
LTIP 2020			
CEO	19,891	19,891	88,333
Executive Team (excluding CEO)	56,265	56,265	249,870
LTIP 2021			
CEO	-	94,954	-
Executive Team (excluding CEO)	-	229,572	-
LTIP 2022			
CEO	-	149,891	-
Executive Team (excluding CEO)	-	213,070	-
LTIP 2023			
CEO	-	1,005,668	-
Executive Team (excluding CEO)	-	1,937,281	-

FIN-4.32 Events after the end of the reporting period

On February 5, 2025, Ontex announced that it has entered into a binding agreement to sell its Turkish subsidiary to Dilek Grup. The transaction includes Ontex's business in Türkiye and related export business, as well as its plant in Istanbul. It is expected to close the transaction by the third quarter of 2025.

On Saturday March 8, 2025, local heavy rain caused water damage around and inside Ontex's plant and R&D center in Segovia, Spain. While the water has been fully evacuated, the cleaning and the restart of the operations are in progress. There is an insurance policy in place on Property and Business Loss. At this stage, a reasonable estimate of the net financial impact cannot be determined with sufficient reliability.

There were no other significant events that occurred after the end of the reporting period.

FIN-4.33 Audit fees

	Full Year	
in € thousands	2024	2023
Audit Fees	1,221.0	1,046.9
Additional Services rendered by the auditor's mandate:		
Audit related fees	304.6	302.6
Tax advisory & compliance services	12.4	41.2
Total	**1,538.0**	**1,390.7**

The fees in the above table concern the audit fees for the full Group and not only the continuing operations.

FIN-5 Summary statutory financial statements

FIN-5.1 Statutory balance sheet after appropriation

	December 31	
in € million	2024	2023
Assets	**3,035.1**	**3,018.7**
Fixed assets	**2,759.9**	**2,583.4**
Formation expenses	0.0	-
Intangible assets	13.6	14.2
Tangible assets	0.2	0.4
Financial fixed assets	2,746.0	2,568.8
Participating interests	1,687.1	1,687.1
Amounts receivable	1,058.8	881.6
Other financial fixed assets	0.2	0.2
Current assets	**275.2**	**435.3**
Amounts receivable within one year	209.6	349.7
Treasury shares	10.6	9.1
Cash at bank and in hand	28.8	53.0
Deferred charges and accrued income	26.3	23.4

	December 31	
in € million	2024	2023
Equity and liabilities	**3,035.1**	**3,018.7**
Equity	**1,677.2**	**1,661.7**
Capital	823.6	823.6
Share premium	412.7	412.7
Reserves	269.1	266.9
Accumulated profits/(losses)	171.8	158.5
Provisions and deferred taxes	**8.0**	**8.5**
Amounts payable	**1,349.9**	**1,348.5**
Amounts payable after more than one year	580.0	580.0
Financial debt	580.0	580.0
Amounts payable within one year	760.5	758.9
Financial debt	209.2	293.3
Trade debts	18.6	7.6
Taxes, remunerations and social security	4.3	4.8
Other amounts payable	528.4	453.2
Accruals and deferred income	9.5	9.5

FIN-5.2 Statutory income statement

	Full Year	
in € million	2024	2023
Operating income	56.6	56.2
Operating charges	(42.9)	(49.6)
Operating gain / (loss)	**13.7**	**6.6**
Financial result	3.9	(0.8)
Profit/(loss) for the period before taxes	**17.6**	**5.8**
Income taxes	(2.1)	(3.1)
Profit/(loss) for the period	**15.5**	**2.7**

FIN-5.3 Extract from Ontex Group NV separate (non-consolidated) financial statements prepared in accordance with Belgian GAAP

The preceding information is extracted from the separate Belgian GAAP financial statements of Ontex Group NV and is included as required by article 3:17 of the Belgian Company Code. The separate financial statements, together with the annual report of the Board of Directors to the general assembly of shareholders as well as the auditors' report, will be filed with the National Bank of Belgium within the legally foreseen time limits. These documents are also available on request at Ontex Group NV, Korte Keppestraat 21, 9320 Aalst (Erembodegem).

The statutory auditor's report is unqualified and certifies that the non-consolidated financial statements of Ontex Group NV prepared in accordance with Belgian GAAP for the year ended December 31, 2024 (full financial year) give a true and fair view of the financial position and results of Ontex Group NV in accordance with the legal and regulatory dispositions applicable in Belgium.

Sustainability statements

For the financial year ended December 31, 2024

SUS-1 Creating value through sustainability

Ontex is committed to building a sustainable and socially responsible business that will continue to serve customers well for generations to come, while strengthening its positive impact on the world. 'Here for you. Here for the better' means setting clear goals for both the near and distant future. It means adopting the latest innovations that help the Company reduce its environmental impact. It means making sure that the Company's people commitments are progressive – so that it can continue to keep its employees safe at work and help them be the best they can be. And it means standing up as a catalyst for achieving something better in the communities Ontex serves and the wider world.

E	S	G
ENVIRONMENT BETTER FOR THE PLANET	**SOCIAL BETTER FOR PEOPLE**	**GOVERNANCE BETTER FOR BUSINESS**
APPROACH	**APPROACH**	**APPROACH**
Embedding good, scalable sustainability practice into every single product.	Investing in people – in the broadest sense.	Committing to strong ethical standards and transparency along the value chain.
PRIORITIES	**PRIORITIES**	**PRIORITIES**
• Manage forest and fibres responsibly • Working towards net zero emissions • Reducing product carbon intensity • Removing fossil-based plastics from products and packaging • Partnering for circularity	• Enhancing consumer safety • Being a caring employer • Elevating living standards in the value chain	• Practicing business ethics • Ensuring transparency
READ MORE	**READ MORE**	**READ MORE**
EU Taxonomy ESRS E1: Climate change ESRS E5: Resource use and circular economy	ESRS S1: Own workforce ESRS S2: Workers in the value chain ESRS S4: Consumers and end-users	ESRS G1: Business conduct

On the following pages Ontex presents its **Environmental, Social and Governance Statements**, each highlighting a key dimension of its sustainability approach.

SUS-2 General Information

SUS-2.1 Basis for preparation

SUS-2.1.1 General basis for preparation of the sustainability statements

These sustainability statements have been prepared against the European Sustainability Reporting Standards (ESRS) on a consolidated basis, with the scope of consolidation being Ontex Group NV and its subsidiaries. The scope of consolidation matches the consolidated financial statements and excludes Ontex Pakistan and Ontex Algeria due to not having access to sustainability information as a result of their divestment in the course of 2024. The latter have no material impact on the non-financial statements due to the size of their operations and the divestments having happened in Q1/Q2 of 2024.

The report covers the consolidated group's entire value chain, apart from the above mentioned exceptions, and where material provides information on upstream and downstream activities in accordance with ESRS 1. In the double materiality assessment of impacts, risks and opportunities, the value chain was considered as follows:

- the upstream value chain includes direct tier 1 suppliers, and indirect engagement for the rest of the upstream value chain;
- the downstream value chain is limited to direct customers, unless a material impact, risk or opportunity was identified beyond direct customers (such as consumer safety). Through indirect engagement we covered topics for the rest of the downstream value chain.

How far Ontex's policies, actions, targets and metrics extend to its value chain is described in the sections relating to the topical standards.

The contents of the sustainability statement were subject to a limited assurance report in accordance with ISAE 3000 (Revised). The Independent Auditor's Report on a Limited Assurance Engagement can be found in the auditor report section at the back of the annual report. No external body outside the assurance provider validated metrics.

SUS-2.1.2 Disclosures in relation to specific circumstances

Time horizons

Time horizons are defined in accordance with European Sustainability Reporting Standards 1 (ESRS 1) as follows: short-term (one year or less), medium-term (one to five years) and long-term (over five years).

Value chain estimations

When calculating greenhouse gas (GHG) emissions for suppliers and customers, predominantly indirect sources like industry-average emission factors were used. Note that scope 3 metrics are subject to significant measurement uncertainty. See SUS-3.1.3 for more information.

Uncertainty of information presented

Where estimations have been used or where there are outcome uncertainties related to the metrics disclosed in the statement, this is disclosed along with the respective metrics within each topical chapter.

Events after the end of the reporting period

The relevant events after the end of the reporting period can be found in note FIN-4.32 of the consolidated financial statements.

Based on a preliminary assessment of the water damage caused by heavy rain which took place at our Segovia plant in Spain, no impact on our physical climate risk assessment is expected.

Changes in preparation or presentation of sustainability information

For the 2024 reporting period, Ontex restructured its sustainability disclosure for Corporate Sustainability Reporting Directive (CSRD) compliance:

- including a sustainability statement within the annual sustainability report, structured in accordance with ESRS requirements;
- conducting a double materiality assessment to identify material impacts, risks and opportunities;
- adding new ESRS-required disclosures and metrics, including descriptions of material impacts, risks and opportunities, and policies, actions and metrics and targets to address them;
- including Russia in climate data to align with the financial report's scope;
- updating the GHG emissions calculation model (see sectionSUS-3.1.7);
- updating the human rights impacts assessment model.

Presenting comparative information

Where metrics have been reported previously, comparative information is presented. The comparative information in the sustainability statement and related disclosures are presented on a voluntary basis and have not been subject to reasonable or limited assurance procedures, unless stated otherwise in the relevant sections of the sustainability statement. For newly introduced metrics, the Company makes use of the transitional provisions for the first year in accordance with ESRS 1.

Reporting error in prior period

In the previous reporting period, CapEx and OpEx related to research and development (R&D) activities were mistakenly included in the EU Taxonomy disclosure due to a misinterpretation of reporting requirements. To ensure alignment with the EU Taxonomy framework, a comprehensive reassessment was conducted this year to clarify the applicable reporting categories. As a corrective measure, R&D-related CapEx and OpEx have been excluded from this year's disclosure, ensuring greater accuracy and compliance with regulatory guidance.

Information on intellectual property

No information on intellectual property, knowhow or the results of innovation were omitted in the sustainability statements.

Information on matters under negotiation

No disclosure of impending developments or matters under negotiation has been omitted in the sustainability statements.

Phase-in provisions

In these sustainability statements, Ontex uses the option to omit information for ESRS 2 SBM-3 paragraph 48(e), ESRS E1-9, E5-6, S1-14 (non-employees) in accordance with Appendix C of ESRS 1.

Immaterial ESRS standards

Ontex has omitted all the disclosure requirements in the topical standards ESRS 'E2 Pollution', ESRS 'E3 Water and marine resources' and ESRS 'E4 Biodiversity & ecosystems' & ESRS 'S3 Affected communities' as these topics were deemed immaterial in its double materiality assessment (DMA). All of them followed the same methodology and process steps as for the topics deemed material, but fell under the material threshold set during the DMA process.

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

All greenhouse gas data points (GHG scope 1-3) are reported based on the Greenhouse Gas Protocol.

Incorporation by reference

The table below provides an overview of where information can be found relating to ESRS disclosures that have been incorporated by reference and stated outside the sustainability statement as part of other sections of this Annual Report.

Disclosure requirement	Data points	Section in the report
GOV-1	§21a Number of executive and non-executive members of the Board of Directors	Corporate governance statement
GOV-1	§21d, §23a-b Diversity of the Board of Directors	Corporate governance statement
GOV-1	§21e Percentage of independent Board of Directors' members	Corporate governance statement
GOV-5	§36a-e Information on risk management and controls	Corporate governance statement
GOV-3 / E1.GOV-3	§27, §29a-e, §13 Information on sustainability-linked remuneration	Remuneration report
S1-16	§97b The annual total remuneration ratio (the CEO pay ratio)	Remuneration report
SBM-1	§42, §42a-b Business model and value chain	Strategic report
SBM-1	§40a i-ii, 40e-g Business strategy and products/services linkage to sustainability matters	Strategic report

Forward-looking information

When reporting forward-looking information in accordance with the ESRS, management of the Company is required to prepare the forward-looking information based on disclosed assumptions about events that may occur in the future and possible future actions by the Company. The actual outcome is likely to be different since anticipated events frequently do not occur as expected. Forward-looking information relates to events and actions that have not yet occurred and may never occur.

SUS-2.2 Governance

SUS-2.2.1 ESG Governance

Sustainability has long been embedded in Ontex's functions and operations.

The Company's Sustainability Strategy 2030 is a result of the double materiality assessment and its related impacts, risks & opportunities and defines its ambitions and commitments, creating a shared agenda that aligns all business units towards 2030. It provides a clear focus and roadmap for the entire organization while allowing each unit to set its own goals and targets in support of this strategy. This approach enables locally tailored and relevant implementation. The strategy is deployed throughout the Group and integrated into all departments.

The Board of Directors

The Board oversees and approves the Company's ESG commitments, monitors progress, and approves targets validated by either the Audit & Risk Committee or the the Remuneration and Nomination Committee (which reviews social KPIs).

ESG Council

- Consists of the complete Executive Management Committee.
- Determines strategy and validates targets proposed by the sustainability team.
- Monitors the implementation of the sustainability strategy 2030.
- Ms. Annick De Poorter (Chief Innovation and Sustainability Officer) is responsible for sustainability and ensures the integration of sustainability into the Company's roadmap.
- Takes place on a quarterly base

The Group sustainability team

- Defines and deploys the Ontex sustainability strategy 2030.
- Monitors progress and presents the result to the EMC and the Board and its committees.
- Reports on a quarterly base to the ESG Council & Audit & Risk Committee.
- The team works closely together with other departments to embed sustainability in the organization.

Steering committees

- Climate steering committee: oversees the performance against our climate targets, scope 1-2-3 and steers the development, challenges and approves the climate roadmaps.
- Takes place on a quarterly base

Sustainability roles within other parts of the business

- Implement and/or contribute to one or more objectives of the sustainability strategy 2030

Composition and diversity of the members of the undertaking's administrative, management and supervisory bodies

The Company refers to section GOV-2.7 of the *Corporate Governance Statement* for the disclosures regarding the composition and diversity of the members of the undertaking's administrative, management and supervisory bodies. In addition to such disclosures, the Company notes that, in line with Belgian law, employees are not represented in the company's Board of Directors or Executive Committee. However, many of the Group's subsidiaries have works' councils, which are consulted on certain matters in accordance with applicable law.

The Board has access to appropriate expertise regarding sustainability matters, as one of the board members, Ms. Manon Janssen, has in-depth expertise in sustainability matters. Ms. Janssen has been involved in the Company's double materiality assessment and the subsequent preparation of the sustainability reporting. Additionally, the Executive Management Committee includes Ms. Annick De Poorter, who is responsible for sustainability matters. A dedicated sustainability team further supports the Company's efforts by providing subject-matter expertise. Finally, the Company has access to training and the expertise of specialized, external **consultants**.

Governance oversight and strategic alignment

As shown in the figure above, Ontex applies dedicated controls and procedures to manage sustainability-related impacts, risks and opportunities through a structured governance framework. These controls ensure that sustainability is embedded in corporate decision-making and integrated across key internal functions.

The Board of Directors is ultimately responsible for the Company's sustainability commitments and risk management. Pursuant to the Company's Corporate Governance Charter, the Audit and Risk Committee has been tasked with the oversight of the Company's ESG initiatives, including by (i) assessing, reviewing and preparing the Board of Directors' decision-making in relation to ESG matters, (ii) monitoring and overseeing the process for the development of ESG information and identifying ways to integrate ESG information into the reporting cycle, and (iii) measuring and monitoring the Company's performance on ESG matters and their impact on society in order to take account of the multidimensional nature of corporate social responsibility. In light of this, the Audit and Risk Committee has overseen and validated the Company's double materiality assessment before it was approved by the Board of Directors. The Audit and Risk Committee also receives quarterly updates on the Company's ESG initiatives from the Group Sustainability Team.

The ESG Council, which is composed of the members of the Executive Management Committee (EMC), is responsible for defining the sustainability strategy and key performance indicators (KPIs), ensuring alignment with the broader business strategy. These KPIs are, depending on their nature, validated either by the Audit and Risk Committee or the Remuneration and Nomination Committee. The Audit and Risk Committee monitors the Company's performance on sustainability-related KPIs.

Operational implementation and risk management

The Group Sustainability Team defines and deploys the sustainability strategy, monitoring progress and reporting quarterly to governance bodies. This ensures that sustainability risks and opportunities are managed proactively. The team works cross-functionally, embedding sustainability across business operations by collaborating with finance, procurement, R&D, and other key departments.

The head of the Group Sustainability Team reports directly to Ms. Annick De Poorter, who is the member of the Company's Executive Committee that is responsible for the Company's ESG initiatives.

Climate Steering Committee

The Climate Steering Committee provides a dedicated control mechanism for climate-related risks and opportunities, specifically focusing on scope 1, 2 and 3 emissions. It oversees performance, identifies challenges and approves climate roadmaps to mitigate risks and capitalize on opportunities.

Business integration and accountability

Sustainability is not siloed but embedded across the organization through dedicated roles within different business functions. These roles ensure that sustainability objectives are implemented effectively and that operational decisions align with long-term ESG goals. ESG performance goals are an integral part of Ontex's short term incentive plan. More information about the Company's incentive plans can be found in the *Remuneration report section 8.3.4*.

Ontex's approach to setting and monitoring targets related to material impacts, risks and opportunities is guided by a structured governance process, ensuring alignment with the Company's strategic priorities and regulatory expectations.

Materiality-driven target setting

As part of its double materiality assessment, the Company identified the most significant ESG-related impacts, risks and opportunities across its operations and value chain.

Based on these findings, the sustainability department engaged with internal stakeholders across key business functions (e.g. procurement, HR, compliance, operations, R&D, finance) to define relevant and measurable targets. Once proposed, these targets were reviewed and validated by the ESG Council to ensure that they were aligned with Ontex's strategic objectives and operational feasibility. Following validation by the ESG Council, the targets were presented either to the Audit & Risk Committee or the Remuneration and Nomination Committee (for social KPIs), which assessed their alignment with risk management frameworks and financial implications. The final step in the governance process involved approval by the Board of Directors, ensuring that sustainability commitments were embedded into the Company's overall strategy. Progress towards these targets is monitored on a quarterly basis through structured reporting mechanisms, with updates provided to the ESG Council, Audit & Risk Committee and Board.

By linking the double materiality process to a structured target-setting and approval workflow, Ontex ensures that sustainability goals are not just high-level aspirations but measurable, accountable commitments.

SUS-2.2.2 Integration of sustainability-related performance in incentive schemes

The Executive Committee oversees the implementation of the remuneration policy, advised by the Remuneration and Nomination Committee. For key remuneration policy elements, sustainability-related performance integration, variable remuneration proportion tied to sustainability-related targets and pay-outs for performance against 2024 STI targets, *see section 8.3.4 in the Remuneration report*.

SUS-2.2.3 Statement on due diligence

The following table maps how Ontex applies core due diligence elements for sustainability matters and their presentation in this sustainability statement.

Core elements of due diligence	Reference in the annual report
Embedding due diligence in governance, strategy and business model	• SUS-1 Creating value through sustainability • SUS-2.2 Governance • GOV-3: Board & executive management • Strategic report Defining our path
Engaging with affected stakeholders in all key steps of the due diligence	• SUS-2.3.2 Interests and views of stakeholders • SUS-2.4.2 Process for identifying & assessing IROs • SUS-2.6.3 Integration & cross functional collaboration • SUS-4.2.1 Strategy • SUS-4.3.1 Strategy
Identifying and assessing adverse impacts	• SUS-2.4.2 Process for identifying & assessing IROs • SUS-4.2.5 Processes to remediate negative impacts and channels to raise concerns
Taking actions to address adverse impacts	• SUS-2.4.2 IRO management • SUS-3.1.2 IRO management E1 • SUS-3.2.1 IRO management E5 • SUS-4.1.2 IRO management S1 • SUS-4.2.2 IRO management S2 • SUS-4.3.2 IRO management S4

Core elements of due diligence	Reference in the annual report
Tracking the effectiveness of these efforts and communicating results	• SUS-3.1.3 Metrics & targets E1 • SUS-3.2.2 Metrics & targets E5 • SUS-4.1.3 Metrics & targets S1 • SUS-4.2.3 Metrics & targets S2 • SUS-4.3.3 Metrics & targets S4

SUS-2.2.4 Risk management and internal controls over sustainability reporting

For a detailed overview of the Company's risk management framework and internal controls related to sustainability reporting, including how we identify, assess and mitigate sustainability-related risks, please refer to the Risk Management section of our Annual Report. This section outlines the governance structures, processes and controls in place to ensure the accuracy, reliability and compliance of our sustainability disclosures.

SUS-2.3 Strategy

SUS-2.3.1 Strategy, business model and value chain

Key strategy elements relating to sustainability, business model and value chain are described in sections:

- SUS-1 Creating value through sustainability
- SUS-4.2.1 Key stages and stakeholders in the value chain
- Strategic report - Defining our path

A breakdown of our total revenues can be found in FIN-4.6.

SUS-2.3.2 Interests and views of stakeholders

Ontex actively engages in stakeholder dialogues across its business activities through various channels and activities. Engagement methods vary based on topic and on stakeholder relevance. Regular contacts include customers, employees, suppliers and partners, shareholders and other investors, financial and ESG analysts, rating agencies, governmental bodies, media, civil society organizations, and educational and research institutions. In the table below you can find an overview on how Ontex engages with its key stakeholders. A double materiality exercise specifically links sustainability engagement, asking stakeholders to identify key topics to address. Detailed information is available in section SUS-2.4.1.

Stakeholder group	Methods	Key topics	Responses
Customers	• Product sales monitoring • Contact through sales team • Regular customer visits • Joint business planning • Surveys and research	• Product quality/safety • Product composition • Carbon footprint • Smart, innovative solutions • Eco-labeling • Sourcing • Innovation • Working conditions • Human rights • Consumer insights • Single-use plastics • Evolving regulations	• Ensuring sustainable manufacture/production • Offering more eco-labeled products • Ensuring safe and healthy working conditions • Ensuring responsible and documented sourcing • Ensuring sustainable innovation • Ensuring ethical operations • Training institutional customers
Consumers	• Consumer panels and focus groups • Social media networks • Product sales' monitoring • Surveys and research	• Product quality and safety • Products' environmental impact • Product labeling • Innovation • Service	• Ensuring consumer health and safety • Reducing products' environmental impact • Offering more eco-labeled products • Ensuring sustainable innovation • Customizing products to address local needs
Employees	• Recruitment • Personal development reviews • Surveys • Union/worker representative meetings • Internal and external audits • Internal communication via intranet, staff updates, newsletter • Community and employee well-being projects • Speak-Up line • Social media & website	• Health & Safety • Working conditions & remuneration • Equal opportunities • Business ethics • Leadership • Personal development	• Ensuring safe and healthy working conditions • Ensuring business ethics • Supporting diversity and equal opportunities • Ensuring training and education opportunities • Promoting internal mobility • Promoting talent development • Developing a leadership competency model • Developing personal growth plans • Organizing third-party social audits

Stakeholder group	Methods	Key topics	Responses
Suppliers	• Visits and meetings • Supplier conferences • Procurement • Supplier tracking	• Raw material sourcing • Business ethics/human rights • Management systems • Quality • Innovation • Material safety • Evolving regulations	• Purchasing agriculture and forestry material from certified suppliers • Organizing supplier audits • Implementing the Supplier Code of Conduct • Outlining requirements and providing documentation on material safety and quality
Investors	• Ongoing dialogue • Presentations/meetings • Annual General Meeting • Quarterly earnings reports and webcasts • PR • ESG indices and information requests	• Governance • Business ethics • Risk management • Environment/carbon footprint	• Providing a clear and transparent governance framework and sustainability strategy • Ensuring business ethics • Responding to ESG indices to enhance transparency • Publishing a yearly integrated report including ESG data
Communities and non-governmental organizations	• Ongoing dialogue • Partnerships on common issues • Memberships of business and industry associations • Charitable activities • Information requests from academics and students • Corporate website	• Human rights • Environment • End-of-life waste • Consumer health and safety • Local community involvement • Medical face mask production to meet urgent needs	• Provide affordable personal hygiene solutions • Ensuring consumer health and safety • Conducting research • Implement quality protocols/policies regarding chemicals • Donations

Memberships and associations

Ontex collaborates with industry associations, sustainability initiatives and climate action networks. These partnerships ensure that the Company's actions are informed by diverse perspectives and uphold the highest standards in ethical and sustainable business practices.

Memberships and associations of which Ontex is a member:

- Industry associations: EDANA, Group'Hygiène, BAHP, Aphma UK, INDA;
- Sustainable due diligence: FSC, PEFC, GOTS, OCS, SMETA, REDcert2;
- Sustainability networks: The Shift; and
- Climate action: Belgian Alliance for Climate Action (BACA).

External validation and recognition

Transparency is the foundation of Ontex's stakeholder relationships. External ESG ratings provide independent validation of the Company's sustainability efforts, offering measurable proof of its commitment and helping demonstrate progress on key challenges. By sharing these ratings, Ontex aims to build trust, accountability and alignment with stakeholder expectations

Key achievements

Climate Change Questionnaire: Ontex achieved an A score in 2024, placing the Company in the top companies evaluated by the Carbon Disclosure Project (CDP).
CDP Forest Questionnaire: Ontex received an A- score, an improvement vs the previous year.

ISS ESG Rating: Ontex was rated C, just below the prime score.

EcoVadis Assessment: Ontex was awarded a gold medal for its sustainability achievements, representing an improvement compared to the previous assessment.

MSCI ESG Ratings: In 2024, Ontex achieved an AAA rating (on a scale of AAA-CCC), marking an improvement compared to the previous year.

Morningstar Sustainalytics' ESG Risk Ratings: Ontex maintained a Medium ESG Risk rating, consistent with last year.

SUS-2.4 Material impacts, risks and opportunities, and their interaction with strategy and business model

SUS-2.4.1 Double materiality process and results

The material impacts, risks, and opportunities identified during Ontex's initial double materiality assessment are outlined below.

↘ Negative impact ↗ Positive impact $ Financial risk $ Financial opportunity

Topics	ESRS	Subtopics from our DMA	Material impact, risk or opportunity	Actual or potential	Location in the value chain	Expected time horizon	Rationale
Carbon emissions	E1	Climate change mitigation Climate change adaptation Energy	↘ $	Actual	Upstream, transport companies, own operations, downstream beyond customers	Medium-term, long-term	Ontex's climate risk assessment shows that its sites are exposed to physical risks such as heat waves and floods, which could slow down its production. Additionally, ensuring resilience in the fluff pulp supply chain is critical to limiting procurement costs during climate-related events. The carbon price impact analysis supports a 'sooner rather than later' approach to Ontex's decarbonization plan. Although the impact of carbon taxes is projected to remain limited until 2030, delaying investments in decarbonization for operations and the supply chain could negatively impact Ontex's EBITDA.
Sustainable products & packaging	E5	Resource efficiency Resource outflows Resource inflows End-of-life waste	↘ $	Actual	Upstream, own operations, customers, downstream beyond customers	Short-term, medium-term, long-term	Based on the scope 3 emissions calculations, the primary environmental impacts of Ontex's products stem from the production of raw materials and the waste treatment of used products. In 2022, almost 800 tons of products were produced, ultimately disposed of by consumers. It is estimated that 47% of these products were incinerated, 43% ended up in landfills and 10% were dumped or burned in open fires. These figures exclude human waste.
Responsible employer	S1	Occupational health & safety Working conditions Other worker-related rights	↗ $	Actual	Own operations	Short term	Ontex exerts significant influence on the well-being of its employees and non-employee workers. The Company ensures compliance with local and international human rights legislation and has mature processes in place to address related topics. While the risk of major incidents is low, the potential exposure from a fatality or significant human rights issue could be considerable.

Topics	ESRS	Subtopics from our DMA	Material impact, risk or opportunity	Actual or potential	Location in the value chain	Expected time horizon	Rationale
Human rights value chain	S2	Working conditions Other worker-related rights	↘ $	Actual	Upstream, transport companies , customers	Short-term, medium-term, long-term	Global sourcing exposes Ontex to risks related to human rights violations. Proactively addressing these issues aligns with the Company's commitment to responsible business practices and meets growing consumer expectations for transparency and accountability. Safeguarding human rights enhances Ontex's reputation, ensures compliance with regulations like the Corporate Sustainability Due Diligence Directive (CSDDD) and protects vulnerable individuals in the supply chain.
Consumer safety and end-user information	S4	Product safety	↗ $	Actual	Customers, downstream beyond customers	Short term	Given the sensitive nature of personal hygiene products, Ontex is dedicated to maintaining the highest standards in its product stewardship. The Company believes that consumers have the right to know what is in the products they use. As regulators push for full transparency, Ontex is committed to empowering consumers with detailed product information. This includes substantial investments in research and safety measures and ensuring that products meet the highest health and hygiene standards.
Addressing societal issues	S4	Access to affordable products Donations	↗ $	Actual	Downstream beyond customers	n/a	Ontex provides affordable personal hygiene products, extending support to vulnerable groups such as women and girls facing menstrual poverty and individuals managing incontinence. The Company's efforts contribute to societal issues such as combatting isolation, supporting the menopause transition and fostering the integration of the elderly into society. Addressing these challenges is deeply embedded in Ontex's corporate values.
Business ethics & compliance	G1	Business ethics Payment practices	↗ $	Actual	Upstream, own operations, customers	Short term	Ontex's activities influence customers, suppliers, employees and partners. To mitigate risks such as corruption, money laundering or other types of crime, the Company implements measures such as mandatory anti-corruption training for all employees. Additionally, risks related to supplier misconduct are addressed through close dialogue and sustainability assessments integrated into procurement processes.

Although these topics fall below the materiality threshold, Ontex has chosen to voluntarily disclose information on 'Production Waste Management,' 'Diversity, Equity & Inclusion,' and 'Training & Education' to enhance transparency for ESG ratings and, in the case of production waste management, to align with our reporting under ESRS E5, leveraging existing data we have available. These topics have been reported as part of the respective sector-agnostic ESRS sections.

SUS-2.4.2 Process for identifying and assessing material impacts, risks and opportunities

Ontex's approach to identifying and assessing material impacts, risks and opportunities is rooted in a comprehensive double materiality assessment. This methodology aligns with the requirements of the European Sustainability Reporting Standards (ESRS) and ensures that both financial materiality and impact materiality are systematically evaluated across all operations.

Double materiality process overview

We defined five process steps for conducting the DMA.

Step 1: Preparation

The assessment began with defining roles and responsibilities within Ontex's CSRD governance structure. A core team was established, including representatives from sustainability, finance, compliance, legal, HR, and internal audit. Additionally, focus was put on building internal competence and aligning the process with CSRD requirements.

We consulted relevant internal & external information (e.g. previous materiality assessments, internal impact reports, benchmark assessments, studies) to scope and pre-define relevant matters per ESRS sub-topic. This gross list of IROs formed the starting point for verification and assessment for the next steps.

During a workshop with the core team, the internal experts reviewed the predefined IROs and adjusted wording and classification of these, where relevant. This led to a short list of potential material topics. The latter has been validated by our EMC.

Step 2: Stakeholder scoring

A diverse set of internal and external stakeholders was engaged to score the shortlisted potential material topics. The main criteria for stakeholder selection included ESG knowledge and representation across the value chain.

Key stakeholder groups included:

- Employees and leadership (EMC & Board)
- Suppliers and end-of-life operators
- Customers and consumers
- Regulators and investors
- Industry associations, NGOs and academics

Step 3: Materiality scoring

To systematically assess material topics, an IRO scoring framework (Impact, Risks and Opportunities) was applied. The following scoring methodology was followed:

- For assessing impacts, scale, scope, likelihood and remediability has been assessed.
- For assessing risks and opportunities, the magnitude of the financial effects and likelihood were assessed.

The process involved:

- Stakeholder input analysis through a survey.
- Expert scoring through interviews based on impact scale, likelihood, remediability and financial implications.
- Threshold definition: Topics ranking in the top third of the impact and financial materiality matrix were classified as material. The impacts, risks and opportunities related to affected communities, pollution, water and biodiversity – both within its own operations and across its value chain – fall below the materiality threshold. Consequently, these topics will not be proactively managed but will be addressed in compliance with regulatory requirements.

Step 4: Validation results

The final materiality matrix was developed based on the consolidated input. This visualization helped prioritize key sustainability topics. In this step, the results were reviewed and approved by the Ontex EMC. Any necessary adjustments were incorporated before their final sign-off. The approval by the Ontex EMC did not change the overview of material topics. Finally, the results were approved by the Board of Directors.

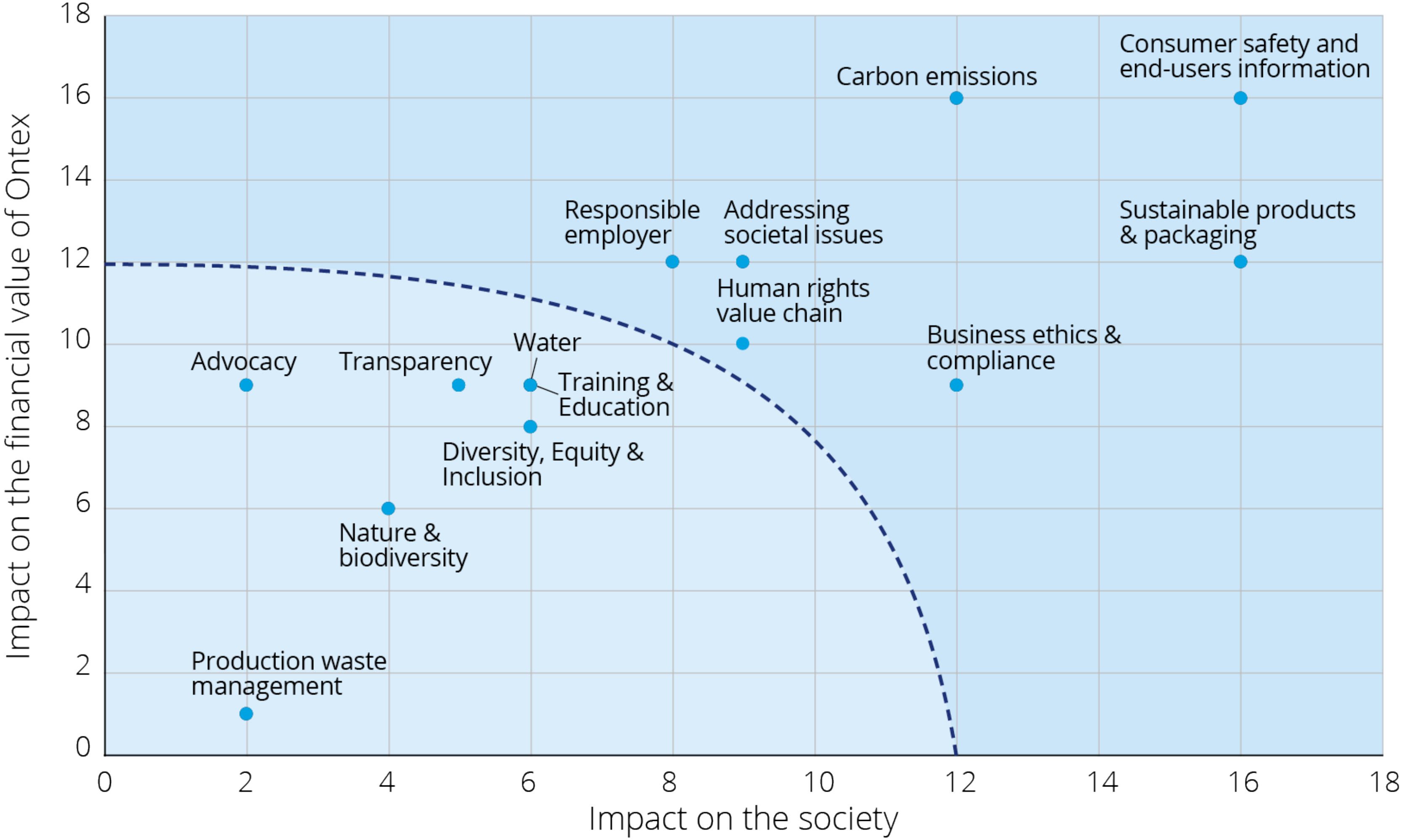
Step 5: Adaptation Ontex sustainability strategy

Based on the outcome of the DMA, Ontex conducted a review of its existing sustainability strategy to determine whether any adaptations were necessary. This process ensured that the material topics identified through stakeholder engagement and expert analysis were effectively integrated into the Company's strategic priorities. As a result, in 2024, the Ontex sustainability strategy was updated, including the refinement of targets and key performance indicators (KPIs). This alignment ensures that Ontex not only meets regulatory expectations under CSRD but also strengthens its long-term resilience by embedding sustainability considerations into its core business strategy and governance.

Comprehensive risk analysis framework

The identification of material risks is integrated into the Company's Enterprise Risk Management (ERM) process. This involves a bi-annual ERM exercise to assess all material risks facing the organization, complemented by management interviews during internal audits to identify new material risks that may have emerged since the previous assessment. A range of measures have been put in place to manage these risks, including risk prioritization, continuous monitoring, targeted internal control assessments, and rigorous follow-up. *For more information, please refer to the Risk Management section of our Annual Report.*

Materiality matrix



Changes versus our previous materiality assessment

In 2023, Ontex conducted its first double materiality assessment. The previous materiality assessment was completed in 2021. The assessment will be renewed in 2026. Although the assessment methodology is not the same due to the introduction of the double materiality principle, some changes could be seen:

New high-priority topics in 2023

- **Consumer safety & end-user information**: While product safety & quality was already important in 2021, the 2023 matrix places more emphasis on consumer information, aligning with transparency trends.
- **Business ethics & compliance**: In 2021, this was a mid-level priority, but it has moved further up in importance in 2023.

Topics that remained high priority in both 2021 and 2023

- **Sustainable products & packaging**: This topic was already at the top in 2021 and remains a key focus in 2023.
- **Human rights**: The topic remains a high-priority topic, both in our own sites (= “responsible employer”) and in our value chain (= “human rights value chain”)
- **Circular economy**: Still an important focus but now integrated with ‘Sustainable products & packaging’.
- **Climate change/carbon emissions**: The topic remains a high-priority topic.

Decreased priority or removed topics in 2023

- **Animal welfare & testing**: Previously a lower priority, now it is no longer a material topic due to the very limited scope.
- **Production waste**: The topic was not specifically mentioned in 2021 but was integrated into the ‘Eco-efficiency’ topic. Due to the small environmental & financial impact that production waste has in Ontex’s plants, it has been considered as not being a material topic in the latest assessment. However, as we report on ESRS E5 and we have solid production waste data available, which is part of ESRS E5, we opted to voluntary disclose this information as well.

SUS-2.5 Targets and target effectiveness

At the core of Ontex’s sustainability strategy lies a strong commitment to meaningful stakeholder engagement, with the purpose of ensuring alignment between the Company’s objectives and the expectations of those directly or indirectly impacted by its activities. For each material sustainability topic, one or more targets have been established, serving two primary objectives:

- Driving progress in the sustainability program; and
- Enabling consistent monitoring and evaluation of the Company’s advancement toward these objectives.

The target-setting process was a continuation of the double materiality assessment, in which the same diverse group of stakeholders was engaged. This ensured that the targets are both ambitious and achievable and reflect both our internal priorities and external expectations.

In the topical disclosures that follow, the details of each target are presented, including:

- **Target level:** the specific outcomes that Ontex aims to achieve;
- **Methodology and assumptions:** the framework and principles used to determine targets;
- **Scope:** the coverage of the target, including applicable business units, geographical areas or activities;
- **Reference year(s):** the timeline for implementation, including the baseline year and target achievement date; and
- **Performance:** current progress and status relative to the intended goals.

This structured and transparent approach ensures that stakeholders are well informed about Ontex’s sustainability ambitions, while demonstrating accountability for its journey towards achieving long-term sustainable growth.

SUS-2.6 Policies adopted to manage material sustainability matters

SUS-2.6.1 Standards and policy framework

The standards and policies at Ontex provide the cornerstone for transforming the Company's sustainability strategy into actionable initiatives and achieving its long-term vision. Many of these internal standards and policies are grounded in international frameworks, ensuring alignment with global best practices.

Each policy undergoes a standardized and automated approval process to guarantee robust oversight and accountability. This process includes defined steps involving relevant stakeholders and senior-level personnel responsible for executing the strategy. Once approved, policies are implemented at the local level, ensuring consistency, transparency and effective execution across all operations. Each policy clearly outlines its scope and, where applicable, references the use of third-party standards. The EMC has the responsibility to validate Ontex policies.

For each ESRS, an overview of the related policies is given in these sustainability statements.

Based on the outcome of the double materiality assessment & related strategy adaptation in 2024, the ESG policies, with exclusion of the Ontex Code of Ethics, underwent an update, which was officially issued in 2025.

SUS-2.6.2 Management systems for sustainability

Ontex's commitment to environmental and social responsibility is driven by a comprehensive sustainability management system, which integrates sustainability into all facets of its operations through clearly defined policies, procedures and processes. This system is built on international standards and frameworks that guide responsible business practices.

Ontex's Sustainability Policy outlines the core principles of this system, emphasizing compliance, integration and continuous improvement. Key standards from the International Organization for Standardization (ISO) that underpin this system include:

- **ISO 14001**: Environmental Management System;
- **ISO 50001**: Energy Management System; and
- **ISO 45001**: Occupational Health and Safety Management System.

Additionally, the system incorporates a range of voluntary and mandatory requirements, such as:

- SMETA social compliance scheme;
- legal and regulatory standards;
- third-party certifications;
- United Nations Sustainable Development Goals (UN SDGs); and
- other sustainability frameworks.

These components collectively strengthen Ontex's commitment to responsible business practices.

SUS-2.6.3 Integration and cross-functional collaboration

To ensure coherence and efficiency, Ontex's sustainability management system is aligned with other core management systems, such as those for quality and information security. This alignment, overseen by a cross-functional team, enables the Company to maintain a unified framework for its management standards.

This cohesive system is established at Group level and is cascaded down to individual sites, facilitating the exchange of best practices and fostering synergy across Ontex's operations.

The annual management review, conducted both at site and Group level, serves as the culmination of this integrated approach. During the review, the Company evaluates the past year's performance, addresses any complaints received and identifies key risks, opportunities, and resources necessary to drive improvements. This process underlines Ontex's dedication to maintaining high standards and continuously enhancing its sustainability efforts.

SUS-2.7 Overview of disclosure requirements addressed in the sustainability statements

The table below provides an overview of all ESRS disclosure requirements in ESRS 2 and the five topical ESRS standards which are material to Ontex, and which have guided the preparation of the Company's sustainability statements. They can be used to navigate to information relating to a specific ESRS disclosure requirement.

Section	ESRS Standard			Reference to sustainability statements
General disclosures	General disclosures (ESRS 2)	BP-1	General basis for preparation of the sustainability statement	SUS-2.1
		BP-2	Disclosures in relation to specific circumstances	SUS-2.1.1
		GOV-1	The role of the administrative, management and	GOV-1
		GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	SUS-2.2
		GOV-3	Integration of sustainability-related performance in incentive schemes	SUS-2.2.2
		GOV-4	Statement on due diligence	SUS-2.2.3
		GOV-5	Risk management and internal controls over sustainability reporting	SUS-2.2.4
		SBM-1	Strategy, business model and value chain	SUS-4.2
		SBM-2	Interests and views of stakeholders	SUS-2.3.2
		SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS-1
		IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	SUS-2.4
		IRO-2	Disclosure of requirements in ESRS covered by the undertaking's sustainability statement	SUS-2.7
Environmental disclosures	Climate change (E1)	ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	SUS-2.2.2
		E1-1	Transition plan for climate change mitigation	SUS-3.1.1
		ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS-3.1.2
		ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	SUS-3.1.2
		E1-2	Policies related to climate change mitigation and adaptation	SUS-3.1.3
		E1-3	Actions and resources in relation to climate change policies	SUS-3.1.4
		E1-4	Targets related to climate change mitigation and adaptation	SUS-3.1.5
		E1-5	Energy consumption and mix	SUS-3.1.6
		E1-6	Gross scopes 1, 2, 3 and Total GHG emissions	SUS-3.1.7
		E1-7	GHG removals and GHG mitigation projects financed through carbon credits	SUS-3.1.8
		E1-8	Internal carbon pricing	SUS-3.1.9
		E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	SUS-3.1.10

Section	ESRS Standard			Reference to sustainability statements
Environmental disclosures	Resource use and circular economy (E5)	ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	SUS-3.2.1
		E5-1	Policies related to resource use and circular economy	SUS-3.2.2
		E5-2	Actions and resources related to resource use and circular economy	SUS-3.2.3
		E5-3	Targets related to resource use and circular economy	SUS-3.2.4
		E5-4	Resource inflows	SUS-3.2.5
		E5-5	Resource outflows	SUS-3.2.7
		E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	SUS-3.2.4
Social disclosures	Own workforce (S1)	ESRS 2 SBM 2	Interests and views of stakeholders	SUS-4.1.1
		ESRS 2 SBM 3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS-4.1.2
		S1-1	Policies related to own workforce	SUS-4.1.3
		S1-2	Processes for engaging with own workforce and workers' representatives about impacts	SUS-4.1.4
		S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	SUS-4.1.5
		S1-4	Taking action on material impacts on own workforce and approaches to managing material risks and pursuing material opportunities related to own workforce and effectiveness of those actions	SUS-4.1.6
		S1-5	Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	SUS-4.1.7
		S1-6	Characteristics of the undertaking's employees	SUS-4.1.8
		S1-7	Characteristics of non-employee workers in the undertaking's own workforce	SUS-4.1.9
		S1-8	Collective bargaining coverage and social dialogue	SUS-4.1.10
		S1-9	Diversity metrics	SUS-4.1.11
		S1-10	Adequate wages	No material topic
		S1-11	Social protection	No material topic
		S1-12	Persons with disabilities	No material topic
		S1-13	Training and skills development metrics	SUS-4.1.12
		S1-14	Health and safety metrics	SUS-4.1.13
		S1-15	Work-life balance metrics	No material topic
		S1-16	Remuneration metrics	SUS-4.1.14
		S1-17	Incidents, complaints and severe human rights impacts	SUS-4.1.15

Section	ESRS Standard		Reference to sustainability statements	
Social disclosures	Workers in the value chain (S2)	ESRS 2 SBM-2	Interests and views of stakeholders	SUS-4.2.1
		ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS-4.2.2
		S2-1	Policies related to value chain workers	SUS-4.2.3
		S2-2	Processes for engaging with value chain workers about impacts	SUS-4.2.4
		S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	SUS-4.2.5
		S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers and effectiveness of those actions	SUS-4.2.6
		S2-5	Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	SUS-4.2.7
	Consumers and end-users (S4)	ESRS 2 SBM-2	Interests and views of stakeholders	SUS-4.3.1
		ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS-4.3.2
		S4-1	Policies related to consumers and end-users	SUS-4.3.3
		S4-2	Processes for engaging with consumers and end-users about impacts	SUS-4.3.4
		S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	SUS-4.3.5
		S4-4	Taking action on material impacts on consumers and end-users and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	SUS-4.3.6
		S4-5	Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	SUS-4.3.7
Governance disclosures	Business conduct (G1)	G1 GOV-1	The role of the administrative, supervisory and management bodies	SUS-2.2.1
		G1 IRO 1	Description of the processes to identify and assess material impacts, risks and opportunities	SUS-5.1.1
		G1-1	Business conduct policies and corporate culture	SUS-5.1.2
		G1-2	Management of relationships with suppliers	SUS-5.1.3
		G1-3	Prevention and detection of corruption and bribery	SUS-5.1.4
		G1-4	Incidents of corruption or bribery	SUS-5.1.5
		G1-5	Political influence and lobbying activities	Not material
		G1-6	Payment practices	SUS-5.1.6

SUS-2.8 Disclosure requirements that derive from other EU legislation

The table below provides an overview of ESRS data points that derive from other EU legislation, cf. ESRS 2 Appendix B and where this information can be found if deemed material.

Section	ESRS Standard	Datapoint deriving from other EU legislation		SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Section
General disclosures	General disclosures (ESRS 2)	GOV-1	Board's gender diversity paragraph 21 (d)	x		x		GOV-3
		GOV-1	Percentage of board members who are independent paragraph 21 (e)			x		GOV-3
		GOV-4	Statement on due diligence paragraph 30	x				SUS-2.2.3
		SBM-1	Involvement in activities related to fossil fuel activities paragraph 40 (d) I	x	x	x		Not material to us
		SBM-1	Involvement in activities related to chemical production paragraph 40 (d) II	x		x		Not material to us
		SBM-1	Involvement in activities related to controversial weapons paragraph 40 (d) III	x		x		Not material to us
		SBM-1	Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) IV			x		Not material to us
Environmental disclosures	Climate change (E1)	E1-1	Transition plan to reach climate neutrality by 2050 paragraph 14				x	SUS-3.1.1
		E1-1	Transition plan to reach climate neutrality by 2050 paragraph 14				x	SUS-3.1.1
		E1-1	Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		x	x		Not applicable
		E1-4	GHG emission reduction targets paragraph 34	x	x	x		SUS-3.1.5
		E1-5	Energy consumption from fossil sources disaggregated by sources for high climate impact sectors paragraph 38	x				Not applicable
		E1-5	Energy consumption and mix paragraph 37	x				SUS-3.1.6
		E1-5	Energy intensity associated with activities in high climate impact sectors paragraph 40-43	x				Not applicable
		E1-6	Gross scope 1, 2, 3, and total GHG emissions paragraph 44	x	x	x		SUS-3.1.7
		E1-6	Gross GHG emissions intensity paragraph 53-55	x	x	x		SUS-3.1.7
		E1-7	GHG removals and carbon credits paragraph 56				x	SUS-3.1.8
		E1-9	Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			x		SUS-3.1.2
		E1-9	Location of significant assets at material physical risk paragraph 66 (c)		x			SUS-3.1.2

Section	ESRS Standard	Datapoint deriving from other EU legislation		SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Section
Environmental disclosures	Climate change (E1)	E1-9	Breakdown of the carrying value of real estate assets by energy-efficiency classes paragraph 67 (c)		x			Not applicable
		E1-9	Degree of exposure of the portfolio to climate-related opportunities paragraph 69			x		Omission
	Pollution (E2)	E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil paragraph 28	x				Not material to us
	Water and marine resources (E3)	E3-1	Water and marine resources 9	x				Not material to us
		E3-1	Dedicated policy paragraph 13	x				Not material to us
		E3-1	Sustainable oceans and seas paragraph 14	x				Not material to us
		E3-4	Total water recycled and reused paragraph 28 (c)	x				Not material to us
		E3-4	Total water consumption in m³ per net revenue on own operations paragraph 29	x				Not material to us
	Biodiversity and ecosystems (E4)	SBM-3	Paragraph 16 (a) i	x				Not material to us
		SBM-3	Paragraph 16 (b)	x				Not material to us
		SBM-3	Paragraph 16 (c)	x				Not material to us
		E4-2	Sustainable land/agriculture practices or policies paragraph 24 (b)	x				Not material to us
		E4-2	Sustainable oceans/seas practices or policies paragraph 24 (c)	x				Not material to us
		E4-2	Policies to address deforestation paragraph 24 (d)	x				Not material to us
	Resource use & circularity	E5-5	Non-recycled waste paragraph 37 (d)	x				SUS-3.2.6
		E5-5	Hazardous waste and radioactive waste paragraph 39	x				SUS-3.2.6
Social disclosures	Own workforce (S1)	SBM-3	Risk of incidents of forced labor paragraph 14 (f)	x				SUS-4.1.2
		SBM-3	Risk of incidents of child labor paragraph 14 (g)	x				SUS-4.1.2
		S1-1	Human rights policy commitments paragraph 20	x				SUS-4.1.3
		S1-1	Due diligence policies on issues addressed by the fundamental International Labour Organization conventions 1 to 8, paragraph 21			x		SUS-4.1.3
		S1-1	Processes and measures for preventing trafficking in human beings paragraph 22	x				SUS-4.1.3
		S1-1	Workplace accident prevention policy or management system paragraph 23	x				SUS-4.1.3
		S1-3	Grievance/complaints handling mechanisms paragraph 32 (c)	x				SUS-4.1.5

Section	ESRS Standard	Datapoint deriving from other EU legislation		SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Section
Social disclosures	Own workforce (S1)	S1-14	Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	x		x		SUS-4.1.13
		S1-14	Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	x				SUS-4.1.13
		S1-16	Unadjusted gender pay gap paragraph 97 (a)	x		x		SUS-4.1.14
		S1-16	Excessive CEO pay ratio paragraph 97 (b)	x				Not applicable
		S1-17	Incidents of discrimination paragraph 103 (a)	x				SUS-4.1.15
		S1-17	Non-respect of UNGPs on business and human rights and OECD guidelines paragraph 104 (a)	x		x		Not applicable
	Workers in the value chain (S2)	SBM-3	Significant risk of child labor or forced labor in the value chain paragraph 11 (b)	x				SUS-4.2.2
		S2-1	Human rights policy commitments paragraph 17	x				SUS-4.2.3
		S2-1	Policies related to value chain workers paragraph 18	x				SUS-4.2.3
		S2-1	Non-respect of UNGPs on business and human rights principles and OECD guidelines paragraph 19	x		x		Not applicable
		S2-1	Due diligence policies on issues addressed by the fundamental International Labor Organization (ILO) conventions 1 to 8, paragraph 19			x		SUS-4.2.3
		S2-4	Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	x				SUS-4.2.5
	Affected communities (S3)	S3-1	Human rights policy commitments paragraph 16	x				Not material to us
		S3-1	Non-respect of UNGPs on business and human rights, ILO principles or OECD guidelines paragraph 17	x		x		Not material to us
		S3-4	Human rights issues and incidents paragraph 36	x				Not material to us
	Consumers and end-users (S4)	S4-1	Policies related to consumers and end-users paragraph 16	x				SUS-4.3.3
		S4-1	Non-respect of UNGPs on business and human rights and OECD guidelines paragraph 17	x		x		Not applicable
		S4-4	Human rights issues and incidents paragraph 35	x				Not applicable

Section	ESRS Standard	Datapoint deriving from other EU legislation		SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Section
Governance disclosures	Business conduct (G1)	G1-1	United Nations convention against corruption paragraph 10 (b)	x				SUS-5.1.2
		G1-1	Protection of whistleblowers paragraph 10 (d)	x				SUS-5.1.2
		G1-4	Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	x		x		SUS-5.1.5
		G1-4	Standards of anti-corruption and anti-bribery paragraph 24 (b)	x				SUS-5.1.5

SUS-3 Environmental Information

SUS-3.1 ESRS E1: Climate change

SUS-3.1.1 Transition plan for climate change mitigation

Ontex is committed to ensuring the resilience of its strategy and business model in the face of climate change. By aligning with the goal provided by the 2015 Paris Agreement to limit global warming to 1.5°C, the Company is integrating a decarbonization approach, the development of sustainable innovation and risk management into its operations.

Key elements of Ontex's approach include:

- aligning the Company's emissions reduction targets with credible economy-wide 1.5°C scenarios to meet global climate goals and ensure accountability;
- transitioning to renewable energy, improving production efficiency and developing low-impact, circular products that meet evolving market and customer and market expectations (for details, see the *Taking actions* section of this chapter);
- proactive climate risk assessments and collaborative stakeholder engagement to mitigate physical and transitional risks.

This comprehensive strategy reinforces the Company's resilience and creates long-term value for its stakeholders while contributing to a more sustainable future.

Ontex operates in a sector included in the EU Paris-Aligned Benchmarks that aim to provide a realistic image of the real economy, including of sectors that should actively reduce greenhouse gas (GHG) emissions.

Ontex's GHG emission reduction targets are compatible with the ambition of limiting global warming to 1.5°C, in line with the Paris Agreement:

Raw materials

- Reduce emissions from main product categories.
- Collaborate with suppliers to reduce the carbon intensity from raw materials.
- Co-development & joint business development throughout the value chain.
- Encourage an ecodesign mindset in product and packaging design.
- Integrate reusable products into the product portfolio.

Transport

- Continue load optimisation.
- Optimize distances between suppliers, plants, and customers.
- Optimize transport and use energy-efficient trucks.
- Accelerate multimodal transport.
- Investigate the use of alternative fuel trucks.

Operations

- Achieve an 80% reduction in scope 1 and 2 emissions by 2030.
- Transition to 100% renewable electricity by 2030.
- Pilot alternative renewable thermal solutions.
- Compensate remaining emissions.

Product end-of-life

- Achieve 100% sustainable packaging.
- Explore and accelerate circular end-of-life solutions.
- Build and develop sustainable partnerships.

In the consumer goods sector, emissions are more flexible and can vary depending on production practices, material choices and supply chain management. The short lifespan of products limits the potential impact of locked-in emissions on the achievement of Ontex's emissions reduction targets. Additionally, the potential locked-in emissions related to our infrastructure are limited and primarily stem from energy consumption, which Ontex aims to further decarbonize (see Scope 1 and 2 emissions).

SUS-3.1.2 Material impacts, risks and opportunities and their interaction with strategy and business model

Description of the processes to identify and assess material climate-related impacts, risks and opportunities

Ontex is firmly committed to reducing GHG emissions and actively contributing to the global efforts to address climate change. The Company identifies and categorizes climate-related risks into the following key areas:

- **Physical risks:** Acute events such as heatwaves and flooding, as well as chronic changes in climate patterns, pose threats to Ontex's operations and supply chain. The Company actively assesses and mitigates these risks, ensuring operational resilience.
- Transitional risks:
  - **Policy and legal risks:** Ontex adapts to evolving climate-related legislation to remain compliant and minimize operational disruptions.
  - **Reputation risks:** Non-compliance with environmental standards, ineffective communication or misalignment with public perception can harm Ontex's reputation. The Company prioritizes transparent communication, regulatory compliance and proactive climate action to manage reputational risks.
  - **Market risks:** Increasing environmental awareness and related changing consumer behavior can influence product demand. In order to remain competitive, Ontex aligns the range of products it offers with the expectations of environmentally conscious consumers.

By actively managing and addressing these risks, Ontex aims to reduce its carbon footprint and foster resilience, compliance and sustainability across its operations in response to climate-related challenges.

Climate-related scenario analysis

Businesses are facing increasing physical and transition risks as a result of climate change. To address these challenges and explore growth and innovation opportunities, in 2023, Ontex conducted a comprehensive climate risk assessment, examining both the 2030 and 2050 time horizons. This analysis focused on identifying vulnerabilities, enhancing preparedness, proactively mitigating the effects of climate change and capitalizing on opportunities for growth and innovation. The key findings are:

Physical risks: Ontex analyzed operational disruptions due to extreme weather, focusing on core production sites and the vulnerability of pulp and cotton in the supply chain. Under the IPPC RCP 8.5[1] (BAU 3.2-4.5) scenario, risks include market price fluctuations, production inefficiencies and rising raw material costs. These risks were evaluated based on asset value, potential turnover losses and cost increases, considering that the production sites that would be slowed down by one or more specific climate event. Those estimations take into account the volume produced by each site, the kind of products, the likelihood of each climate risk at the specific location of a production site, as well as the existing solutions in place to protect production sites against such risks.

Transition risks: Ontex explored risks under the IPPC RCP 2.6[2] (1.5-2.0) scenario, such as carbon taxes and upcoming EU regulations. This analysis highlighted potential financial impacts from carbon pricing over 30 years, assessed against potential losses of EBITDA. Accelerating decarbonization – through investments in new machinery and technology – was identified as a necessary yet costly endeavor.

Opportunities: Opportunities like public funding and tax incentives were identified to support decarbonization efforts and innovation goals.

Early investment in decarbonization may incur higher initial costs but offer long-term value compared to disorderly transitions, which would prove costlier if the reduction in carbon intensity is delayed. Ontex found no assets or business activities incompatible with the transition to a climate-neutral economy, reinforcing its ability to adapt to evolving climate demands while reducing GHG emissions.

[1] RCP8.5 is the 'business-as-usual' or 'worst-case' scenario: It models a future where greenhouse gas emissions continue to increase at a high rate, resulting in the highest level of global warming and the most severe impacts of climate change. The RCP8.5 combines assumptions about high population and relatively slow income growth with modest rates of technological change and energy intensity improvements, leading in the long term to high energy demand and GHG emissions in the absence of climate change policies. It also assumes limited new policies or regulatory measures

[2] RCP2.6 is a 'stringent mitigation' scenario and is considered a 'best-case' scenario: It models a future with lower greenhouse gas emissions, resulting in less severe impacts of climate change. It aims to below 2°C above pre-industrial temperatures. The RCP2.6 scenario combines assumptions on the adoption of drastic climate

Methodology of the climate-related scenario analysis

The climate-related scenario analysis considered Ontex's core operations (in Europe and the Americas) and key suppliers potentially exposed to extreme weather events, such as fluff and cotton suppliers. The analysis used geospatial coordinates for Ontex's operations and regional information for value chain data. The short-, medium- and long-term time horizons were considered in relation to material climate risks and opportunities, similar to Ontex's Enterprise Risk Management (ERM) exercise. Additionally, sensitivity and exposure assessments were conducted using the following steps:

- **Initial risk categorization**: Climate-related hazards from the ESRS were reviewed and risks unlikely to impact Ontex's business continuity were identified.
- **Relevance assessment**: Risks deemed irrelevant due to geographical location, non-applicability to Ontex's activities or existing mitigation measures (by Ontex or third parties) were excluded. Risk levels were evaluated based on the projected decrease in production caused by climate-related events.
- **Exposure analysis**: Risks with a medium to severe impact on Ontex's business continuity or asset value were identified.
- **Vulnerability assessment**: A materiality analysis was performed to assess the significance of each climate-related risk to Ontex's operations.

The risk analysis identified the remaining risks for Ontex, for which a vulnerability analysis was conducted. These include heatwave, wildfire, riverine flood and pluvial flood, which pose risks to Ontex operations. Additionally, potential risks impacting Ontex operations within the supply chain were assessed, including water stress, coastal flooding, heatwave, fire season length and extreme fire days. These risks were assessed to have no significant impact on Ontex's operations or supply chain at this time.

SUS-3.1.3 Policies related to climate change mitigation and adaptation

Ontex addresses climate concerns by integrating them into the Company's organizational practices and policies, demonstrating a strong commitment to sustainability.

mitigation policies, technological advancements (such as carbon capture and storage), lower energy intensity and renewable energy development.

Policy	Purpose	ESG topics	Scope
Sustainability policy	• Emphasize the importance of renewable energy and energy efficiency, employing an integrated management system to address climate-related risks through mitigation and adaptation strategies. • Commit to renewable resource usage, transparency and sustainable sourcing practices. Suppliers must ensure traceability and compliance with sustainable material standards, including wood, cotton and bio-based plastics. This includes adherence to third-party certifications, such as FSC for wood and GOTS for cotton, to promote ethical resource management. • Implement measures to identify and manage climate-related risks. These actions aim to enhance operational resilience and secure the supply chain against potential climate impacts. • Address climate change through a dual approach of mitigation and adaptation. Mitigation efforts focus on reducing GHG emissions across the value chain, with specific goals for minimizing resource use. • Prioritize resource efficiency by reducing dependency on virgin materials and promoting material recovery and reuse. Key measures include adopting renewable materials, implementing innovative recycling processes and integrating circular design principles into products to minimize waste. • Employ an integrated management system to identify and capitalize on circular opportunities across operations and the supply chain. Initiatives include optimizing packaging to enhance recyclability, increasing the use of renewable and recycled content in products and collaborating with partners to close material loops. • Through these strategies, the policy underscores Ontex's dedication to reducing emissions and fostering a climate-resilient business model. This policy underscores Ontex's dedication to reducing environmental impact, extending product lifecycles and fostering a resilient, circular economy.	• Energy consumption and mix • Gross Scopes 1, 2, 3 and Total GHG emissions • Resource inflows • Resource outflows • Products and materials	All employees and non-employee workers in Ontex's workforce and its suppliers' workforce
Climate and circularity policy	• Focuses on reducing GHG emissions, prioritizing energy efficiency and renewable energy, and incorporating low-impact materials in products • Focuses on sustainable material sourcing, product design for recyclability and minimizing waste to advance circular economy principles	• Energy consumption and mix • Gross Scopes 1, 2, 3 and Total GHG emissions • Resource inflows • Resource outflows • Products and materials	All employees, suppliers, customers, investors and communities impacted by Ontex's operations

SUS-3.1.4 Taking actions and resources in relation to climate change policies

Ontex's actions to address climate change actions include transitioning to renewable energy, enhancing production efficiency and developing low-impact, circular products that align with evolving market demands and customer expectations. While climate physical risks are limited for Ontex, we take local measures to mitigate their impact which is integrated in the business continuity plan (such as efficient cooling systems to address heatwaves, maintenance of green spaces to reduce the risk of wildfires and flood barriers to protect against flooding). We plan to further analyze climate risks to enhance resilience and adaptation strategies.

Transitioning to renewable energy and enhancing efficiency

In 2024, Ontex continued prioritizing energy efficiency through initiatives such as installing advanced equipment to optimize energy usage and an energy recovery system, resulting in reduced gas consumption. In the past year, the Company consistently lowered energy intensity and it remains committed to sustaining this trajectory.

To build on these achievements, Ontex is exploring electrification options for equipment currently reliant on fossil fuels, aiming to further decrease energy consumption per unit produced while maintaining a strong focus on efficiency.

Developing low-impact, circular products

Ontex achieved a 6.3% reduction in scope 3 emissions compared to 2020, largely due to innovative advancements in the usage of raw materials. Embedding sustainability into every product remains a core commitment, with carbon reduction being a key driver of value creation. The Company is dedicated to developing products with lower carbon footprints, enabling customers to incorporate sustainable features into their offerings seamlessly.

Ontex's emissions reduction journey begins with its suppliers. Accessing resources and materials that help lower emissions in an affordable way is essential. To this end, the Company collaborates with suppliers on two fronts:

- Incorporating raw materials with high performance and lower carbon intensity to reduce the carbon footprint of its products.
- Improving transparency in sourcing key raw materials, fostering accountability and enabling a clearer assessment of its environmental impact.

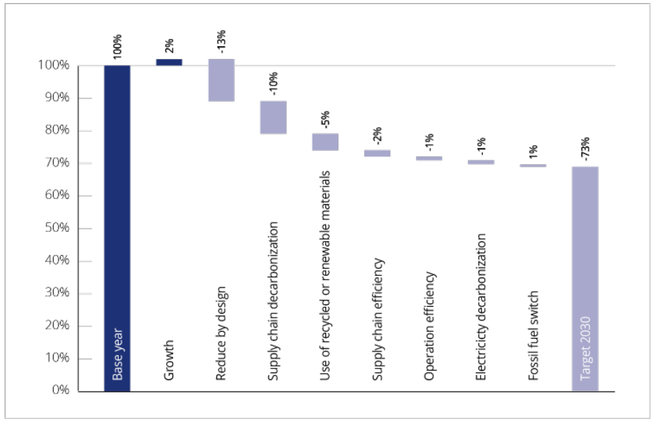
Product design is equally vital, aligning with customer needs through close collaboration. Ontex co-designs products with customers and provides a detailed product scorecard offering insights into environmental impact. In 2024, the product scorecard was further enhanced to support stakeholders in making informed decisions about the environmental impact of the Group's products.

Future focus and resources allocation

Looking ahead, Ontex will focus on executing planned reductions across its own operations and product designs operations while also driving anticipated reductions across its value chain. This includes enhancing operational efficiencies, adopting sustainable practices and working closely with partners to minimize the environmental impact of the Company's operations. Simultaneously, it will collaborate with suppliers and customers to embed sustainability throughout the value chain.

Successfully implementing these actions depends on the availability and allocation of financial and human resources. Investments in technology and capacity building are critical to driving the necessary changes.

The graph below illustrates the planned emissions reductions by 2030, outlining key actions to reduce emissions and support Ontex's long-term climate goals.



The monetary amounts for the required capital expenditures and operational expenditures for the current year to implement these actions are disclosed in *the section SUS-3.3 Taxonomy*.

SUS-3.1.5 Metrics and targets

Targets related to climate change mitigation and adaptation

Reducing emissions

Working towards net zero emissions	2030 targets (vs. 2020 baseline)
	> Reducing emissions across our operations (Scope 1-2) with 80%
	> Reducing emissions across our value chain (Scope 3) by 25%
	> Reducing the product carbon intensity between 5-20% for our main product categories
	> 100% Renewable electricity

- Ontex is committed to reducing absolute scope 1 and 2 (market-based) GHG emissions by 80% by 2030, compared to a 2020 baseline.
- The Group aims to increase annual sourcing of renewable electricity from 75% in 2020 to 100% by 2030.
- Ontex also seeks to reduce absolute scope 3 GHG emissions – covering purchased goods and services, upstream transportation and distribution, and end-of-life treatment of sold products – by 25% by 2030, using 2020 as a baseline.

These targets cover all of Ontex's operational activities and align with the Paris Agreement's goal of limiting global warming to 1.5°C, independently validated by the Science Based Targets initiative (SBTi). Developed through the SBTi process, these targets were set with active stakeholder involvement, ensuring broad engagement and transparency across Ontex's governance framework.

Ontex's recent divestment resulted in a change to the baseline value. In 2025, Ontex will re-submit its targets in line with SBTi guidelines whenever significant changes occur, ensuring continued alignment. To maintain comparability and accurate progress tracking, all figures in this report are presented using the same scope. The baseline value against which progress is measured remains representative of Ontex's activities.

SUS-3.1.6 Energy consumption and mix

In the past year, Ontex has consistently reduced its energy intensity and the Company is committed to sustaining this momentum. Efforts to electrify specific equipment that is currently dependent on fossil fuels are being explored to further reduce energy consumption per unit of production.

The Company remains focused on sourcing 100% of its electricity from renewable sources. In 2024, 94% of Ontex's electricity consumption was derived from renewables, with 5% generated on-site (renewable energy is purchased via instruments such as Guarantee of Origins or Renewable Energy Certificates, where 44% is bundled with instruments and 56% is coming from unbundled instruments). This transition has significantly contributed to reducing scope 1 and 2 emissions by 55% compared with the 2020 baseline. Electricity remains the primary energy source in Ontex's plants, making renewable power a critical component of its sustainability strategy.

Energy consumption and mix	2022	2023	2024
(1) Fuel consumption from coal and coal products (MWh)	0	0	0
(2) Fuel consumption from crude oil and petroleum products (MWh)	18,220	20,520	19,780
(3) Fuel consumption from natural gas (MWh)	33,873	32,786	29,999
(4) Fuel consumption from other fossil sources (MWh)	376	411	392
(5) Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	11,214	22,666	20,103
(6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	**63,683**	**76,382**	**70,274**
Share of fossil sources in total energy consumption (%)	17.7	21.0	18.5
(7) Consumption from nuclear sources (MWh)	**0**	**0**	**0**
Share of consumption from nuclear sources in total energy consumption (%)	0	0	0
8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	128	124	47
(9) Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	284,628	271,015	291,154
10) Consumption of self-generated non-fuel renewable energy (MWh)	11,260	16,950	17,583
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**296,016**	**288,089**	**308,784**
Share of renewable sources in total energy consumption (%)	82	79	81
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	**359,699**	**364,471**	**379,058**

Energy intensity per net revenue	2023	2024	2024/2023
Total energy consumption (MWh)	364,471	379,058	4%
Net revenue from activities in high climate impact sectors used to calculate energy intensity ((mio €)	2,122	2,145	1%
Net revenue (other) (mio €)	0	0	0%
Total net revenue (mio €)	2,122	2,145	1%
Energy intensity per net revenue (MWh/mio €)	171.8	176.8	3%

Ontex's operations are registered under NACE codes 17220 (Manufacture of household and sanitary goods and of toilet requisites) and 17120 (Manufacture of paper and paperboard). These are identified as activities in high climate impact sectors under Regulation (EU) 2019/2088 and Annex 1 of the related Delegated Regulation on sustainable investment disclosures. The intensity metrics below are derived from these activities.

Methodologies and assumptions

Ontex's energy consumption data are collected at the plant level and consolidated at the group level. Electricity, the largest energy source, is a key focus in the Company's transition to renewables under its Sustainability Strategy.

The scope of renewable energy is defined according to the Greenhouse Gas Protocol Scope 2 Guidance, encompassing energy from wind, solar, biomass (including bio- and other naturally produced gas), hydropower (including marine hydro) and geothermal sources. All on-site electricity is generated through solar power.

The divested plants (Algeria and Pakistan-based operations) have been excluded from the report to ensure comparability across different years.

SUS-3.1.7 Gross scopes 1, 2, 3 and total GHG emissions

Ontex's scope 1, 2 and 3 GHG emissions

The table below shows the progress of Ontex's scope 1, 2 and 3 emissions in the past 3 years.

GHG emissions	Progress reporting					Targets	
	2020	2023	2024	2024/2023	2024/2020	2030	2050
Scope 1 GHG emissions							
Gross scope 1 GHG emissions (tCO2eq)	8,476	12,376	12,748	3.0%			
Percentage of scope 1 GHG emissions from regulated emission trading schemes (%)	0	0	0				
Biogenic emissions of CO2 carbon from the combustion or biodegradation of biomass	0	0	0	0%			
Scope 2 GHG emissions							
Gross location-based scope 2 GHG emissions (tCO2eq)	87,807	74,306	79,978	7.6%			
Gross market-based scope 2 GHG emissions (tCO2eq)	36,042	6,675	7,300	9.4%			
Scope 1+2 emissions (market-based)	**44,517**	**19,051**	**20,049**	**5.2%**	**-55%**	**-80%**	
Scope 3 GHG emissions							
Total Gross indirect (scope 3) GHG emissions (tCO2eq)	**2,594,912**	**2,396,666**	**2,437,459**	**1.7%**	**-6.1%**	**-25%**	
1. Purchased goods and services (tCO2eq)	1,189,528	1,090,714	1,064,340	-2.4%			
2. Capital goods (tCO2eq)	89,350	81,367	103,562	27.3%			
3. Fuel and energy-related. Activities (not included in scope1 or scope 2 (tCO2eq))	7,798	9,043	9,376	3.7%			
4. Upstream transportation and distribution (tCO2eq)	222,074	212,614	239,655	12,7%			
5. Waste generated in operations (tCO2eq)	19,311	19,137	17,293	-9.6%			
6. Business traveling (tCO2eq)	432	833	888	6.6%			
7. Employee commuting (tCO2eq)	Not Applicable						
8. Upstream leased assets (tCO2eq)	Not Applicable						
9. Downstream transportation (tCO2eq)	57,067	52,084	53,128	2.0%			
10. Processing of sold products (tCO2eq)	Not Applicable						
11. Use of sold products (tCO2eq)	Not Applicable						
12. End-of-life treatment of sold products (tCO2eq)	1,009,353	930,873	949,217	2.0%			
13. Downstream leased assets (tCO2eq)	Not Applicable						
14. Franchises (tCO2eq)	Not Applicable						
15. Investments (tCO2eq)	Not Applicable						
Total GHG emissions (location-based) (tCO2eq)	**2,691,195**	**2,483,348**	**2,530,185**	**1.9%**			
Total GHG emissions (market-based) (tCO2eq)	**2,639,429**	**2,415,718**	**2,457,507**	**1.7%**			

Methodology and assumptions

Scope 1-2 GHG emissions

Ontex reports absolute scope 1 and 2 emissions in line with the Greenhouse Gas Protocol methodology. The reported emissions cover sites specified in E1, excluding sales offices unrelated to manufacturing plants. These exclusions meet the cut-off criteria, as they represent less than 1% of the total climate impact.

The disclosed scope 1 and scope 2 emissions are expressed in tons CO_2-equivalents (tCO_2e). Calculations are based on primary data collected on-site and converted to GHG emissions using relevant emission factors, including those from Bilan Carbone, the UK Government GHG Conversion Factors for Company Reporting, IEA, and supplier-specific factors for electricity. These factors differentiate between the percentage of biomass or biogenic CO_2.

Scope 2 emissions are disclosed according to both market-based [3] and location-based [4] methodologies. GHG emissions intensity is calculated by dividing the total market-based scope 1 and scope 2 emissions (in tCO_2e) by Ontex's total revenues (in €):

GHG emissions intensity (tCO_2/€) = (Scope 1 + scope 2)/Total revenues

Scope 3 GHG emissions

Scope 3 emissions are reported following the Greenhouse Gas Protocol methodology using the operational control approach [5]. Ontex's scope 3 reporting includes categories such as:

- purchased goods and services
- upstream distribution
- capital goods
- business travel
- fuel and energy related activities [6]
- waste generated in operations
- downstream transportation
- end-of-life treatment of sold products

Emission conversions are based on supplier-specific emission factors when available, covering 56% of emissions from purchased goods and services. When emission conversions are unavailable from suppliers and for other Scope 3 categories, data rely on factors published by Ecoinvent, GLEC, DEFRA (GHG Conversion Factors for Company Reporting) and ADEME (Base Empreinte®).

The following categories were identified as not applicable to Ontex: upstream leased assets, processing of sold products, use of sold products, downstream leased assets, franchises and investments. Additionally, employee commuting is currently excluded from the scope of the analysis and has been identified as having a non-significant impact on the overall results (based on Life Cycle Assessment (LCA) results). The divested plants (Algeria and Pakistan-based operations) have been excluded from the report to ensure comparability across different years. The exclusions have a minimal impact on the overall result, accounting for less than 5% of the total. The recent divestment does not have an impact on the achievements from previous years or the presentation of progress over time, as all the numbers have been restated to align with the current scope of operations.

Assumptions and limitations

- Ontex prioritizes an activity-based approach to calculate Scope 3 emissions, with a primary focus on the most significant categories (purchased goods and services, upstream transportation and distribution, end-of-life treatment of sold products). A spend-based approach was only used to assess the emissions from the category: capital goods.
- Allocation is minimized wherever possible. When necessary, physical allocations (e.g. end-of-life emissions) are preferred over economic allocations (e.g. purchased goods and services, and capital goods). Consistency across years is ensured by maintaining the same default emission factors, with updates introduced periodically to account for significant changes. The biogenic CO_2 emissions from the combustion or biodegradation of biomass within the upstream and downstream value chain are not currently tracked separately from gross scope 3 emissions.

[3] A market-based method reflects emissions from electricity that companies have purposefully chosen,' GHG Protocol Scope 2 Guidance.

[4] A location-based method reflects the average emissions intensity of grids on which energy consumption occurs,' GHG Protocol Scope 2 Guidance.

[5] Under the operational control approach, a company accounts for 100 percent of the GHG emissions over which it has operational control. It does not account for GHG emissions from operations in which it owns an interest but does not have operational control,' Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

[6] Not included in scope 1 or 2.

GHG intensity per net revenue

The table below shows the GHG intensity per net revenue.

GHG intensity per net revenue [7]	2023	2024	2024/2023
Total GHG emissions (market-based) per net revenue (tCO2eq/mio €)	1,138	1,146	1%
Total GHG emissions (location-based) per net revenue (tCO2eq/mio €)	1,170	1,180	1%

SUS-3.1.8 GHG removals and GHG mitigation projects financed through carbon credits

GHG removals and storage within Ontex's operations or its upstream and downstream value chains are not applicable.

SUS-3.1.9 Internal carbon pricing

Currently, Ontex does not apply internal carbon pricing schemes. While internal carbon pricing can serve as an effective tool for embedding the cost of carbon emissions into business decision-making, the Company has chosen alternative strategies to drive its decarbonization efforts.

These strategies prioritize targeted initiatives to reduce emissions across the value chain, with a particular focus on measurable reductions in scope 1, 2, and 3 emissions. Ontex will continue evaluating the potential integration of internal carbon pricing into its sustainability program as part of its ongoing review of tools that enhance regulatory compliance and ambitious climate action.

This evaluation will consider:

- the evolving regulatory landscape;
- stakeholder expectations; and
- the effectiveness of carbon pricing mechanisms in achieving further carbon reductions.

SUS-3.1.10 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

Based on Ontex's climate risk assessments, no significant financial effects from material physical or transition risks are anticipated in 2025. Ontex's current operations and strategies are resilient with respect to foreseeable near-term climate impacts, ensuring business continuity and financial stability. As a result, there is no immediate necessity to set specific climate adaptation targets at this time.

However, the assessments highlight that financial effects could emerge over the longer term, particularly after 2050, as the physical climate impacts intensify and regulatory and market conditions evolve. Potential financial effects may include:

- increased operating costs due to resource scarcity;
- market demand shifts driven by the energy transition; and
- required investments in climate adaptation measures.

To ensure climate resilience, a sustainability approach is already included in Ontex business models, with a focus on competitive and sustainable innovation that in particular address transitional risks. Ontex remains committed to monitoring climate risks and opportunities, integrating climate resilience into long-term planning, and proactively adapting the Company's strategies to address emerging challenges and seize opportunities linked to the global transition to a low-carbon economy. In the coming years, Ontex will further develop its Adaptation and Mitigation plan to reduce vulnerabilities and enhance the capacity to adapt to or mitigate the climate-related risks.

[7] Total net revenue is disclosed in the section Energy consumption and mix

SUS-3.2 ESRS E5: Resource use and circular economy

SUS-3.2.1 Impacts, risks and opportunities management

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

Ontex is committed to addressing global challenges related to resource use and circularity by embedding sustainable practices into its operations. Through a double materiality assessment, the Company identifies and evaluates both financial and environmental-social material impacts, risks and opportunities.

The process involves:

- screening global trends, regulatory developments and stakeholder expectations;
- engaging with suppliers, customers and consumers to identify critical impact areas; and
- evaluating the environmental impact of products throughout their lifecycle, enabling the Company to map risks such as resource scarcity and regulatory changes as well as opportunities for innovation and circular design.

These findings are integrated into Ontex's strategies to guide sustainable sourcing, improve waste management and develop circular solutions. The Company extends its assessments across the entire value chain, addressing upstream and downstream impacts, especially in relation to plastics, waste and recycling. Regular consultations with stakeholders ensure inclusivity and provide valuable insights to refine its approach. By embedding circularity and sustainability into its operations, Ontex aims to reduce its carbon footprint, align with emerging regulatory frameworks (such as extended producer responsibility schemes) and drive meaningful change in the personal hygiene sector. Affected communities are addressed through Ontex's due diligence program. *For more details, see section SUS-4.2.*

SUS-3.2.2 Policies related to resource use and circular economy

Ontex recognizes the risks posed by resource scarcity, price volatility and evolving regulations, which could disrupt operations and increase costs. To mitigate these risks, the Company is committed to incorporating circular economy principles into its **Climate and Circularity Policy** and **Sustainability Policy**. The Ontex Climate and Circularity Policy incorporates climate-related and circular economy risks into the Company's risk management framework to enhance resilience and sustainability. Core focus areas include strengthening climate resilience to ensure business continuity and addressing circularity risks arising from regulatory changes and market demands (e.g. tackling end-of-life challenges for hygiene products by developing specialized recycling solutions, ensuring recyclability of Ontex packaging). The Climate and Circularity Policy addresses the circular economy principles and aims to minimize waste and maximize resource efficiency by using recyclable materials and materials made with renewable resources for products and operations. *For more details, see 'Policies related to climate change mitigation and adaptation' in section SUS-3.1.3.*

SUS-3.2.3 Actions and resources related to resource use and circular economy

The pursuit of circularity is a shared commitment across Ontex. In the past five years, the Company has achieved significant milestones, including a **10% reduction in the weight of diapers and incontinence products**, as part of its efforts to use fewer materials without compromising performance. This progress underscores the Company's dedication to product innovation and continuous improvement in resource efficiency and environmental impact. Other key initiatives include:

- Actively promoting **eco-labelling** initiatives, empowering market actors and consumers to contribute to a **circular economy**. Ontex also supports the implementation of the **extended producer responsibility** scheme in France for absorbent hygiene products by joining the board of the responsible organization in 2025. Ontex plans to stay involved in the governance of this organization in the coming years, ensuring the Company's continued contribution to sustainability efforts and the advancement of a circular economy.
- Enhancing the environmental profile of Ontex's **packaging** by increasing the share of recycled content. Aiming to achieve at least 30% recycled or renewable content in plastic packaging by the end of 2025, the Company aspires to contribute to a more circular and

eco-friendly packaging system, aiming to positively impact the entire value chain. It promotes the incorporation of recycled content in primary packaging and already primarily uses recycled materials for cardboard packaging. This initiative will continue, with the ambition to further increase recycled content and expand sustainable packaging practices in the coming years.

- Optimizing **materials** for sustainability, a commitment reflected in the use of bio-based and natural materials in new products. The Company monitors its products' footprint from design to end-of-life, ensuring sustainable choices at every stage. Collaboration with suppliers ensures the selection of optimal raw materials, while the Company empowers its customers to embrace sustainability. This approach will remain a central focus as Ontex moves forward, strengthening its commitment to sustainable practices for the future.

As a key partner for its retailer brand and institutional customers, Ontex supports the transition towards sustainable products and packaging by sharing knowledge, tools and solutions. Although the pace of this transition is largely dictated by customer demand, Ontex actively works to reduce environmental impact through **collaborative efforts** across the value chain.

The monetary amounts for the required capital expenditures and operational expenditures for the current year to implement these actions are disclosed *in the section SUS-3.3 Taxonomy*.

SUS-3.2.4 Metrics and targets

Targets related to resource use and circular economy

Ontex is committed to advancing a more circular economy through a comprehensive and multi-faceted approach. Ambitious targets have been set related to resource use and circularity, including achieving 100% recyclable packaging by 2025 and integrating alternative solutions to replace fossil-based materials in the Company's products. These targets were developed on a voluntary basis through a thorough evaluation of industry best practices, material innovation opportunities and regulatory requirements to ensure their feasibility and alignment with global circular economy goals.

Stakeholder collaboration has been central to this process, involving partnerships with suppliers, customers and recycling industry experts to create targets that reflect shared priorities and practical implementation pathways. Ontex's product design strategy prioritizes compatibility with end-of-life solutions, enabling maximization of the value and utility of products throughout their lifecycle and minimizing the use of primary raw materials. By engaging stakeholders at every stage – from sourcing sustainable materials to enhancing recycling infrastructure – the Company fosters a more inclusive and effective transition to circularity while driving innovation and reducing its environmental footprint.

Developing sustainable products & packaging

	2030 targets (vs. 2020 baseline)
Remove fossil-based plastics from our products & packaging	> 30% by 2025 and 75% by 2030 of our plastic primary packaging contains recycled or renewable content > By end 2025, all our packaging is designed to be recyclable > All cardboard packaging has 100% recycled content
Partnering for circularity	> Participate in end-of-life waste pilots

As part of its circular economy initiatives, Ontex prioritizes the use of renewable resources, such as pulp and cotton. Recognizing that renewable materials can carry higher risks to biodiversity and ecosystems, additional diligence measures have been implemented. The Company ensures that its renewable materials are sustainably sourced (in line with the cascading principle improving their efficient use). We aim to have wood-based raw materials come exclusively from certified sources and cotton of organic origin.

Ontex's targets related to the circular economy reflect its commitment to focusing on sustainable material sourcing, product design for recyclability and waste minimization to advance circular economy principles as described in various policies.

SUS-3.2.5 Resource inflows

For Ontex, resource inflows primarily consist of raw materials and products, including packaging materials, used in the Company's own operations and throughout its upstream value chain. Key raw materials include a variety of polymers, such as polyethylene and polypropylene, as well as absorbent materials and other components crucial for manufacturing personal hygiene products.

Ontex is focused on increasing the recyclable content and renewable content in its products and packaging, aiming to reduce environmental impact and increase circularity. Pulp, a renewable resource used in the production of absorbent hygiene products, is also incorporated, ensuring responsible sourcing of materials.

For 2024, Ontex reports a total weight of approx. 571,000 tons of materials used in manufacturing, including packaging, pulp, polymers and other components, with 1,100 tons sourced from recycled components (6%) and 287,000 tons of biological materials (50%). And 42% of the total tons sources has been certified against schemes such as FSC, PEFC, ISCC+, and GOTS [8]. (of the wood-based raw materials, 94% is certified by scheme such as FSC and PEFC schemes).

The table below provides a more detailed breakdown of the technical materials used.

Sustainable products [9]	2022	2023	2024	2024/2023
Recycled content in product (%)	0	0	0	0 pp
Recycled content in plastic packaging (%)[10]	NA	10	13	+3 pp
Plastic primary packaging containing recycled content (%)[11]	19	20	29	+9 pp
Recycled content in paper and cardboard packaging (%) [12]	96	97	92	-5 pp

SUS-3.2.6 Resource outflows

Ontex's key products, such as baby care (diapers and pants), feminine care items and adult incontinence products, are designed with a focus on circular principles, particularly in the packaging. While the products themselves are single-use, designed to be used for a few hours before disposal, they are not suitable for reusability, repairability, disassembly, remanufacturing or refurbishment. Ontex works to ensure that its packaging can be effectively recycled after use. Additionally, the Company is eager to pilot new recycling technologies for its products, as no technically or economically viable solutions currently exist.

While Ontex's packaging, whether in the form of plastic bags or cardboard boxes, is designed for recyclability, the success of recycling is contingent upon the effectiveness of local waste collection schemes in the respective countries where the packaging is used.

Recyclable content [13]	2022	2023	2024	2024/2023
Recyclable content in products (%)	0	0	0	0%
Recyclable content in products' packaging (%)	98	98	98	0%

In pursuit of operational excellence, the Company actively works to minimize the amount of waste generated in its operations, which primarily consists of plastic waste, cardboard and textiles. Although not being a material topic, we voluntarily disclose the production waste figures below.

In 2024, 9% of production waste was sent to recycling with energy recovery and <1% to recycling without energy recovery.

[8] PEFC (PEFC/07-32-261)/FSC® (FSC-C081844)

[9] The methodologies used to calculate the data on resource inflows at Ontex are based on direct measurement of production inputs across operations. For recycled content, data from suppliers are used to ensure accurate accounting of recycled materials. For renewable origin materials, traceability is ensured through sourcing information, with certifications like FSC, PEFC, and GOTS verifying that materials are sustainably sourced.

[10] Calculated as the total weight of recycled material / total weight of plastic packaging

[11] Calculated as the total weight of plastic packaging containing recycled content / total weight of plastic packaging

[12] Ontex has limitations in direct approaching customer and supplier-specific data for their Russian entity, stemming from European sanctions, however the disclosures in the CSRD report, including the Russian activities, are based on our comprehensive management approach, which encompasses our commitment to workers in the value chain, consumers and end-users, and our overall business conduct.

[13] As there are currently no technically or economically viable solutions to recycle its products, Ontex assumes 0% recyclable content in its products. For packaging, the Company assesses the criteria for relevant standards and ensures compliance with all necessary requirements.

Production waste [14]	2022	2023	2024	2024/2023
Total waste generated	**33,940**	**34,873**	**33,549**	**-4%**
Hazardous waste diverted from disposal	78	107	123	15%
Hazardous waste diverted from disposal due to preparation for reuse	0	0	0	0%
Hazardous waste diverted from disposal due to recycling	77	107	123	15%
Hazardous waste diverted from disposal due to other recovery operations	1	0	0	0%
Non-hazardous waste diverted from disposal	**27,997**	**29,378**	**27,482**	**-6%**
Non-hazardous waste diverted from disposal due to preparation for reuse	645	735	1.340	82%
Non-hazardous waste diverted from disposal due to recycling	26,072	28,643	26,142	-9%
Non-hazardous waste diverted from disposal due to other recovery operations	1.280	0	0	0%
Hazardous waste directed to disposal	**246**	**200**	**248**	**24%**
Hazardous waste directed to disposal by incineration	207	183	231	26%
Hazardous waste directed to disposal by landfilling	0	0	1	0%
Hazardous waste directed to disposal by other disposal operations	39	17	16	-6%
Non-hazardous waste directed to disposal	**5,619**	**5,186**	**5,697**	**10%**
Non-hazardous waste directed to disposal by incineration	2,645	2,439	3,028	24%
Non-hazardous waste directed to disposal by landfilling	2,767	2,513	2,446	-3%
Non-hazardous waste directed to disposal by other disposal operations	207	234	223	-5%
Total amount of waste diverted from disposal	28,075	29,485	27,605	-6%
Total amount of waste directed to disposal	**5,865**	**5,386**	**5,945**	**10%**
Non-recycled waste (%)	17%	15%	18%	+3 pp
Total amount of hazardous waste	**324**	**307**	**371**	**20%**
Total amount of radioactive waste	**0**	**0**	**0**	**0%**

[14] Production waste is directly reported by the company's factories based on various criteria such as waste type (e.g., plastic, metals), waste classification (hazardous or non-hazardous), the quantity produced, and the processing methods applied to each waste stream.

SUS-3.2.7 Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities

At this stage, Ontex is in the process of measuring the financial effects related to resource use and circular economy impacts, risks and opportunities. As such, the Company has chosen to omit a response to this question in the current report.

SUS-3.3 Disclosures pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation)

SUS-3.3.1 Core business activities – Taxonomy-non-eligible

The Taxonomy Regulation is a key component of the European Commission's action plan to redirect capital flows towards a more sustainable economy. It represents a major step towards achieving carbon neutrality by 2050 in line with EU goals as the Taxonomy is a classification system for environmentally sustainable economic activities.

Article 8(2) of Regulation (EU) 2020/852 requires non-financial undertakings to disclose information on the key performance indicators (KPIs) related to the proportion in their turnover of environmentally sustainable economic activities ('Taxonomy-aligned activities') and the proportion of their capital expenditure and their operating expenditure related to assets or processes associated with environmentally sustainable economic activities.

As indicated in the Delegated Regulation of (EU) 2021/2178, non-financial undertakings shall disclose the proportion of Taxonomy-eligible and alignment of economic activities in their total turnover, capital and operational expenditure and the qualitative information for reporting year 2024, including comparative figures for eligibility.

SUS-3.3.2 Methodology

This section presents the 'step by step' methodology applied by Ontex to execute the taxonomy eligibility assessment. The process covers three main steps.

Step 1: Long list to medium list

Screening of the long list of existing EUT activities, including the 151 activities listed in the current version of EU Taxonomy Compass. Exclusion of the obviously unrelated EUT activities, by comparing them with Ontex core and non-core activities. The medium list was composed by 25 activities.

Step 2: Medium list to short list

A questionnaire was prepared to ease Ontex assessment of the medium list. Based on Ontex answers, a short list of 13 activities was established. This short list is composed by EUT activities performed by Ontex or by a subcontractor.

Step 3: Detailed analysis and identification of eligible revenues, CapEx and Opex categories

A detailed assessment of the remaining 13 EUT activities within the short list was performed:

- Title and description of each activity
- Existence or not of a revenue stream
- Existence or not of related CapEx and/or OpEx
- In case of identified revenue stream, CapEx or OpEx, existence or not of a specific financial analytics category to identify the right financial figures.

We consider as core-activity Ontex's primary business operations, which serve as the main source of its revenue and define its fundamental purpose. Ontex generates most of its income through the development, production, and distribution of personal care products. This is considered as its core activity as it's central to the company mission and economic strategy.

A non-core or side activity refers to business operations that are secondary to Ontex's main business but still generate additional revenue. For instance, if the company generates excess electricity from solar power generation and sells it, or rents out part of its office space, these would be considered non-core or side activities. While they support the business, they are not central to its primary revenue model or mission and could be potentially externalized in the future.

Conclusion

Ontex's does not have any eligible revenue generated from its core or non-core activities, when assessing the current list of eligible activities from EU taxonomy. For the activities below, Ontex has 3 activities eligible for CapEx (7.3, 7.4, 7.5) & 4 for OpEx (7.3, 7.4, 7.5, 8.2). In 2024 we identified 3 activities with eligible CapEx: 7.3. (Installation, maintenance and repair of energy efficiency equipment), 7.4 (Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)) & 7.5. (Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings).

SUS-3.3.3 Accounting policies

Ontex determines the Taxonomy-eligible KPIs in accordance with the legal requirements and describes its accounting policy in this regard as set out below.

Turnover KPI – Definition

The proportion of Taxonomy-eligible economic activities within Ontex's total turnover (i.e. consolidated revenue as presented in the consolidated income statement of the Group) is

calculated as the revenue derived from products and services associated with Taxonomy-eligible economic activities (numerator) divided by the consolidated revenue (denominator). The denominator of the turnover KPI is based on the Company's consolidated revenue, in accordance with IAS 1.82(a). Further details on accounting policies relating to consolidated revenue are provided in paragraph 7.1.12 of the consolidated financial statements for 2024.

Regarding the numerator and as explained above, no Taxonomy-eligible activities have been identified.

Ontex's consolidated revenue can be reconciled with its consolidated financial statements, specifically the consolidated income statement in the consolidated financial statements for 2024

CapEx KPI – Definition

The CapEx KPI is defined as the proportion of Taxonomy-eligible Capital Expenditures (CapEx) (numerator) divided by Ontex's total Capex (denominator). Details regarding the numerator are provided below.

Total CapEx is defined as purchases of property, plant and equipment (IAS 16) and intangible assets (IAS 38) during the financial year. For further details on Ontex's accounting policies regarding its CapEx, refer to paragraphs 7.1.6 and 7.1.7 of the consolidated financial statements for 2024.

Ontex's total Capex can be reconciled with the line item 'Purchases of property, plant and equipment and intangible assets' in the consolidated statement of cash flows.

OpEx KPI - Definition

The OpEx KPI is defined as the proportion of Taxonomy-eligible Operating Expenditures (OpEx) (numerator) divided by Ontex's total OpEx (denominator). Details regarding the numerator are provided below.

Total OpEx consists of direct non-capitalized expenses incurred to meet the ongoing operational costs of the business. These include expenses such as non-capitalized research and development, short-term and low-value leases, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of fixed assets (i.e. property, plant and equipment and intangible assets).

Direct costs associated with training and other human resources adaptation needs are excluded from both the denominator and the numerator. This approach aligns with Annex I to Art. 8 of the Delegated Act, which specifies these costs solely for the numerator, rendering a mathematically meaningful calculation of the OpEx KPI unfeasible.

Reporting error in prior period

In the previous reporting period, CapEx and OpEx related to research and development (R&D) activities were included in the EU Taxonomy disclosure due to a misinterpretation of the reporting requirements. To ensure alignment with the EU Taxonomy framework, a comprehensive assessment was conducted this year to clarify the applicable reporting categories. As a corrective measure, the R&D-related CapEx and OpEx have been excluded from this year's Taxonomy disclosure, ensuring greater accuracy and compliance with the regulatory guidance.

Table proportion of Taxonomy-eligible economic activities in total turnover (%)

2024				Substantial contribution criteria						DNSH criteria ("Does not significantly harm")									
Economic Activities (1)	Code(s) (2)	Turnover (3)	Proportion turnover 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) turnover, 2023 (18)	Category enabling activity (19)	Cate-gory transitional activity (20)
		€ million	%	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
No economic activities																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	0%																
of which enabling		-	0%																
of which transitional		-	0%																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
No economic activities																			
Turnover of taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	0%																
Turnover of Taxonomy-eligible activities (A.1 + A.2)		-	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%	0%	0%
B. Taxonomy non-eligible activities																			
Turnover of Taxonomy-non-eligible activities (B)		2,167	100%																
Total (A+B)		**2,167**	**100%**																

Table proportion of CapEx from products or services associated with Taxonomy-aligned economic activities in 2024

2024				Substantial contribution criteria						DNSH criteria ("Does not significantly harm")									
Economic Activities (1)	Code(s) (2)	CapEx (3)	Proportion CapEx 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) CapEx, 2023 (18)	Category enabling activity (19)	Cate-gory transitional activity (20)
		€ million	%	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
No economic activities																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	0%																
of which enabling		-	0%																
of which transitional		-	0%																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.98	0.87%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0.004	0.004%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										

2024				Substantial contribution criteria						DNSH criteria ("Does not significantly harm")									
Economic Activities (1)	Code(s) (2)	CapEx (3)	Proportion CapEx 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) CapEx, 2023 (18)	Category enabling activity (19)	Cate-gory transitional activity (20)
		€ million	%	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.006	0.005%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
CapEx of taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.99	0.88%	0.88%	0%	0%	0%	0%	0%										
CapEx of Taxonomy-eligible activities (A.1 + A.2)		0.99	0.88%	0.88%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%	0%	0%
B. Taxonomy non-eligible activities																			
CapEx of Taxonomy-non-eligible activities (B)		111.4	99,12%																
Total (A+B)		**112.4**	**100%**																

Table proportion of OpEx from products or services associated with Taxonomy-aligned economic activities

2024				Substantial contribution criteria						DNSH criteria ("Does not significantly harm")									
Economic Activities (1)	Code(s) (2)	OpEx (3)	Proportion OpEx 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) OpEx, 2023 (18)	Category enabling activity (19)	Cate-gory transitional activity (20)
		€ million	%	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
No economic activities																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
of which enabling		-	0%																
of which transitional		-	0%																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
No economic activities																			
OpEx of taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	0%																
OpEx of Taxonomy-eligible activities (A.1 + A.2)		-	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%	0%	0%
B. Taxonomy non-eligible activities																			
OpEx of Taxonomy-non-eligible activities (B)		122.2	100%																
Total (A+B)		**122.2**	**100%**																

Nuclear & fossil gas related activities

Ontex does not engage in, fund or has exposure to nuclear energy or gas-related activities as defined in the following tables.

Nuclear & fossil gas related activities	Yes/No
Nuclear energy related activities	
The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
The undertaking carries out, funds or has exposure to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/ cool using fossil gaseous fuels.	No

SUS-4 Social information

SUS-4.1 ESRS S1: Own workforce

SUS-4.1.1 Interests and views of stakeholders

The people who make up Ontex's workforce are among its key stakeholders. The Company recognizes the importance of listening to them, consulting them and considering their opinions. Ontex believes that creating a great place to work is a collaborative effort, which can only succeed with the input and feedback of its employees. Therefore, Ontex continually seeks ways to gather additional insights and encourages transparent dialogue across its entire workforce. This is a prerequisite for the successful and sustainable execution of its strategy.

The various ways in which the Company engages with its workforce are outlined in the section *Processes for engaging with own workers and workers' representatives about impacts.*

SUS-4.1.2 Material impacts, risks and opportunities and their interaction with Ontex's strategy and business model

The material impacts, risks and opportunities linked to Ontex's own workforce

Being a responsible and caring employer and focusing on ethical and sustainable practices is a top priority in Ontex's Sustainability Strategy. This approach has a widespread impact on its workforce and directly supports the Company's ability to deliver on its strategy. Ontex recognizes the profound effect it has on the well-being of its employees and non-employee workers.

- **Employees**: The core workforce is directly employed by Ontex, working at various site locations to support daily operations and overall business objectives.
- **Non-employee workers**: These are individuals that work at Ontex facilities but are not directly employed by the Company. This includes self-employed workers or those engaged through third party employment agencies.

Ontex's commitment to respecting and promoting human rights within its workforce is unwavering. This includes robust systems for identifying, mitigating and addressing human rights risks, ensuring fair treatment, safe working conditions and equal opportunities for all.

Diversity, Equity and Inclusion (DEI) is an important point of Ontex's Sustainability Strategy to build a thriving, innovative and forward-thinking workplace. Through the implementation of its DEI policies, the Company actively supports underrepresented groups, ensuring equitable access to career opportunities, fair compensation and professional growth. These efforts not only empower individuals but also strengthen the organization by fostering a culture of inclusivity and belonging. Acting as a responsible and caring employer enables Ontex to attract top talent, build an engaged, loyal and tightly bonded team, and inspire pride in the work done by its people.

This approach also reinforces Ontex's contributions to social matters, such as respecting human rights, combatting poverty, promoting good health and well-being, providing decent work and supporting gender equality. The Company's commitment to its workforce drives long-term success and helps create a positive impact in the communities in which it operates.

As part of its Double Materiality and Enterprise Risk Assessment processes, Ontex regularly evaluates the risks of potentially negative impacts, such as workplace injuries or asset optimization leading to downsizing, closure or divestment of certain businesses or plants. The company works proactively to either mitigate these risks or minimize their impact. Such negative impacts are typically limited and not systemic, but rather relate to individual incidents or are confined to a particular country or plant.

Linking climate risks to workforce resilience

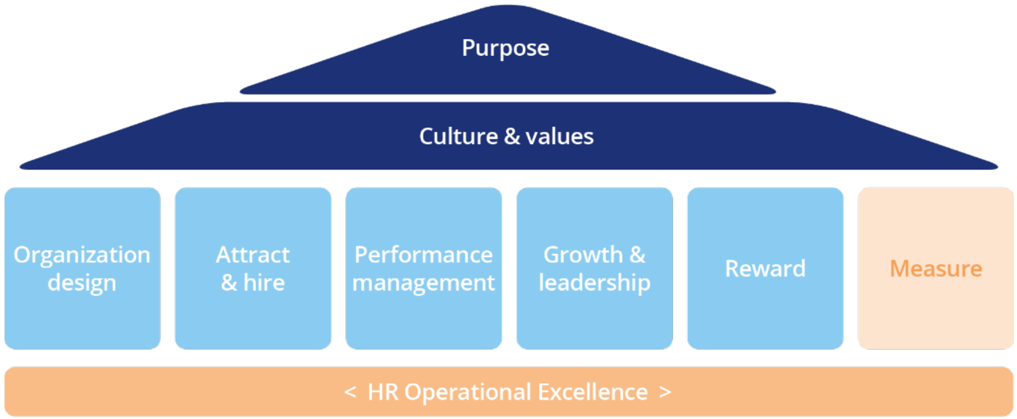
The increasing frequency and intensity of physical climate risks, such as flooding and heatwaves, have the potential to significantly impact Ontex's employees' well-being and productivity. As highlighted in the Company's climate transition plan, these risks are expected to increase in the long term, which underscores the urgent need to take action.

Ontex's Business Strategy

Ontex's Business Strategy centers on three value creation drivers: business expansion, competitive and sustainable innovation, and best-in-class operations. The Company's focus on executing its strategy is enabled by its people and culture. The commitments of Ontex's Sustainability Strategy are fully aligned with its business strategy.

In addition, Ontex has developed a People Strategy to foster a positive and collaborative culture, where every individual understands their role and is recognized for their critical contribution. It is Ontex's people that define the success of the company's transformation.

More information on Ontex's Business Strategy can be found in the Strategic Report entitled 'Defining our path'.



Ontex's People Strategy

Ontex's People Strategy primarily focuses on creating the conditions necessary for its diverse workforce to thrive at Ontex and perform at their best. Key elements include fostering employees' connection to Ontex's purpose, continuously strengthening the company's unique culture and ensuring that its P.R.I.D.E. values are fully embedded throughout the organization. Across Ontex's sites – comprising offices, production facilities, and Global Excellence Centres – Ontex cultivates a positive and respectful workplace where every voice is heard, and all ideas are welcome. Ontex prioritizes physical safety and promotes mental well-being.

To support this focus on purpose and culture, Ontex operates as a lean and performance-driven organization that empowers its workforce. The Group strives to place the right talent in the right roles at the right time, while also investing in leadership development and advancing people and team management skills. Employees are encouraged to take charge of their learning and growth, with support to define and achieve development goals and seize career opportunities within Ontex.

Ontex also fosters a culture of recognition, leveraging both non-financial rewards and fair, competitive remuneration packages, while celebrating collective successes. Progress is measured and actions are guided by data-driven insights. Additionally, Ontex continuously seeks to enhance the employee experience by improving processes as well as the delivery of great HR operational services.

In all aspects of its People Strategy, Ontex aims to harness the opportunities created by an engaged and resilient workforce and to uphold its reputation as a responsible employer.

Ontex's People Strategy applies to all workforce members without discrimination. However, due to the nature of their roles, some groups may have differing access to the opportunities created by the company. For example, office employees are better positioned to benefit from hybrid work arrangements compared to production employees. Similarly, non-employee workers may not participate in the same performance and talent management processes as Ontex's employees due to the temporary nature of their roles. Ontex remains conscious of these differences and takes this into account when reviewing its People Strategy from time to time.

SUS-4.1.3 Policies related to own workforce

To manage material impacts on Ontex's own workforce, as well as associated material risks and opportunities, the following policies have been adopted:

Policy	Purpose	ESG topics	Scope
People Policy	• Define Ontex's commitment to upholding human rights, ensuring fair treatment of all employees, and fostering a workplace environment that respects and values employee input. • Address the identification and mitigation of material risks and opportunities specific to Ontex's workforce.	• Working conditions (working time, adequate wages, social dialogue, freedom of association and collective bargaining, privacy) • Training and development of skills • Diversity	All employees and non-employee workers in Ontex's workforce.
Human Rights Policy	• Commitment to human rights: Align Ontex's business practices with international standards, such as the UN Guiding Principles on Business and Human Rights, to safeguard the dignity and rights of all individuals. • Identification, prevention, mitigation and remediation of adverse impacts: Proactively identify, assess and address human rights risks and impacts across Ontex's operations and value chains. This includes prioritizing the most severe issues, such as human trafficking, forced or compulsory labor and child labor. • Promotion of ethical practices, transparency and accountability. • Engagement with rights and stakeholder groups.	• Diversity • Measures against violence and harassment in the workplace • Freedom of association and collective bargaining • Child labor and young workers • Forced labor and modern slavery • Health and Safety • Fair wages • Data protection and privacy • Community impact • Healthy environment	All employees and non-employee workers in Ontex's workforce.
Code of Ethics (Working Conditions Chapter)	Define Ontex's commitment to doing business in an ethical and responsible manner.	• Anti-discrimination • Anti-harassment • Professional conduct • Health and Safety • Human Rights	All employees and business partners.

Policy	Purpose	ESG topics	Scope
Sustainability Policy	This policy sets the overall framework for integrating sustainability into all Ontex's activities. It outlines three main commitments: compliance with mandatory sustainability obligations, adherence to an integrated approach in sustainability, incorporating stakeholder interests and potential risks, as well as the Company's focus on continuous improvement and transparency.	• Social responsibility: human rights, responsible employer, consumer and end-user safety, and societal impact • Environmental responsibility: sustainable product and packaging, carbon emissions • Ethics and transparency	All employees
Diversity, Equity, and Inclusion Policy	• Embed a commitment to Diversity, Equity and Inclusion (DEI) in all work practices across the organization. • Foster an environment where the unique qualities, perspectives and contributions of every individual are respected, valued and actively sought. • Ensure fair treatment and equal opportunities for all employees, applicants and stakeholders. • Provide clear strategies to promote DEI throughout the company. • Actively address inequality and eliminate discrimination based on age, gender, nationality, race, color, ethnic origin, sexual orientation, marital or civil partnership status, religion, political opinion, language, disability, or any other status protected by laws or regulations in locations where the company operates.	• Gender equality and equal work for equal pay • The employment and inclusion of people with disabilities • Measures against violence and harassment in the workplace. • Diversity.	• All Ontex entities, employees, self-employed contractors, consultants, trainees, temporary staff working on the company's sites, and job applicants.
Flexible/Homeworking Policy	• Establish global principles for hybrid working practices. • Provide a framework for implementing local hybrid work arrangements.	Work-life balance.	All employees.
Speak-Up Policy	Enable confidential and anonymous reporting of potential breaches of Ontex's Code of Ethics through a whistleblower mechanism.	• Code of Ethics violations. • Measures against violence and harassment in the workplace.	All Ontex employees and those conducting business on behalf of the company, including agents, distributors, joint venture partners, consultants, and third party intermediaries.
Health & Safety Management System	• Commit to achieving zero workplace accidents and occupational illnesses through preventive measures and awareness initiatives. • Ensure compliance with global, regional, and local health and safety regulations.	Health and Safety.	All employees and non-employee workers in Ontex's workforce.

All the abovementioned policies are owned by the Executive Management Committee. They are made available through our internal document management system (Ontex DNA) and can be accessed either by employees or non-employee workers directly or on request to HR.

Ontex's People Policy, Human Rights Policy, Code of Ethics, and Diversity, Equity and Inclusion Policy align with internationally recognized instruments, including the UN Guiding Principles on Business and Human Rights and other relevant frameworks. Internal compliance with these frameworks is monitored through the Compliance Program, while external adherence is ensured via the Supplier Due Diligence Program.

SUS-4.1.4 Processes for engaging with own workers and workers' representatives about impacts

Ontex engages with its workforce through various processes and channels:

- **Global and local townhalls**: Global Staff Updates are quarterly 1.5-hour in-person and virtual meetings hosted by the CEO and the Executive Committee, providing updates on strategy and performance, employee recognition and a platform for questions and feedback. These meetings are accessible in multiple languages via live translations and summaries. Local townhalls, hosted by local management teams, follow a similar format but focus on location-specific topics.
- **Bi-annual Pulse Surveys**: In 2024, the company introduced a bi-annual cadence for employee surveys, overseen by the Chief HR and Legal Officer and open to all employees. Through 10 to 12 questions and optional comments, these Pulse Surveys enable employees to provide feedback on engagement, strategy and values and working conditions. In September 2024, 69% of employees participated, generating over 7,500 comments. The results are shared in detail with the Executive Management Committee and the Extended Leadership Team, who act based on employees' feedback, while key highlights are shared with all employees. Pulse Surveys also serve as indicators of employee engagement and well-being and provide insights into the views of different employee groups. For instance, in 2024, an analysis of responses by gender revealed no significant differences between men and women, except on work-life balance, where women reported slightly more favorable experiences. To respect employees' privacy, the Company does not require disclosure of personal or sensitive information. Consequently, Pulse Surveys cannot analyze responses from other minority groups or individuals at risk of marginalization, such as people with disabilities or migrants.
- **European Works Council (EWC) and local workers councils' meetings**: The Ontex EWC, established in 1999, facilitates an efficient dialogue between management and employee representatives. This dialogue is conducted through regular EWC meetings, held at least once a year, where members are informed and consulted on matters of importance to Ontex as a whole or to at least two of the Company's entities located in different countries. These matters include:
  - strategy, structure, financial and economic situation of Ontex
  - the expected evolution regarding activities, production and sales
  - the expected evolution of employment matters and investments
  - matters related to health, safety and environment protection
  - mergers, acquisitions, joint ventures, divestments, restructuring and closures of plants and legal entities
  - introduction of new work and production methods

Other matters, such as sustainability and human rights, may also be added to the agenda by agreement, even if they are not explicitly mentioned in the EWC Setup Agreement or other agreements between Ontex and the EWC. Ontex's Chief HR and Legal Officer is responsible to ensure that the provisions of these agreements are adhered to.

Local management also holds regular meetings with employee representatives in accordance with agreements made with local workers' councils and committees (e.g. committees for prevention and protection at work).

- **Additional forums**: Ontex also provides other opportunities for employees to share feedback, raise concerns or get involved. These include informal meetings such as breakfasts and lunches with management, as well as news articles posted on Ontex Connect (the corporate intranet), where employees can provide written comments.

SUS-4.1.5 Processes to remediate negative impacts and channels for own workers to raise concerns

In addition to the channels used for engaging with employees and consulting on the strategic matters and material impacts, risks and opportunities, Ontex provides specific channels for raising formal concerns or complaints about potential violations of its Code of Ethics, as outlined in its Speak-Up Policy. Employees can contact the following designated individuals internally:

- Line Managers
- Local Persons of Trust (where applicable)
- Compliance Team members
- Internal Audit members

Additionally, employees can access the Whistleblower/Speak-Up line (via a web-based portal or by phone), managed by an external organization to ensure confidentiality.

Information about these channels and how to access them is provided in the Speak-Up Policy, which is posted on Ontex Connect and displayed on local information boards. External stakeholders can also access the line via Ontex.com.

The process for handling complaints submitted through these channels is outlined in the Speak-Up Policy. The policy ensures confidentiality, non-retaliation and the protection of personal data. The use of the Whistleblower/Speak-Up line is explained in the mandatory annual Code of Ethics training, which covers all employees (with participation monitored yearly), and is also widely advertised in Ontex Connect and posted at the Company's different sites. The regular and wide use of the Whistleblower/Speak-Up line demonstrates that it is a trusted mechanism for raising concerns.

SUS-4.1.6 Taking action on material IROs: own workforce

Defining key actions

Ontex takes action to address material negative and positive impacts, manage risks and pursue opportunities related to its workforce. When an actual or potential negative impact is identified, the person ultimately responsible for the relevant functional or geographical area determines who should be involved and consulted to develop and implement appropriate action plans. If tensions arise between preventing or mitigating material negative impacts and other business pressures, Ontex's Executive Management Committee carefully considers workforce needs alongside business requirements to find the best possible solution.

Measuring effectiveness

The effectiveness of actions addressing material workforce impacts is evaluated through Ontex's sustainability targets, particularly those related to being a caring employer. Regular Pulse Surveys gather insights on culture, workplace practices, engagement and well-being, helping to assess the outcomes of these actions

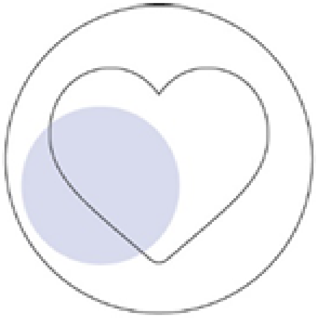
Resource allocation

Ontex allocates significant resources to manage material impacts, including human resources (e.g. management, HR teams, local EHS managers) and systems and tools (e.g. data storage to support compensation reviews, training and development, performance, talent management, succession planning, and recruitment processes). Additionally, it allocates budgets for compensation, training and development as well as specific programs and initiatives.

Key actions

The main actions taken, planned or underway to prevent or mitigate negative impacts and to deliver positive impacts are listed below. Ontex's commitment to respecting and promoting human rights includes robust systems for identifying and addressing risks, ensuring fair treatment, safe working conditions and equal opportunities. Efforts in Diversity, Equity and Inclusion (DEI) ensure that Ontex fosters an innovative and inclusive workplace. The Company expects that these actions will have a positive impact on the achievement of its policy objectives and targets. For example, a series of H&S actions will contribute to achieving the zero accidents target. The actions related to culture and P.R.I.D.E. values, leadership development, talent and succession, L&D programs and tools and DEI will contribute to reducing employee turnover and absenteeism and to increasing employee engagement and the well-being index score as well as the number of training hours per employee. Additionally, leadership development and DEI actions will also contribute to Ontex's gender parity ambition.

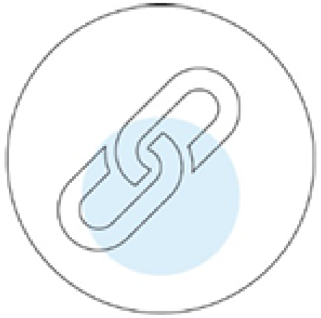
Culture and P.R.I.D.E. values



Passion

LET'S BE ENERGIZED.

We bring positive **energy** to work every day. We **invest** ourselves to advance Ontex and our purpose and **celebrate** our achievements.



Reliability

LET'S COUNT ON EACH OTHER.

We take **ownership** and stick to our **commitments**. We demonstrate **accountability** for the **results** we deliver.

Integrity

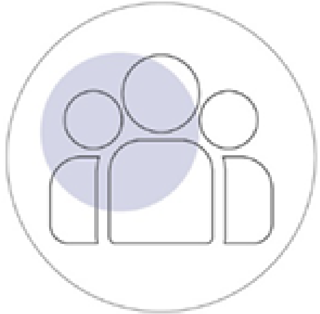
LET'S WALK THE TALK.

We stand up to **protect** and **respect**. We **speak up** and **do the right thing**, even in challenging circumstances because **trust** is at the base of everything we do.

Drive for Results

LET'S PLAY TO WIN.

We **plan** and **play to win**. We dare to take risks, **prioritize** our efforts on what really matters and act with **speed** and **pragmatism**.



Everyone

LET'S DO IT TOGETHER.

We succeed as one **team Ontex**. We act with unity and inclusion, embrace **diversity** and truly **care** for each other.

Ontex's unique culture, driven by its P.R.I.D.E. values (Passion, Reliability, Integrity, Drive, Everyone), plays a key role in its aspiration to be a responsible and caring employer. In 2024, Ontex embedded these values further through mandatory performance objectives for office employees and recognition initiatives, including a creative contest for employees and their families (mainly children) to represent each value with artwork. The winning designs were used on postcards distributed across all locations to promote peer recognition.

The P.R.I.D.E. Champions Awards, held for the second consecutive year, recognized four individuals and two teams (out of over 800 peer-to-peer nominations) for embodying Ontex's values. The Company also began measuring employee perceptions of these values and leadership role-modelling through Pulse Surveys, guiding future improvements to strengthen its culture.

H&S actions

Improving Health & Safety (H&S) remains a priority at Ontex. Unsafe behaviors account for 85% of injuries, highlighting the need to address these through the Behavior-Based Safety program. Key areas of focus include:

- increasing H&S leadership at all organizational levels, with people managers playing an active role in engaging and educating employees about job-related risks;
- implementing a Line Centric Model, prioritizing operators by replacing old production lines and tools with safer alternatives, combined with proper contractor management and timely qualifications.
- continuing to invest in risk assessment and standardizing safety processes with a strong focus on change management.

Ontex's H&S system is driven by risk assessment, starting with hazard identification and hazard reporting. After defining the risk level for each hazard, if the risk cannot be eliminated, countermeasures are taken to minimize risks through procedures, standard works and protection measures. Developing group-wide H&S procedures is central to this approach, along with continuous monitoring of Activity and Key Performance Indicators. To further support this, the EHS Group role has been established to develop standard procedures and programs aimed at improving safety behavior and enhancing machine risk assessment.

Ontex fosters a safety culture by regularly evaluating safety processes, learning from incidents and implementing corrective actions. Initiatives such as Peer-to-Peer Observation address unsafe behaviors, while capital investments improve machine safety. Training programs and educational campaigns raise awareness and equip employees to address safety challenges. Employee involvement is encouraged through regular communication, feedback mechanisms and recognition of contributions, ensuring greater adherence to safety protocols.

Linking climate risks to workforce resilience

To safeguard its workforce from climate risks, Ontex has upgraded HVAC systems in heat-sensitive areas and implemented Business Contingency Plans at all sites to ensure resilience during climate-related events.

Leadership Development

In 2024, Ontex focused on strengthening its Extended Leadership Team (ELT) by introducing quarterly virtual meetings with the EMC alongside the annual Leadership Summit. These meetings provided leaders with guidance, a platform for interaction developing Ontex's culture and executing its strategy and the tools to mobilize their teams to achieve company goals.

The Leadership Summit ensured the ELT's alignment with the company's strategy, emphasizing the role of teamwork and trust in its execution. Leaders also engaged in smaller peer coaching groups between the formal meetings to encourage mutual learning, experience sharing and enhanced engagement.

This approach ensures that Ontex's leaders are well-equipped to embody the qualities of a responsible and caring employer and to drive the company's transformation forward.

Talent and Succession

In 2024, Ontex conducted a company-wide talent review to assess its workforce and identify actions needed at both individual and organizational levels. This process helped ensure the company is set for future success.

People managers were trained to hold career conversations, supporting employees in identifying development opportunities and charting their career paths. Additionally, successors were proactively identified for critical roles in the organization to mitigate risks associated with unexpected departures. This approach not only fosters a culture of continuous growth but also enhances employee engagement and retention, contributing to Ontex's long-term success.

Capabilities Program and L&D Tools

In 2024, Ontex launched the Ontex Capabilities Program, a strategic initiative to help employees and managers build priority skills critical to executing the Company's strategy. They participated in classroom and e-learning sessions, gaining skills that were immediately applicable to their roles while preparing them for future opportunities. Based on the positive reception of the pilot sessions, Ontex plans to scale the program up in 2025.

The Company also invested in tools to enhance Learning and Development (L&D), including a Learning Management System for production employees, set to be piloted in early 2025, and an AI-powered platform to create engaging and interactive training content. These tools streamline content creation and make learning more accessible.

Global and local DEI initiatives

In 2024, Ontex continued to advance Diversity, Equity and Inclusion (DEI). All office employees worldwide were invited to complete a DEI e-learning course, covering the basics of DEI, its importance for the company and practical actions to promote inclusion. A global employee resource group, Women in Technology, was launched to support and unite women with an interest in this field.

DEI initiatives were linked to global observances such as the International Women's Day and Pride Month across various locations. For instance, in Brazil, the four affinity squads implemented activities aligned with their purposes. The PartiCipeDesse Abraço squad, focusing on disability inclusion, organized an autism awareness lecture and participated in an employability fair. The Elas Ontex squad celebrated Mother's Day and hosted a conversation circle. The Raciall squad held a lecture on racial equality and conversation circles for Black Awareness Day. And the Geração 50+ squad partnered with the Organization of Volunteers of the State of Goiás (OVG) to support employees over 50.

In the Czech Republic, Ontex celebrated International Women's Day, ran an LGBTQ+ support campaign and hosted workshops on diversity and cancer awareness. Ontex France also ran awareness campaigns, like the Czech initiatives. Ontex Spain and the HQ in Aalst organized activities for women's empowerment, LGBTQ+ inclusion, and fostering a culture of kindness.

In Italy, Ontex partnered with an external firm to develop a program focusing on psychological health at work and DEI, while in the UK, the DEI Champions organized a highly successful training session on DEI and unconscious bias, in collaboration with an external agency. In Poland, Ontex marked International Women's Day with a charity drive to collect essential products for women in need. Finally, Turkey offered Ontex women a well-being program, engaged employees in sharing their perspectives on diversity and promoted inclusion during Pride Month.

Divestments of Algeria and Pakistan

In 2024, Ontex completed the divestments of its businesses in Algeria and Pakistan to sharpen the focus on its core retail brands and healthcare businesses. To mitigate risks and reduce the transaction's potential negative impact on the workforce, several measures were implemented to ensure a smooth transition for local colleagues.

The process included an information and consultation procedure with local works councils, ensuring that their perspectives were considered. Business and cultural fit criteria were applied during the auction process to promote continuity, stability and good prospects for the business and the employees. Comprehensive communication plans were rolled out to maintain transparency and provide support. These included formal notices, management alignment emails and video messages to convey empathy and guidance. Leadership teams were actively involved in engaging with staff and external stakeholders to facilitate the transitions effectively.

Closure of Eeklo and reorganization in Buggenhout in Belgium

On June 13, 2024, Ontex announced the intention to cease all activities at the Eeklo site and transform the Buggenhout site into a competitive center of expertise for medium and heavy incontinence. This decision, potentially resulting in 489 redundancies, was confirmed in October 2024.

To mitigate the impact on affected employees, an agreement was reached with social partners outlining several support measures. These included financial incentives beyond statutory redundancy pay, psychological support for employees and their families and professional assistance to help employees transition to new employment.

SUS-4.1.7 Metrics and targets

Targets

Being a caring employer

Aiming for zero workplace accidents

- Accident frequency rate of 2.3 by 2025 and 0 by 2030

Empowering a resilient & engaged workforce, as measured by:

- Above the median position vs peers, related to turnover and learning & development year-on-year
- Continuous improvement of absenteeism and employee engagement & well-being survey scores
- Gender parity in Extended Leadership Team

The objectives in Ontex's Sustainability Strategy related to managing material impacts, mitigating risks and capitalizing on opportunities related to its own workforce are:

- Aiming for zero workplace accidents
  - Accident frequency rate of 2.3 by 2025 and 0 by 2030: Ontex is committed to achieving zero accidents and occupational diseases through prevention, awareness and the reporting of near misses. This includes regular monitoring of employees, investing in training and coaching, proper maintenance of equipment and facilities, and fostering a safe and healthy work environment for employees, contractors and visitors. The company supports the vision of the 'Power of Zero', focusing not only on achieving zero accidents but also on sustaining this goal by adhering to regulations, ensuring zero danger to employees, avoiding lost working days and preventing damage to assets.
- Empowering a resilient and engaged workforce
  - Above-median position vs peers for turnover and learning & development (year-on-year): Ontex aims for healthy employee turnover and continuous investment in skills development. The company benchmarks itself against a peer group of similar organizations, striving to consistently outperform the median of this group. Specific targets linked to this objective will be shared starting in 2025, using 2024 as the baseline year.
  - Continuous improvement of absenteeism and engagement & well-being survey scores: Ontex seeks to improve absenteeism rates and enhance employee engagement and well-being, measured through an index in its Pulse Surveys. The Company's aim is to improve these KPIs every year.
  - Gender parity in the Extended Leadership Team (ELT): Ontex's top management is a clearly defined group currently consisting of 71 senior leaders called the ELT, selected based on their role's scope (job level) or their strategic influence (reporting line). By 2030, the Company aims to achieve 50% gender parity within this team, using 2024 as the baseline year.

Although some targets were only established this year and others will be set from next year onwards, Ontex can already provide insights on the respective KPIs:

Metrics and targets	Unit	Targets 2030	Progress reporting 2022	2023	2024
Benchmark targets					
Employee turnover	Number of employee terminations in the current year / Number of active employees at the beginning of the current year (January)	To be defined in 2025	16%	16%	23%
Learning and Development	Average number of training hours per employee	To be defined in 2025	-	-	14
Women		-	-	-	13
Men		-	-	-	14
Other genders		-	-	-	-
Continuous improvement targets					
Absenteeism	Total unplanned hours of absence / Total hours available in the full year	YoY improvement	3	4	5
Employee engagement & well-being survey score		YoY improvement	-	-	65
Gender parity in leadership					
Number of women in top management	FTE (full-time equivalent)	-	-	-	14
Percentage of women in top management	Number of women in the ELT / Total number of employees in the ELT	50	20	25	20
Number of men in top management	FTE	-	-	-	57
Percentage of men in top management	Number of men in the ELT / Total number of employees in the ELT	-	80	75	80

Methodology

All FTE (full-time equivalent) metrics are based on active employees at the end of the reporting period (December 31, 2024). This excludes employees who left the Company or were on long-term leave of absence.

The turnover rate is calculated by dividing the total number of employees (FTEs) who left voluntarily, due to dismissal, retirement, or death in service by the total number of active employees (FTEs) at the beginning of the year (January 1, 2024).

2024 Turnover Rate: 1,780 (FTE's Terminated) / 7,566 (Actives FTE's Jan 2024) = 23.5%

Currently, no members of the ELT have undisclosed gender identities or identify with other genders.

Process for setting and tracking targets

These objectives were established based on input from various stakeholders collected during the Double Materiality Assessment. In October 2024, they were validated with employee representatives during the regular European Works Council (EWC) meeting. It was also agreed that Ontex would share and discuss performance against these targets in this forum once the data becomes available (after the publication of the Annual Report). The remainder of the year was used to set the baseline, conduct benchmarking analyses and define the approach to target setting. These targets may be revised periodically based on evolving benchmarks and other internal and external factors.

Performance against targets

Turnover in 2024 increased significantly compared to previous years, primarily due to the closure of the Eeklo plant. Additional contributing factors included higher voluntary turnover rates in the Buggenhout plant linked to downsizing, efficiency-driven redundancies in Tijuana, and overall turnover in Poland, driven by wage and shift-related pressures.

The number of training hours per employee is not comparable with the numbers reported in previous years due to a methodology change – previously based on estimates and using FTE as denominator, now replaced by detailed tracking of completed training sessions and using headcount as denominator.

The decline in the percentage of women in top management was primarily the result of a higher turnover among female members of the ELT, combined with challenges in finding suitable female candidates for certain open positions.

Actions to improve performance against set targets

Efforts are underway to enhance performance across all targets. For example, in 2025 turnover and absenteeism targets will be set at the location level, increasing local accountability for achieving them. Training and development opportunities will continue to expand, including the rollout of the "WIN as a TEAM" program, the scaling up of the Capabilities Program, and the implementation of the new Learning Management System for production employees.

Clear expectations have also been set for the ELT to take ownership of Pulse Survey action plans at the local level and to ensure more gender-balanced candidate slates for senior leadership positions.

SUS-4.1.8 Characteristics of employees

Ontex operates globally, with offices, production facilities and R&D centers in Europe, North America and other regions. Its diverse workforce includes employees in R&D, production, sales and support functions. The countries with the largest number of employees (>10%) are currently Brazil and the Czech Republic.

Employees	Unit	Progress reporting 2022	2023	2024
Ontex employees				
Total number of active employees	Headcount	7,744	7,765	6,896
Number of women	Headcount	2,656	2,655	2,544
Number of men	Headcount	5,088	5,108	4,352
Number of other genders	Headcount	0	0	0
Number of employees who did not disclose their gender	Headcount	0	0	0
Employees in countries with significant employment (>10%)				
Brazil	Headcount	1,354	1,387	1,347
Czech Republic	Headcount	781	794	799
Employees by contract type				
Unlimited duration (permanent)	FTE	5,460	6,189	6,627
Number of women	FTE	3,530	2,220	2,416
Number of men	FTE	1,930	3,698	4,211
Number of other genders	FTE	-	-	-
Number of employees who did not disclose their gender	FTE	-	-	-
Limited duration (temporary)	FTE	17	79	215
Number of women	FTE	10	43	87
Number of men	FTE	7	36	129
Number of employees who did not disclose their gender	FTE	-	-	-
Number of other genders	FTE	-	-	-
Non-guaranteed hours employees	FTE	-	0.1	0.4
Number of women	FTE	-	-	0.4
Number of men	FTE	-	-	-
Number of employees who did not disclose their gender	FTE	-	0.1	-
Employee turnover				
Total number of terminations	FTE	1,662	1,209	1,780

Prior to 2024, Ontex used FTEs as a reporting unit for the number of employees, while, in 2024, it was changed to headcount to align with the requirements of the Corporate Sustainability Reporting Directive (CSRD). The decrease in the number of FTEs, which is not directly visible in the data due to this change, is linked to the divestments in Algeria and Pakistan and the closure of the Eeklo plant, which was not offset by scaling up in North America and Spain.

Methodology

All FTE (full-time equivalent) and headcount metrics are based on active employees at the end of the reporting period (December 31, 2024). This excludes employees who left the Company in the reporting period or were on long-term leave of absence.

The difference between the number of employees reported in this section and the number of employees reported in the financial statements is due to:

- **Methodological differences:** The financial statements (see section 'FIN-4.22 Employees benefit expenses') reflect average FTEs over the year, whereas this section reports headcount at the end of the reporting period.
- **Scope of reporting:** The financial statements include only FTEs from continuing operations (e.g. excluding Brazil), while this section includes all headcount active at the end of the respective reporting period.

SUS-4.1.9 Characteristics of non-employee workers in the own workforce

As a responsible and caring employer, Ontex provides sustainable employment. When needed, the company engages self-employed workers or collaborates with third parties primarily involved in employment activities. Examples of non-employee workers include:

- Temporary production staff: Engaged via interim agencies to manage production peaks or provide support during employee holidays.
- Knowledge workers: Self-employed or employed through third parties, temporary engaged for project work, consultancy services, employee absences or interim vacancies.

- Sales agents: Operating in a limited number of markets to support tender business or fragmented customer bases.

Non-employee workers	Unit	Progress reporting		
		2022	2023	2024
Total number of office non-employee workers	Headcount	-	-	227
Average number of operational non-employee workers	Average FTE	-	-	852

Due to the change in reporting methodology, it is impossible to compare the number of non-employee workers in 2024 with prior years.

Methodology

Non-employee workers are divided into two categories, each with its own reporting methodology:

- **Office non-employee workers**: This category includes independent contractors, agents and workers employed via third parties to perform administrative and knowledge-based tasks. Their headcount is estimated as of the end of the reporting period (December 31, 2024). As these workers typically require an email address, their data is captured in Ontex's Human Capital Management system, which serves as the basis for this estimate.
- **Operational non-employee workers**: This category includes workers employed via third parties to perform operational tasks in plants and warehouses. Their numbers are reported as an estimate of the average FTE for the year 2024, based on invoices received from the third-party providers.

SUS-4.1.10 Collective bargaining coverage and social dialogue

As Ontex has operations in multiple European Economic Area (EEA) countries, the company has several collective bargaining agreements at country level. The only country in EEA with >10% of employment is the Czech Republic, outside of EEA – Brazil.

Collective bargaining and social dialogue	Unit	Progress reporting		
		2022	2023	2024
Collective bargaining agreements				
Employees covered by collective bargaining agreements	% of employees	57	73	69
Employees covered by collective bargaining agreements in EEA countries with significant employment (>10%)				
Czech Republic	% of employees	-	-	100
Employees covered by collective bargaining agreements in countries outside of EEA with significant employment (>10%)				
Brazil	% of employees	-	-	100
Workers' representatives				
Employees covered by workers' representatives	% of employees	57	73	88
Employees covered by workers' representatives in EEA countries with significant employment (>10%)				
Czech Republic	% of employees	-	-	100

For employee groups not covered by collective bargaining agreements, Ontex adheres to local market practices, complies with legal requirements, tracks salary survey data and adapts to local labor market conditions.

SUS-4.1.11 Diversity metrics

Employees by age	Unit	Progress reporting		
		2022	2023	2024
<30 years	% of employees	19	16	17
30-50 years	% of employees	62	63	60
>50 years	% of employees	19	21	23

SUS-4.1.12 Training and skills development metrics

Training	Unit	2022	2023	2024
Performance and career development reviews	% of employees	-	-	99
Women	% of employees	-	-	99
Men	% of employees	-	-	100
Other genders	% of employees	-	-	100

Performance and career development reviews as standard are only required for the office-based or remote employees. In 2024, Ontex planned and conducted one mandatory performance review per employee.

SUS-4.1.13 Health & Safety metrics

Health & safety metrics	Progress reporting			Goal
	2022	2023	2024	2030
% of Ontex employees covered by H&S management systems based on legal requirements and Ontex standards	62%	74%	88%	100%
Number of fatalities	0	0	0	0
Number of Lost Work Day Cases	62	48	39	0
Number of Lost Work Days	1,618	1,782	2.406	0
Frequency Rate (FR)	3.78	3.52	3.20	0
Severity Rate (SR)	0.10	0.13	0.20	0
Number of cases of recordable work-related ill health	0	0	0	0

Methodology

Definitions

- **Ontex Employees**: Individuals with a valid employment contract with Ontex.
- **Lost Work Day Case (LWDC)**: An occupational injury or illness, excluding fatalities, that renders an individual unfit for work on any day following the day of the incident. This includes rest days, weekends, public holidays, leave days or days after employment ends.
- **Lost Work Days (LWD):** The total number of days lost due to a reported LWDC.
- **Frequency Rate (FR):** The number of disabling injuries per one million person-hours worked.
  Formula: FR = Number of LWDC x 1,000,000 / Total hours worked
- **Severity Rate (SR):** The total number of calendar days lost or charged due to LWDC per one thousand person-hours worked.
  Formula: SR = Number of calendar days lost x 1,000 / Total hours worked

Boundaries

- The KPIs calculation includes all Ontex entities and employees. Data for non-productive sites is not collected throughout the year but is captured once annually after year-end, based upon input from local HR managers.

SUS-4.1.14 Compensation metrics (pay gap and total compensation)

Compensation metrics	Unit	Progress reporting 2022	2023	2024
Gender pay gap	The difference in average pay levels between female and male employees, expressed as a percentage of the average pay level of male employees	-	-	5.98%
Remuneration ratio	The ratio of the annual total remuneration of the highest-paid individual to the median annual total remuneration of all employees, excluding the highest-paid individual.	-	-	161

2024 marks the first year in which the gender pay gap and remuneration metrics are reported, making comparisons with previous years unavailable. The primary driver of the pay gap is the underrepresentation of women in the top management positions.

Methodology

The gender pay gap is calculated as the percentage difference between the average gross hourly pay level of all female employees and that of all male employees.

Employee definition:

- **Active employees:** Excludes employees on leave
- **Employees only:** Excludes apprentices, contingent workers, external staff, students and trainees.

The highest-paid individual at Ontex is the CEO.

SUS-4.1.15 Incidents, complaints and severe human rights impacts

During the reporting period, there were four work-related incidents of discrimination which were reported through the Whistleblower/Speak-Up channel. Of these incidents, one was related to discrimination issues and three related to harassment. There were no severe human rights impacts.

During the reporting period, 155 complaints were made using the Ontex Whistleblower/Speak-Up channel across the entire Ontex Group, excluding those reported above regarding discrimination and harassment. Out of this number, 86 were either substantiated or partly substantiated.

Incidents and complaints were tracked in our Whistleblower/Speak-Up channel to ensure confidentiality, proper tracking and consistency in the handling, investigation and resolution process. Incidents are supervised and managed by the Core Compliance Team members.

Company actions in the reporting period resulting from confirmed substantiated/partially substantiated cases included disciplinary actions such as verbal or written warnings and termination of employees. There were no fines, penalties, sanctions or compensation for damages during the reporting period as a result of any reported incidents.

Ontex is advancing towards achieving its target for 2030, set in May, 2024, of confirming that 100% of its global workforce is trained in its Code of Ethics. For the reporting period, 89% of the Company's workforce completed this training and the Company will continue recording its performance towards this goal.

To improve towards this target until the next reporting period and based on the Company's constant learnings, Ontex has established a plan to continue to be followed until 2030 that includes:

- Mandatory completion requirements: Setting clear deadlines and tracking progress for employees to guarantee all employees, regardless of role or location, participate in and complete the training;
- Data collection and tracking: Outsourcing the tracking of our yearly mandatory Code of Ethics training;
- Comprehensive training programs: Regularly updating and making accessible training modules designed to cover the key principles of Ontex's Code of Ethics and its application in daily operations;
- Leadership accountability: Engaging managers and leaders to champion the training initiative, ensuring compliance goals are cascaded throughout their teams.
- These measures are designed to help Ontex meet its 2030 target and confirm that 100% of its employees undertook the annual mandatory Code of Ethics training and also reinforce the already strong principles of ethical behavior and compliance within its corporate culture. Through these efforts, Ontex aims to empower every member of its workforce, from Board Member to line employee, with the knowledge and confidence to uphold the Company's values in their daily decisions and actions.

SUS-4.2 ESRS S2: Workers in the value chain

SUS-4.2.1 Interests and views of stakeholders

Workers in Ontex's value chain are among the Company's key stakeholders. Ontex acknowledges the importance of consulting them and incorporating their feedback into its strategies. Engagement methods are detailed in Chapter SUS-2.3.2 Interests and views of stakeholders.

Ontex recognizes that the interests, views, and rights of workers throughout its value chain, especially for workers who could be significantly impacted by its activities, are essential in shaping its business model. To ensure that these considerations are integrated, the company engages with workers through various channels, including trainings, surveys, on-site audits and assessments and a compliance speak-line. Ontex integrates human rights as a core pillar of its Environmental, Social and Governance (ESG) strategy, aligning worker welfare with social responsibility goals. The company is refreshing its risk management approach to proactively identify and address human rights risks throughout its operations and supply chain. Supplier compliance with ethical standards is ensured through audits and regular assessments that result in actionable improvement plans, reinforcing Ontex's commitment to responsible and sustainable business practices.

SUS-4.2.2 Material impacts, risks and opportunities and their interaction with Ontex's strategy and business model

Ontex operates within a complex value chain spanning diverse social, economic and political contexts. The Company's activities impact people, communities and ecosystems throughout the supply chain. Ontex is committed to responsible and ethical sourcing, focusing upstream activities on raw materials and packaging sourced from sites worldwide.

Value chain mapping is central to Ontex's strategy. It provides a comprehensive view of the company's full impact scope and its role in impacts – whether causing, contributing to, or being linked to them. This strengthens Ontex's commitment to human rights by identifying and prioritizing the most critical human rights issues and recognizing the impacted stakeholders. Ontex's risk-based due diligence approach involves comprehensive risk scoping by sector, enterprise level, geography and commodity, enabling targeted measures to address identified risks.

In the case of material adverse impacts, for the pre-screening phase, to guide the Company and understand where to focus, Ontex identifies widespread and ultimately systemic impacts by country, sector and commodity, and for those suppliers operating in high-risk countries, Ontex analyzes the impacts in depth to determine whether they are related to individual incidents or to specific business relationships.

Key stages and stakeholders in the value chain

Value chain workers are considered essential stakeholders whose rights, perspectives and interests are integral to Ontex's operations. Through a human rights impact assessment, specific groups within the supply chain have been identified as most affected by the

Company's business practices, including young workers, contract workers and migrant labor. These groups may be present in any country and relate to various commodities and industries. Here are the alleged types of chain workers materially affected by Ontex's operations and value chain:

Stages of the value chain	Sourcing of raw materials	Suppliers & logistics	Manufacturing process	Warehouse & distribution	Retail, market & consumption	End of life and waste management
Main activities	Sourcing raw materials, including cotton and SAP. Producing adhesives and packaging materials.	Transporting raw materials from suppliers to manufacturing facilities and warehousing them.	Converting raw materials into absorbent hygiene products via processes like layering.	Storing finished products in warehouses and distributing them to customers.	Selling finished products through retail channels and supplying them to healthcare institutions.	Disposing of or recycling used products.
Stakeholders involved	Raw material and production workers, contractors, local communities, regulatory bodies and NGOs.	Transport and logistics workers, local communities, regulatory bodies and NGOs.	Ontex employees, contractors, local communities, regulatory bodies and NGOs.	Warehouse and logistics workers, contractors, local communities and regulatory bodies.	Healthcare institutions, retail partners and other customers, local communities and regulatory bodies.	Healthcare institutions, consumers or end-users, local communities and regulatory bodies.

Supplier due diligence and ethical sourcing program

Ontex upholds international human and labor rights standards, following the United Nations Guiding Principles on Business and Human Rights. Human rights and environmental due diligence are integral to ensuring respect for rights and avoiding harm. Adopting the **OECD's 6-step due diligence framework** [15], Ontex identifies generalized and systemic risks linked to the countries in which it has influence, its economic activities and determines appropriate actions to address actual or potential material negative impacts on workers in the value chain.

Labor and social risks

The manufacturing sector may encounter weak regulatory enforcement, economic instability and social inequality which may result in risks for workers:

- **Health and safety**: Insufficient safety standards and limited investment in worker well-being heighten the risks of accidents, injuries and illnesses. These challenges are exacerbated by lack of training, restricted access to safety equipment, social inequalities and climate change-related environmental hazards.
- **Freedom of association**: Restrictive laws, employer resistance and fear of retaliation hinder unionization, limiting workers' ability to advocate for better conditions and protections.
- **Discrimination**: Discrimination based on gender, race, ethnicity, age, or disability leads to unequal pay, limited opportunities and hostile work environments, reducing well-being and productivity.
- **Working hours**: Inadequate regulation and poor enforcement lead to overwork and insufficient rest, causing physical and mental strain, especially under economic and production pressures.
- **Wages**: Economic instability and poor wage legislation leave workers vulnerable to poverty, with wages failing to match the cost of living and unclear wage communication worsening insecurity.

Business ethics and governance risks

Moderate risks arise from gaps in ethical practices and governance:

- **Ethical management**: While some ethical practices are in place, gaps in enforcement or inconsistent implementation pose risks for workers. Issues such as unclear wage policies, subpar working conditions and lack of transparency signal that ethical standards are not uniformly applied.

[15] The OECD's 6-step due diligence framework is a comprehensive methodology outlined in the OECD Guidelines for Multinational Enterprises and further detailed in the OECD Due Diligence Guidance for Responsible Business Conduct.

- **Corruption**: Perceptions of public sector corruption undermine the enforcement of ethical business standards. When corruption is perceived to be prevalent, protecting workers' rights and maintaining business integrity becomes more challenging.

Vulnerable workers

Certain workers across Ontex's value chain are particularly vulnerable to adverse impacts due to their unique characteristics or geopolitical situation. These includes trade unionists, migrant workers, homeworkers, women and young workers, who face specific challenges related to their context or demographics.

High-risk regions

The company has identified regions within its value chain with significant risks of child labor and forced labor, using Radar [16], Sedex's risk assessment tool:

- **China**: Significant risk of forced and compulsory labor, particularly in manufacturing.
- **India**: Vulnerabilities in agriculture and manufacturing, including child and forced labor concerns.
- **Turkey**: High risk of forced labor in textiles and manufacturing.
- **Saudi Arabia and Egypt**: Forced labor risks, particularly affecting migrant workers.
- **Thailand**: Labor exploitation risks in agriculture and manufacturing.

Certain commodities, such as cotton, also pose high risks in regions like China, Pakistan, Uzbekistan, Benin, Burkina Faso, Tajikistan, Kazakhstan and Turkmenistan. Cotton production in these areas is often linked to forced labor under governmental or institutional pressures that undermine workers' autonomy.

Vulnerable groups

Ontex recognizes that specific worker groups require specific attention due to heightened risks:

- **Young workers (aged 14-18):** Especially in the cotton supply chain, young workers face exploitation in regions with prevalent child labor. The Company's initiatives include third-party social audits to ensure suppliers identify and monitor these risks.
- **Workers in high-risk geographies**: Production sites in Central Asia and South Asia are exposed to documented labor violations. Ontex addresses these risks through rigorous supplier monitoring, compliance measures and its Supplier Due Diligence Program.
- **Women workers**: Gender-specific challenges, including discrimination, unequal pay and lack of maternity protection, affect women in manufacturing and agriculture. Ontex tackles these issues through targeted initiatives, such as gender-sensitive audits, training and policies promoting gender equality and protecting women's rights.

Monitoring and evaluation

To monitor systemic, individual or widespread adverse impacts, Ontex uses external reference sources, Sedex's Radar risk tool and the EcoVadis platform. This helps identify persistent, industry-wide risks, especially in regions with known human rights issues. Individual incidents that could affect the Company's operations or relationships are tracked, such as industrial accidents or supply chain disruptions. Additionally, specific impacts from key suppliers are monitored through EcoVadis 360 solutions.

By identifying these vulnerable groups, Ontex seeks to gain a clearer understanding of the risks and opportunities within its value chain, enabling the Company to implement more effective measures to protect and empower the workers concerned.

[16] Radar is Sedex's risk assessment tool designed to help businesses identify and manage risks related to labour standards, health and safety, the environment, and business ethics within their supply chains. It classifies countries and regions based on the likelihood of issues such as child labour, forced labour, and other human rights concerns, using data from various sources.

SUS-4.2.3 Policies related to value chain workers

Ontex is committed to transparency regarding its public commitments and policies concerning value chain workers and its own operations. The Company's aim is to align these policies with the United Nations Guiding Principles on Business and Human Rights (UNGPs), the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises.

The processes and mechanisms for monitoring compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises are part of a comprehensive and systematic approach within our supplier due diligence framework. This approach integrates key components such as:

- Embed responsible business conduct into policies and management systems.
- Identify and assess adverse impacts in operations and supply chain, through risk assessments, audits at Ontex's facilities and supplier audits, and ESG performance review.
- Cease, prevent or mitigate adverse impacts, and or provide for remediation.
- Track implementation on results.
- Communicate on how impacts are addressed.

To manage material impacts on Ontex's value chain workers, the following policies have been adopted:

Policy and Statements	Purpose	ESG topics	Scope
Supplier Code of Conduct	Define the specific expectations for ethical, social and environmental behavior that all suppliers must follow. Ensure that the supply chain operates responsibly, aligns with Ontex's values and meets internationally recognized standards. Key focus areas: • Human Rights and Labor Standards • Environmental Protection • Ethical Business Practices • Monitoring and Improvement Legal framework of reference, United Nations (UN) Universal Declaration of Human Rights (1948); International Labor Organization Declaration on Fundamental Principles and Rights at Work (ILO) (2017); UN Guiding Principles on Business and Human Rights (2011); OECD Guidelines for Multinational Enterprises (2011); OECD Due Diligence Guidance for Responsible Business Conduct (2018)	• Violence and harassment in the workplace • Freedom of association and collective bargaining • Child labor and young workers • Forced labor and modern slavery • Health and Safety • Fair wages • Data protection and privacy • Healthy environment	All suppliers.
Ethical Sourcing Requirements	Designed to ensure that Ontex's supply chain sources raw materials in a way that aligns with sustainability, ethical practices and human rights standards. These requirements particularly focus on sourcing renewable and responsibly sourced raw materials from risk countries, where the potential for adverse impacts may be higher.	• Human and Labor Rights • Environmental responsibility • Reputational risk • Compliance • Supplier relationships • Operational resilience	All suppliers.
Global Supplier & Vendor Handbook	Provide suppliers with a comprehensive guide on Ontex's operational standards, regulatory expectations and compliance procedures, including risk management and continuous improvement practices. Legal framework of reference same as Ontex's Human Rights Policy and Supplier Code of Conduct.	• Operational efficiency • Supplier engagement and development • Regulatory compliance • Reputation and competitive advantage	All suppliers.
Modern Slavery Statement	Disclose Ontex's commitment to preventing modern slavery and human trafficking. Suppliers must adhere to labor rights and fair treatment practices, aligned with international human rights standards. Legal framework in alignment with the Code of Conduct, the internationally recognized standards and norms, including the Universal Declaration of Human Rights, International Labor Standards and OECD Guidelines for Multinational Enterprises.	• Human and Labor rights • Reputational • Legal and compliance risk management • Supply chain disruptions and risks	All suppliers.

For additional details on how Ontex addresses issues such as human trafficking, forced and compulsory labor, and child labor, please consult our Human Rights Policy and Supplier Code of Conduct. These documents are available in chapter 4.2.3 Policies related to own workforce.

All these policies are available on the Ontex corporate website, with references to the department responsible for their effectiveness. To date, there have been no cases of non-respect for the UNGPs, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises concerning value chain workers in the Company's operations. Ontex remains committed to continuous monitoring and due diligence to uphold these international standards throughout its value chain.

SUS-4.2.4 Processes for engaging with value chain workers about impacts

Ontex's Supplier Due Diligence Program prioritizes stakeholder engagement as a central element of its due diligence process. Recognizing its role within a broader ecosystem, the Company actively communicates with a wide range of stakeholders, including its employees, contractors, temporary workers, suppliers and local communities. Engagement ranges from informal dialogue to strategic partnerships, ensuring that stakeholders are heard and involved at appropriate stages. More information related to the key stakeholder and engagement approach can be found in the Chapter SUS-2.3.2 Interests and views of stakeholders.

More information about how senior management is responsible for ensuring supplier engagement can be found in SUS-2.6.1 Standards and policy framework.

Key engagement stages

Ontex incorporates insights from comprehensive **human rights risk assessments** to address the needs of workers throughout its value chain. These assessments, based on **risk-based due diligence analysis** [17] and proactive stakeholder engagement, inform and refine Ontex's policies, including the Code of Ethics, Supplier Code of Conduct and Ethical Sourcing Requirements. Direct engagement with suppliers occurs through meetings, feedback mechanisms like surveys, and partnerships with industry organizations.

Engagement with business partners is ongoing and based on the outcomes of regular risk assessments. Ontex prioritizes continuous dialogue to ensure alignment with expectations and fosters a shared commitment to protecting workers throughout the value chain. Business partners play a key role in cascading these expectations, ensuring that protective measures are upheld at all levels. In the future, Ontex plans to deepen this engagement by further involving legitimate representatives and credible proxies to enhance the effectiveness of its efforts.
Key engagement activities include:

- **Approval of new suppliers and production sites**: At this stage, suppliers complete a questionnaire covering Quality and CSR-related aspects, enabling Ontex to assess how they manage environmental, social and ethical impacts. Virtual meetings are held to clarify expectations around ethical and sustainable sourcing. Engagement during this stage typically occurs once, when new suppliers or production sites are onboarded, although additional meetings may be arranged based on the specific needs or issues that arise.
- **Ongoing supplier engagement**: Regular activities include annual supplier webinars, ESG data collection via questionnaires, participation in sustainability forums and ESG presentations by key suppliers.
- **Suppliers in high-risk country**: Dedicated meetings with suppliers in high-risk areas address specific risks, identify potential impacts and establish preventive and mitigation action plans.

These processes promote transparency, accountability and the mitigation of worker impacts throughout the value chain.

Ontex fosters transparent dialogue with workers across its value chain. While formal Global Framework Agreements with union federations are not yet in place, the Company actively

[17] Ontex has limitations in directly approaching customer and supplier-specific data for its Russian entity, stemming from European sanctions, however the disclosures in the CSRD report, including the Russian activities, are based on our comprehensive management approach, which encompasses our commitment to workers in the value chain, consumers and end-users, and our overall business conduct.

engages with workers through various channels, such as grievance mechanisms, social audits and direct feedback during supplier evaluations. These interactions provide valuable insights into their needs, informing Ontex's ongoing due diligence efforts.

Engagement responsibilities

The Core Compliance Team holds operational responsibility for assessing complaints received through the company's whistleblower/speak up channel/line, ensuring that reported issues involving value chain workers are thoroughly evaluated and addressed.
The Group Responsible Sourcing Specialist, a member of the Sustainability Team, oversees findings from social audits conducted for suppliers located in high-risk countries. This role also guides Ontex's approach to social impacts within the value chain, ensuring alignment with international standards and company objectives.

Evaluating effectiveness

The effectiveness of Ontex's engagement with value chain workers is evaluated through various mechanisms:

- **Public communications**: Ontex reports on Key Performance Indicators (KPIs) related to risk-based due diligence assessment, worker engagement, including supplier participation in ESG assessments, and third-party audit findings. Transparency on these results is provided in the Ontex Modern Slavery Statement and the Ontex Annual Report. The latter highlights progress on KPIs and due diligence efforts.
- **Continuous feedback**: Feedback from employees, suppliers and other key stakeholders is actively monitored to refine and enhance engagement processes.

SUS-4.2.5 Processes to remediate negative impacts and channels for value chain workers to raise concerns

Ontex is committed to providing clear and accessible channels for all stakeholders, including value chain workers, to raise concerns about suspected misconduct, unethical behavior, or violations of the Code of Ethics or the Supplier Code of Conduct. Workers are encouraged to report potential breaches of values, policies and applicable laws.

Processes to prevent and remediate negative impacts

To support value chain workers, Ontex provides a Whistleblower/Speak-Up line. This confidential platform allows them to raise concerns about or report any potential violation of the Company's ethical code.

Suppliers are informed about the Whistleblower/Speak-Up Line through the Supplier Code of Conduct and are required to cascade this information with their employees. To ensure its effectiveness, a comprehensive action plan is created to identify non-compliance at both the site and supplier levels. This plan incorporates findings from third-party social audits, and reported concerns are tracked and monitored through these audits as well as through ESG performance platforms.

Channels to raise concerns

Ontex offers multiple confidential and anonymous channels for raising concerns:

- Group Compliance members
- Line Managers
- Local Persons of Trust (where applicable)
- Compliance Team members
- Internal Audit members
- The Whistleblower/Speak-Up line

As outlined in Ontex's Speak-Up Policy, these channels ensure accessibility, confidentiality and prompt attention to concerns:

- **Confidentiality, anonymous reporting and data privacy**: All reports are managed by a secure external platform, accessible only to authorized personnel, ensuring data protection and anonymity. Personal data is deleted once investigations conclude, unless legal requirements mandate retention.
- **Timeliness:** Complaints are acknowledged within seven days, with feedback provided within three months.
- **Process for due diligence and remediation**: Concerns are reviewed by the Compliance Team to determine if they warrant investigation. Investigations follow strict guidelines prioritizing confidentiality, impartiality and prompt resolution. External experts may be consulted when necessary and disciplinary actions are taken to address identified issues.
- **Resolution tracking**: Progress is tracked to ensure appropriate outcomes, including corrective actions, disciplinary measures or case closure if claims are unsubstantiated.
- No tolerance for retaliation: Ontex ensures a safe reporting environment and enforces disciplinary actions against retaliation attempts.
- Ontex assesses workers' awareness of the channels available for raising concerns through its ethical whistleblowing program, the Speak-Up line. This is achieved through training sessions in the Company's plants and operations, ensuring that workers understand how to report issues. Additionally, Ontex conducts social audits to identify any potential violations of labor and human rights. During meetings with suppliers in high-risk countries, Ontex specifically asks about the management approach they follow to handle any potential negative issue in human rights, helping the Company to evaluate both their awareness of and trust in these reporting channels.

SUS-4.2.6 Taking action on material IROs: value chain workers

Ontex is committed to preventing and mitigating negative impacts on value chain workers through proactive actions under the 'Good for the People' pillar of its sustainable strategy. In 2024, the company allocated human, technical and tool resources to promote human rights and enhance the resilience and transparency of its supply chain.

Recurring actions

- **Risk analysis using Sedex's Radar tool**: Focus areas include child and forced labor, freedom of association and collective bargaining, health and safety, gender equality and equal pay for work of equal value, working conditions, harassment, diversity and inclusion. Based on the risk assessment, preventive and mitigation measures were initiated to improve ethical practices, working conditions and environmental sustainability. The action plan to mitigate material risks related to value chain workers and track the effectiveness of measures includes:
  - **Key policy updates**: Revising the Supplier Code of Conduct, Modern Slavery Statement, Ethical Sourcing Requirements and the Human Rights Policy.
  - **Ethical and sustainable purchasing practices**: Prioritizing fair trade or organic cotton suppliers and monitoring for child and forced labor.
  - **Capacity-building and supplier transparency**: Partnering with ethical suppliers and requiring regular independent audits to uphold standards and transparency.
- **ESG monitoring practices**: Selected suppliers are invited to participate in the EcoVadis platform. Through the EcoVadis rating methodology, the company conducts a comprehensive screening of over 100,000 public sources to keep teams informed of sustainability-related developments within the supply chain.
- **Third-party social audits:** Social audits at all production sites are conducted using the Sedex Members Ethical Trade Audit (SMETA) program.
- **Privacy commitments**: Stakeholder privacy is safeguarded through the Code of Ethics, Supplier Code of Conduct, internal procedures and action plans addressing material impacts, risks and opportunities related to value chain workers.
- **Group responsible sourcing specialist**: An ethical sourcing expert ensures adequate resources are allocated for implementing and managing impact mitigation measures.
- **Supplier Due Diligence Program**: Since 2024, a human rights due diligence (HRDD) program identifies and addresses adverse impacts on human rights, labor rights and the environment across the supply chain, providing comprehensive oversight and promoting responsible practices.
- **Multidisciplinary approach**: Taking a cross-functional approach to impact management, mitigation measures are integrated into management plans, with CSR criteria included in the supplier onboarding process.

- **Stakeholder engagement**: Dialogue with business partners includes sharing due diligence principles, raising risk awareness and promoting collaborative mitigation efforts. All raw material and packaging suppliers are required to complete a self-assessment on the EcoVadis platform, which covers key ESG criteria.
- **Updated policies**: The company's revised Global Supplier and Vendor Handbook aligns with its Supplier Code of Conduct and Ethical Sourcing Policy, setting clear guidelines for ethical practices.
- **Sustainable sourcing**: Procurement prioritizes suppliers with certified products that meet recognized sustainability standards, including FSC, PEFC, GOTS, OCS and REDcert.

Ontex actively considers the potential impacts on value chain workers from the raw material sourcing stage, ensuring that the procurement department is well informed about the associated risks of working with suppliers based on high-risk regions. The company's Code of Conduct and Ethical Sourcing Requirements outline the conditions under which business relationships may be terminated, specifically in cases of systematic non-compliance with human rights standards and when impacts cannot be mitigated through collaborative action plans.

Ontex measures the effectiveness of its actions through regular risk assessments, policy updates and third-party audits. Key metrics include supplier compliance, audit results and participation in platforms like EcoVadis. Monitoring sustainable sourcing and human rights due diligence ensures ongoing improvements. Stakeholder engagement, feedback from workers and long-term impact assessments also track progress.

The economic and personal resources allocated to the management of Ontex's material impacts are diverse and significant, among which Ontex can highlight the creation of a new role to identify and monitor adverse human rights impacts in the Ontex value chain, the updating of key policies to prevent and mitigate these risks, the use of risk tracking tools and the monitoring of corrective actions, such as the SEDEX platform, EcoVadis and the third party audits that Ontex conducts in its factories based on the SMETA methodology.

In 2024, no significant human rights issues or incidents were reported in connection with Ontex's upstream or downstream value chain.

SUS-4.2.7 Metrics and targets

Targets

Elevating living standards in our value chain

Promoting human rights across our value chain

100% raw material supplier Code of Conduct signed by 2025

100% of high-risk suppliers covered by sustainability assessments

100% of high-risk suppliers covered by a valid social audit report

- Ontex promotes human rights across its value chain and aims to improve living standards. As part of the Company's Supplier Due Diligence Program, the following outcome-oriented targets were established: 100% of high-risk suppliers' direct spend covered by sustainability assessments via EcoVadis by 2030.
- 100% of high-risk suppliers covered by a valid social audit report by 2030.
- 100% of raw material suppliers to sign the Supplier Code of Conduct by 2025.

Although no specific targets are set for secure employment, working time, adequate wages, social dialogue, freedom of association, collective bargaining, work-life balance, health and safety, gender equality and equal pay for work of equal value, training, and skills development, the employment and inclusion of persons with disabilities, measures against violence and harassment in the workplace, and diversity, these material topics are carefully evaluated as part of Ontex's overall targets to drive progress and monitor compliance.

Process for setting, tracking and improving targets

Targets are developed using a risk-based due diligence framework aligned with international human rights standards, incorporating input from the risk assessment outcomes. While key issues like forced labor, child labor, diversity and training are addressed, targets related to privacy, adequate housing and water and sanitation fall outside the framework. Ontex engages directly with workers in the value chain, their legitimate representatives or credible proxies. This engagement is a crucial element of the Company's holistic approach, which Ontex is continually refining to enhance its due diligence procedures. Ontex communicates its goals with suppliers and stakeholders through supplier webinars, where it outlines expectations and assesses their comprehensive level in terms of compliance.

Each target includes a clear link to policy objectives, baseline values and applicable timeframes. Progress is tracked through KPIs, supplier audits, sustainability assessments and periodic reporting. This data helps identify gaps, evaluate progress and guide corrective actions. Quantitative and qualitative performance outcomes are provided, ensuring full transparency.

Sustainable supply chain [18] [19]	Unit	2022	2023	2024	2024/2023
Supply chain due diligence					
% of high-risk suppliers covered by a valid sustainability assessment via EcoVadis [20]	%	37	50	83.33	+33pp
Monitoring adverse impacts in human rights					
% of suppliers signed the Supplier Code of Conduct by 2030	%	96	100	100	+0pp
% of new suppliers screened using social criteria	%	100	100	100	+0pp
Suppliers located in high-risk countries	N.	28	61	30	31pp
Percentage of high-risk suppliers covered by a valid social audit report	%	42	39	60	+21pp

[18] As outlined in the Supplier Due Diligence Program, the focus on high-risk suppliers is limited to manufacturing sites of raw material categories at the Group level. Management action plans are linked to suppliers within this risk profile, ensuring targeted and effective risk mitigation

[19] Ontex has limitations in directly approaching customer and supplier-specific data for its Russian entity, stemming from European sanctions, however the disclosures in the CSRD report, including the Russian activities, are based on our comprehensive management approach, which encompasses our commitment to workers in the value chain, consumers and end-users, and our overall business conduct.

[20] The scope of the Supplier Due Diligence Program will be systemic, covering high-risk raw material and packaging suppliers, and excluding those involved in product outsourcing and trading goods.

SUS-4.3 ESRS S4: Consumers and end-users

SUS-4.3.1 Interests and views of stakeholders

Consumers are key stakeholders for Ontex. The company acknowledges the importance of consulting them and incorporating their feedback into its strategies.

There are multiple ways in which Ontex engages with its workers in the value chain, which are described in chapter *ESRS 2 (SUS-4.2.4)*.

SUS-4.3.2 Material impacts, risks and opportunities and their interaction with Ontex's strategy and business model

Ontex is committed to ensuring the well-being of its consumers and the communities in which it operates. The Company has a dual focus on product safety and quality, alongside meaningful community engagement, addressing individual and societal needs while aligning with CSRD requirements for a balanced approach to consumer and broader end-user concerns. Ontex is committed to protecting consumer privacy, safety and well-being while ensuring ethical business practices. Although its hygiene products do not inherently process personal data, certain services, such as warranty registrations, product feedback and customer support, require handling consumer information. To safeguard privacy, Ontex adheres to strict data protection regulations, implements robust cybersecurity measures and maintains transparent privacy policies. Its marketing strategies are designed to be ethical and non-discriminatory, ensuring no adverse impacts on consumer rights.

Some consumers are particularly vulnerable to health risks, such as children, financially disadvantaged individuals and first-time users of feminine hygiene products. Clear product information, particularly on tampon use and the risks of Toxic Shock Syndrome, is a priority. Elderly individuals and healthcare patients also depend on Ontex's products for their dignity and quality of life. To mitigate risks, Ontex provides transparent product guidance, ensures responsible marketing practices and prioritizes accessibility without compromising on quality or safety.

A thorough assessment has confirmed that Ontex has not identified widespread or systemic negative impacts. Any potential risks related to consumer health, privacy or affordability are carefully managed through strict safety standards, sustainability initiatives and compliance monitoring. While no significant negative impacts have been linked to specific incidents or business relationships, Ontex continuously evaluates risks through consumer feedback and regulatory oversight.

Ontex's dependency on consumers also presents risks and opportunities. Maintaining high product safety standards is crucial to retaining consumer trust and increasing demand for sustainable products requires continuous innovation. Economic challenges could impact affordability, but Ontex remains committed to providing high-quality hygiene solutions. The shift toward eco-friendly products and recyclable packaging offers opportunities for market leadership, while initiatives addressing menstrual poverty and elderly care strengthen the Company's societal impact.

By managing these risks and leveraging opportunities, Ontex reinforces its commitment to consumer well-being, sustainability and ethical business practices.

- **Consumer health, safety and quality commitment**: Consumer safety and product quality is central to Ontex's operations. Risks relating to chemical traces from raw materials or manufacturing processes, such as adhesives, inks or finishing agents, are minimized through rigorous selection, validation and monitoring. The Company's Quality Management System supports continuous improvement while consumer feedback guides product refinement. As personal hygiene products are used on sensitive parts of the body, Ontex invests heavily in ensuring their safety. Research into the impact of its products on health and hygiene underscores Ontex's unwavering commitment to product stewardship and accountability.
- **Transparency on chemical safety & product composition**: Ontex advances sustainable practices and actively participates in EDANA's stewardship program to promote transparency and high standards for chemical safety and product composition. Consumers have a right to know what is in their products and Ontex supports initiatives aimed at full transparency to empower informed choices. Failing to meet safety or transparency standards could lead to reputational damage or penalties, further underscoring the importance of these efforts.
- **Consumer-centric engagement and transparency**: Ontex integrates consumer feedback to guide product quality, safety and sustainability efforts. By collaborating closely with retailers and industry stakeholders, the company ensures that its products meet consumer expectations and build trust through transparent and responsible practices.

- **Community engagement**: Ontex recognizes that end-users value companies that contribute positively to society. Aligned with the United Nations Sustainable Development Goals, Ontex engages in community initiatives to addresses societal challenges such as menstrual poverty, the menopause transition and the inclusion of the elderly.

By offering affordable hygiene products, the company supports vulnerable groups, including girls and women who struggle to afford menstrual care and people suffering from incontinence, thereby combatting isolation and promoting dignity and health. Local societal actions include volunteer initiatives at the site or corporate level, as well as monetary or product donations, all of which aim to address social and environmental challenges. For example, the donation of personal hygiene products enables girls and women facing financial barriers to access necessary care products.

This commitment to tackling societal challenges is deeply embedded into Ontex's company DNA, reflecting its dedication to creating tangible, positive impacts in the communities that it serves.

All impacts identified through the double materiality assessment – arising from operations, value chain, products, services and business relationships – are confirmed to be relevant to all consumers and end-users.

Navigating risks and unlocking opportunities in absorbent hygiene products

Absorbent hygiene products, such as baby diapers, sanitary towels, tampons and incontinence aids, improve comfort, dignity and quality of life. While designed for reliable performance, these products carry very low potential risks that require careful management. By addressing these risks and driving innovation, Ontex aims to meet consumer needs while setting benchmarks for safety, sustainability and excellence.

Key risks identified

Ontex has identified specific risks for certain groups based on characteristics and product use:

- **Users with sensitive skin:** Prolonged contact with stool or urine can lead to skin irritation, maceration, or infections, particularly for baby diapers and incontinence products. Effective isolation, absorbency and fit are critical to mitigating these risks.
- **Tampon users**: Risks include Toxic Shock Syndrome (TSS) from microbial contamination during manufacturing or use. Improper handling of soiled products can exacerbate hygiene challenges.
- **First-time and less-informed users**: Lack of familiarity with product use can result in misuse. Clear instructions on product use, hygiene practices and disposal are vital to reducing risks and strengthening consumer relationships.
- **Vulnerable populations**: Economically disadvantaged groups face health risks due to limited access to hygiene products.
- **Children**: Infants and young children are a particularly vulnerable group. Ontex ensures compliance with international safety standards through rigorous monitoring of raw material composition and safety. The Group Sustainability & Product Stewardship Director oversees the implementation of these measures, supported by regular testing, internal controls and adherence to industry standards.

Positively impacted groups

Ontex's operations and value chain provide benefits to several groups:

- **End-users of absorbent hygiene products**: Products enhance comfort, safety, dignity and quality of life for consumers, especially vulnerable groups like infants and the elderly. Innovations in absorbency, odor control and skin-friendliness help minimize risks and improve user experience.
- **Vulnerable populations**: Initiatives to provide affordable hygiene products address economic inequalities, including menstrual poverty.
- **Healthcare institutions**: Specialized hygiene products enhance patient care and dignity.
- **Environmentally conscious consumers**: Eco-labeled products, improved recyclability and innovation in biodegradable or recyclable materials empower sustainable choices. Circular economy initiatives, such as take-back programs, further address environmental concerns.

Ontex's understanding of consumer needs is informed by consumer feedback, market research and adherence to industry standards. The Company's proactive measures ensure the safety and well-being of consumers and end-users, reflecting its commitment to ethical and responsible operations. By tailoring products to diverse needs – across age groups, genders and medical conditions – Ontex enhances inclusivity and expands its market reach.

The Company's holistic approach addresses both individual and societal needs. By prioritizing product safety, sustainability and community engagement, it delivers exceptional value to end-users while advancing societal progress. With robust risk management practices and impactful community initiatives, Ontex confidently navigates complexities and solidifies its position as a leader in personal hygiene solutions.

SUS-4.3.3 Policies related to consumers and end-users

Ontex ensures that its policies related to consumers and end-users align with internationally recognized standards, including the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. These frameworks guide the Company's approach to responsible business practices, product safety and ethical operations throughout its value chain. (see ESRS S2 (SUS-4.2.3) Ontex discloses the extent to which cases of non-respect of these principles involving consumers and/or end-users have been reported in its downstream value chain. If such cases arise, Ontex provides an indication of their nature and the remedial actions taken to address them, ensuring transparency and continuous improvement. Today no such cases have been recorded.

Ontex's Supplier Code of Conduct reinforces these commitments by requiring compliance with labor rights, ethical business conduct and environmental standards among suppliers. Product safety and quality remain a top priority, with strict adherence to global safety regulations. The Scientific Affairs Department ensures compliance with chemical safety requirements, while Ontex's product information follows best practices. Responsible sourcing processes further strengthen ethical practices among suppliers, monitored through regular audits to uphold integrity and human rights across the supply chain.

Ontex actively monitors compliance with these international standards throughout its downstream value chain. No cases of non-compliance related to consumer or end-user rights have been reported to date. This is achieved through product safety reviews, supplier monitoring and stakeholder engagement processes. Additionally, Ontex's Speak-Up platform provides a confidential mechanism for reporting concerns, ensuring transparency and accountability in addressing any potential issues.

By continuously aligning its policies with global standards and proactively monitoring compliance, Ontex safeguards the well-being of consumers, end-users and stakeholders across its operations.

Tailored to its focus on hygiene solutions, Ontex's policies underscore its commitment to consumer health, product safety, transparency, accessibility and sustainability while ensuring compliance with regulatory standards:

Policy	Purpose	ESG topics	Scope
Product Safety Policy	• Establish and enforce stringent safety standards across the product life cycle, from raw material testing to production. • Ensure compliance with regulatory and internal standards to minimize potentially harmful chemicals and guarantee biocompatibility for all skin-contact materials.	• Ensures consumer safety and trust • Minimizes risk of regulatory non-compliance • Enhances brand reputation • Reduces exposure to harmful chemicals	Baby diapers, feminine hygiene products and adult incontinence care solutions
Global Supplier and Vendor Handbook	Ontex values the relationships that it builds with its suppliers and vendors as essential partners in achieving mutual success. To enhance the transparency and efficiency of its collaboration and to ensure that it works respecting the same values, the Company has developed the Ontex Global Supplier and Vendor Handbook. This handbook serves as a guideline and provides an overview of the Company's general requirements in terms of product safety, supplier quality and sustainability. The ultimate goal is to ensure a reliable supply of high-quality products and sustainable practices.	• Strengthens supplier relationships and collaboration • Ensures alignment on quality, safety and sustainability expectations • Reduces supply chain risks through transparency • Promotes ethical sourcing and responsible business practices	This document applies to all suppliers and vendors providing materials that may reach consumers, including raw materials, packaging, traded goods and outsourced goods suppliers, categorized as 'direct spend'. Additionally, products and services necessary for Ontex's operational continuity but not included in the final consumer product fall under 'indirect spend'.
Regulatory Compliance Requirements	Outline the safety regulations and standards that products must meet to ensure regulatory compliance and safe consumer use.	• Prevents regulatory penalties and legal actions • Ensures product marketability and compliance with global regulations • Reduces risks related to non-compliance in different regions • Improves internal knowledge and readiness for new regulations	All raw materials, components, and finished products.
Restricted Substances List	Specify substances of concern to safeguard product safety and protect employees and consumers from potential health risks.	• Protects consumers from potentially hazardous substances • Reduces reputational risks associated with unsafe materials • Ensures proactive elimination of harmful chemicals • Encourages continuous improvement in material selection	All raw materials, components and finished products.
Donation Policy	Define the scope, audience, and limitation of donations. Ontex does not contribute to political parties or organizations. Instead, donations focus on causes aligned with the company's values and the needs of its end-users.	• Reinforces corporate social responsibility • Enhances company image and goodwill • Avoids potential conflicts of interest related to political contributions • Strengthens partnerships with non-profits and social initiatives	Charitable organizations and initiatives aligned with Ontex's corporate social responsibility strategy.

Policy	Purpose	ESG topics	Scope
General Data Protection Regulation	Ensure full compliance with data protection regulations, including GDPR. Data collected for customer support or product feedback is managed securely and responsibly. Given limited privacy risks, current measures effectively address data protection requirements.	• Ensures data privacy and consumer trust • Minimizes risk of data breaches and non-compliance penalties • Enhances transparency in data handling • Strengthens company credibility in digital interactions	Consumer interactions, including customer support, warranty claims and feedback mechanisms.
Health and Safety Policy	Prioritize the safety of raw materials, products, workers and the environment by rigorously screening for safety and compliance with international standards.	• Reduces workplace injuries and product safety incidents • Enhances employee morale and productivity • Ensures compliance with occupational safety regulations • Improves environmental sustainability through responsible practices	All operations and product lines, including baby diapers, feminine hygiene products, and adult incontinence care solutions.
Supplier Code of Conduct	Ontex's Supplier Code of Conduct explains what Ontex expects from suppliers with regard to business ethics, human rights, health and safety and environment. It expects its suppliers to share the environmental, social and governance requirements which are expressed in this Supplier Code of Conduct and to replicate these standards further down the supply chain. Signing the Supplier Code of Conduct is mandatory to start the business relationship.	• Measures against violence and harassment in the workplace • Freedom of association and collective bargaining • Child labor and young workers • Forced labor and modern slavery • Health and Safety • Fair wages • Data protection and privacy • Healthy environment	All suppliers

SUS-4.3.4 Processes for engaging with consumers and end-users about impacts

Ontex actively integrates the perspectives of consumers and end-users to inform decisions and activities aimed at managing both actual and potential impacts. These perspectives are critical in ensuring product safety, quality and accessibility.

The Chief Innovation and Sustainability Officer holds the highest operational responsibility for ensuring that consumer and end-user engagement is effectively conducted and integrated into decision-making. This role is supported by the VP Quality and Regulatory Affairs, who oversees the practical implementation of engagement efforts and ensures that consumer feedback directly influences product safety, regulatory compliance and quality management.

Consumer engagement occurs at multiple stages, including product development, post-market feedback and quality assessments. These efforts involve consumer surveys, focus groups, product testing and direct feedback through customer support channels. Engagement is conducted regularly to maintain alignment with consumer expectations and evolving needs.

Ontex engages consumers through various channels to drive product improvement:

- **Feedback and complaints**: Dedicated channels allow consumers to share feedback, report issues and suggest improvements, ensuring product quality aligns with user expectations.
- **Stakeholder collaboration**: Partnerships with EDANA, retailers and other stakeholders help Ontex address health, safety and environmental concerns while meeting and exceeding consumer and regulatory expectations.
- **Community engagement**: Ontex collaborates with local communities proactively and provides ad hoc support during events such as natural disasters.

SUS-4.3.5 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Ontex has robust systems to address negative impacts and ensure that consumers can voice concerns effectively.

- **Complaint resolution**: Ontex has established protocols to promptly investigate and resolve consumer complaints, including notification of affected parties and corrective actions where necessary. The effectiveness of remedies is assessed through consumer feedback, resolution timelines, and post-resolution monitoring to ensure that the issue is adequately addressed.
- **Product recalls**: In case of safety issues, Ontex follows a structured recall protocol that includes transparent communication with affected consumers, direct support where required, and corrective measures to prevent recurrence. Consumer trust in this process is regularly evaluated through engagement and feedback mechanisms.
- **Speak-Up line**: To address human rights and ethical concerns, Ontex provides a confidential reporting mechanism accessible to employees, suppliers and customers. Reported concerns are promptly reviewed and Ontex ensures transparency and accountability in the resolution process. The effectiveness of this channel is monitored through response times, resolution rates and user feedback, with periodic assessments to ensure accessibility and reliability. Ontex also enforces a strict non-retaliation policy to protect individuals using these mechanisms, guaranteeing confidentiality and fostering trust in the reporting process.

SUS-4.3.6 Taking action

Ontex addresses material impacts on consumers through proactive measures that ensure compliance with health, safety and sustainability standards. These actions reflect Ontex's commitment to placing safe products on the market, following best practices and aligning with its business strategy.

- **Sustainable Manufacturing and Biocompatibility**: Ontex applies sustainable manufacturing practices to minimize chemical risks and ensure the safety of materials in contact with the skin. All raw materials undergo rigorous screening for safety and compliance. Effectiveness is assessed through compliance rates, independent testing and consumer safety monitoring. Ontex employs sustainable manufacturing practices to minimize chemical risks in its products. Biocompatibility assessments are conducted on all materials in contact with the skin, demonstrating a commitment to consumer health. Raw materials are rigorously screened for safety and compliance through a conformity declaration process focusing primarily on their chemical composition. This ensures that the company's products are safe for both people and the environment, reinforcing its dedication to responsible and sustainable operations.
- Traceability and Safety Monitoring: Ontex' traceability systems ensure complete transparency in product components, enabling swift identification of emerging risks. These systems uphold regulatory compliance and strengthen consumer trust in product safety. Ontex employs state-of-the-art risk management tools such as Failure Mode Effects Analysis (FMEA) and adheres to Good Manufacturing Practices (GMPs) to proactively identify and address risks across the product lifecycle. Rigorous testing and monitoring ensure products meet the highest safety standards.

  Ontex aligns with the EDANA Tampon Code of Practice, enhancing product transparency and safety. This includes providing clear and accessible information about risks like Toxic Shock Syndrome (TSS) for tampon users, along with detailed guidance in product leaflets to support safe and informed use, particularly for first-time users and healthcare professionals.
- **Remediation Processes:** These ensure that mechanisms to address negative impacts are effective through structured complaint resolution and recall protocols. Effectiveness is measured by tracking resolution times, consumer feedback and follow-up assessments. A confidential reporting mechanism is in place to address concerns, supported by a non-retaliation policy.
- **Tracking Effectiveness of Action**: Ontex evaluates the impact of its actions through key performance indicators, including incident resolution rates, regulatory compliance outcomes and consumer satisfaction assessments.
- **Resources** Allocated to Consumer Impact Management: Ontex dedicates resources to managing material consumer impacts, including investment in product safety, regulatory compliance and traceability systems. Community engagement efforts are supported through structured partnerships and internal initiatives.
- **Scope and Time Horizons of Actions:** Actions cover the entire product portfolio and global value chain, with implementation across multiple geographical areas. Ongoing processes are continuously monitored, while other initiatives follow defined timelines based on strategic objectives.
- **Human Rights Issues and Incidents**: No severe human rights issues or incidents related to consumers have been reported. If such cases arise, they are addressed through established remediation mechanisms

SUS-4.3.7 Metrics and Targets

Ontex has established measurable targets[21] to monitor its progress in consumer safety, quality, and sustainability:

[21] Ontex has limitations in direct approaching customer and supplier-specific data for its Russian entity, stemming from European sanctions, however the disclosures in the CSRD report, including the Russian activities, are based on our comprehensive management approach, which encompasses our commitment to workers in the value chain, consumers and end-users, and our overall business conduct.

Enhancing consumer safety

Communicating the health & safety features of our products

100% chemical transparency in our products

Aiming for 100% customer satisfaction

Annual reduction of 10% of customer complaint levels in core markets

Reduction in Consumer Complaints

In 2023, Ontex achieved a 6,5% reduction in consumer quality complaints (ppm) compared to 2022. This improvement highlights the company's commitment to enhancing consumer satisfaction and maintaining ambitious standards of quality assurance. For 2025, we aim to achieve a 10% reduction in consumer complaints.

Consumer complaints	2023	2024	2024/2023
Consumer complaints (ppm)	0.95	0.89	-6.5%

Methodologies & assumptions

Reduction of consumer complaints is essential for achieving a high level of customer satisfaction. Ontex tracks this KPI using the number of complaints received per million of units produced. The percentage reduction is compared to the previous year using the following formulas:

$$\text{Ppm} = \frac{\text{Total parts complained}}{\text{Total parts produced}} \text{ x } 1{,}000{,}000$$

Chemical safety compliance

In line with its commitment to product safety and consumer confidence, Ontex has expanded its Oeko-Tex Standard 100 certification in the past year. This certification now covers key product categories, including baby diapers, baby pants, external feminine care, tampons and incontinence products.

- Ontex now holds eight certificates (five main and three satellite), encompassing 699 products – a 20% increase in certified products compared to 2023.
- The number of certified brands has risen by 67%, covering 60 brands in total.

Certified facilities in Tijuana, Stokesdale, Grosspostwitz, Turnov, Radomsko, Segovia, Dourges, and Buggenhout ensure global compliance with high safety standards.

Since certification is based on customer requests, no predefined targets can be set for this expansion.

Regulatory compliance for raw materials

Ontex ensures product safety through a rigorous conformity declaration process for all raw materials, achieving 100% compliance. This process involves:

- Supplier requirements: Suppliers must provide detailed safety data, raw material composition and biocompatibility test results.
- Review and verification: An independent external toxicologist reviews each declaration to ensure compliance with Ontex's standards and regulations.
- Oversight: The Regulatory Affairs Department manages the process to ensure that only materials meeting strict safety criteria are approved.

With 100% of materials fully documented, Ontex showcases its commitment to consumer safety while proactively addressing new standards and emerging risks.

Since all materials must comply with regulatory requirements at all times, setting an additional target is not applicable.

Chemical footprint

Ontex has set an ambitious target to achieve a 100% full chemical footprint by 2030, reflecting its commitment to complete transparency.

Chemical footprint [22]	2022 (EMEAA)	2023 (EMEAA)	2024 (Global)	2024/2023
% of active compounds covered by a completed RMIF (Raw Material Information Form)	21.3%	39%	43,3%	>11%

KPI Methodology

This KPI is measured by calculating the ratio between the total number of active components and the number of components covered by a complete detailed composition (Raw Material Information File – RMIF). For more details, refer to the document 'How to calculate Chemical Transparency KPI'.

Post-market surveillance

Through ongoing post-market surveillance and customer complaint analysis, Ontex identifies trends and implements corrective actions as needed, ensuring that consumer feedback directly informs product refinement and safety enhancements.

[22] This table compares the 2024 global figures with the 2023 EMEAA figures. If the comparison were limited to EMEAA, the actual percentage increase would be higher. Notably, 2024 was the first year we included data from North America, following the introduction of the SAP system and its associated standardization. A separate calculation is not possible, as one quality of raw material can be used globally. The calculation, which includes all changes up to the end of January 2025, was completed at that time.

SUS-5 Governance information

SUS-5.1 ESRS G1: Governance & business conduct

SUS-5.1.1 Impact, risks, and opportunities management

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

Ontex is committed to integrating ethical practices into its operations. Through a double materiality assessment, the Company identifies and evaluates both financial and material impacts, risks, and opportunities.

The process involves:

- Screening global trends, regulatory developments, and stakeholder expectations;
- Engaging with suppliers, customers, and consumers to identify critical impact areas; and
- Evaluating the governance impact of our operations, enabling the Company to map risks such as corruption, money laundering, or other types of crime as well as opportunities for transparency, dialogue and advocacy.

These findings are integrated into Ontex's strategies to ensure transparency towards stakeholders and manage compliance with applicable regulations. The Company extends its assessments across the entire value chain, addressing upstream and downstream impacts. Regular consultations with stakeholders ensure inclusivity and provide valuable insights that allow the Company to refine its approach. By embedding transparency, advocacy, business ethics and compliance into its operations, Ontex aims to reduce reputational risks, align with emerging regulatory frameworks, and drive meaningful change in the personal hygiene sector.

Further details can be found in Section SUS-2.4.1 Double materiality process and results.

SUS-5.1.2 Corporate culture and business conduct policies

Ontex's corporate culture is founded on its PRIDE values and Code of Ethics, which set out the fundamental values and principles guiding business conduct and form the basis for all internal policies.

The Company's Compliance Program provides a practical framework to uphold these values and principles, ensuring that employees understand their responsibilities and adhere to ethical business practices. It includes measures for monitoring, reporting, and addressing potential issues to maintain high standards of integrity and legal compliance throughout the Company.

The Compliance Program is led by a designated expert with over 25 years of professional experience, reporting directly to the Chief Legal Officer and the Board of Directors through the Audit and Risk Committee. The program operates with its own budget and a structured annual plan, defining objectives and KPIs based on risks and opportunities identified across business functions (see the ERM exercise in the next paragraph). These plans are reviewed and approved by the Executive Management Committee and the Audit and Risk Committee. Regular updates on progress, incidents, and actions for mitigation are provided to the Executive Management Committee and at least twice per year to the Audit and Risk Committee.

Ontex is committed to integrity, honesty, and ethical business practices, both towards employees and in all of its operations. High ethical standards apply not only to employees but also to all third parties acting on the Company's behalf. The Code of Ethics extends to agents, distributors, joint venture partners, consultants, and other intermediaries, who are required to commit to these principles in their agreements with the Company. Suppliers must adhere to the Supplier Code of Conduct, as well as the laws and regulations of the countries in which they operate.

Every employee, from the CEO to members of the Executive Management Committee and Executive Leadership Team, is requested to complete an annual mandatory Code of Ethics training. This includes a written acknowledgment of their commitment to comply with the Code of Ethics and related policies (e.g., Gifts and Entertainment, Expense Reporting, Delegation of Authority). Employees also confirm that they have nothing to report and commit to disclosing any potential violations.

High-risk functions, where employees are most exposed to compliance-related risks, are identified through the Integrated Enterprise Risk Management Exercise (ERM). Led by Internal Audit, and with input from the Compliance team and other functions, the ERM exercise assesses risk exposure in key areas such as Sales and Marketing, Procurement, Supply Chain, Government Relations and Regulatory Affairs, International Operations, Finance and Accounting, Legal and Compliance, Human Resources, and Executive Leadership.

Employees in high-risk functions receive additional targeted training, tracked through individual acknowledgments in their personnel files. Some trainings, such as the annual in-person antitrust training for Sales, are mandatory, while others, including Sanctions and Anti-Bribery and Corruption training, are provided on an ad-hoc basis depending on employee roles.

The mechanisms for identifying, reporting, and investigating potential violations of the Code of Ethics and related policies include the Whistleblower/Speak-Up channel (see Section S1-3), which allows for both internal and external reporting. Additionally, various functions – including Human Resources, Legal, Finance, Cybersecurity, Supply, Quality, and Internal Audit, as well as Executive Management Committee members responsible for each function – supervise compliance through audits and reviews.

Ontex is making steady progress towards its 2030 target of ensuring that 100% of employees complete the annual Code of Ethics training. In the reporting period, 89% of employees participated in the training.

To improve completion rates, a structured plan has been developed, including:

- **Mandatory completion requirements**: Clear deadlines and progress tracking to ensure participation across all roles and locations.
- **Data collection and tracking**: Outsourcing the tracking of the annual mandatory Code of Ethics training.
- **Comprehensive training programs**: Regular updates and accessible training modules covering key principles and their application in daily operations.
- **Leadership accountability**: Engaging managers and leaders to drive compliance goals and reinforce ethical conduct across teams.

These measures not only support progress toward the 2030 target but also strengthen Ontex's culture of integrity and compliance. By empowering employees with the knowledge and confidence to uphold ethical standards, the Company ensures that responsible business practices remain a core part of its operations

See *Social information,* Section 4.2.1 for further details on PRIDE values.

Policy	Purpose	ESG topics	Scope
Code of Ethics	Define Ontex's commitment to doing business in an ethical and responsible manner.	• Anti-discrimination • Anti-harassment • Professional conduct • Health and safety • Human rights	All employees and business partners.
Supplier Code of Conduct	The purpose of Ontex's Supplier Code of Conduct is to ensure that our suppliers share our commitment to ethical and responsible business practices. This includes maintaining high standards of integrity , treating employees with fairness, prioritizing safety and sustainability, and reducing environmental impact.	• Violence and harassment in the workplace • Freedom of association and collective bargaining • Child labor and young workers • Forced labor and modern slavery • Health and safety • Fair wages • Data protection and privacy • Healthy environment	All suppliers.

SUS-5.1.3 Management of relationships with suppliers

Approach to supplier relationships

Ontex prioritizes transparency, sustainability, and mutual growth in its supplier collaborations. The Global Supplier and Vendor Handbook outlines key requirements and expectations, ensuring strong supplier relationships and mitigating supply chain risks.

Key aspects include:

- **Supplier Code of Conduct**: Mandatory signing of this Code of Conduct, which includes labor, ethics and health and safety standards.
- **Supplier Due Diligence Program**: Regular assessments focusing on human rights and environmental impacts.
- **Onboarding procedures**: Ensuring compliance with Ontex's high standards for quality, safety, and sustainability.

Aligned with the Supplier Due Diligence Program, Ontex implements an ethical sourcing strategy & targets (*more info see SUS-4.2.7*) to identify and mitigate supply chain risks. By fostering accountability through self-compliance commitments, ESG performance monitoring, and transparent reporting, the Company drives continuous improvements and fair and sustainable procurement processes.

To integrate ethical sourcing into procurement practices, and in collaboration with the Group Procurement Team, Ontex focuses on monitoring critical non-conformities in raw materials, holding regular meetings with suppliers, and building the capacities to address and mitigate adverse impacts. These efforts enhance supply chain resilience and align procurement practices with the Company's strategic goals.

Ontex's Supplier Code of Conduct and ethical sourcing requirements include comprehensive risk assessments, with a focus on sustainability. New vendors and suppliers must complete a Corporate Social Responsibility (CSR) questionnaire, evaluating social, environmental, and ethical criteria as part of the onboarding process. This, combined with quality performance assessments, ensures alignment with the Company's sustainability standards. Furthermore, the ESG performance of high-risk suppliers is closely monitored.

To foster ethical partnerships, Ontex trains its procurement workforce to engage effectively with suppliers and promote sustainable practices. Supplier ESG performance is regularly screened and evaluated through CSR checks during onboarding and ongoing assessments, including EcoVadis evaluations.

Social and environmental criteria for supplier selection

Ontex applies stringent social and environmental criteria to its supplier selection and onboarding processes:

- Environmental Management System (EMS) Suppliers must implement an EMS aligned with ISO 14001 standards, including:
  - environmental policies;
  - targets for reducing environmental impacts; and
  - compliance with applicable environmental legislation.
- Social audit requirements
  - Suppliers located in high-risk countries must provide a valid social audit report within six months of engagement.
  - Audits must adhere to recognized international standards, focusing on human rights and labor conditions.
- Sustainability focus
  - Suppliers are encouraged to disclose their ESG performance via platforms like EcoVadis, fostering transparency and accountability.
  - For renewable materials, suppliers must comply with Ontex's Sustainable Sourcing Policy, the purpose of which is to ensure traceability and responsible sourcing.
- Ethical and transparent sourcing practices
  - Ontex requires detailed disclosures on manufacturing locations and raw material origins to facilitate sustainability assessments.

Ontex is committed to incorporating locally based suppliers into its procurement network, ensuring their adherence to relevant environmental and quality certifications.

For vulnerable suppliers, Ontex upholds the protection principles outlined in the 'ESRS S2 Workers in the value chain' standard, offering targeted support to help suppliers meet standards and integrating them into the Company's due diligence processes. For further details, see: Chapter 4: Social information, Section 4.2.

SUS-5.1.4 Prevention and detection of corruption and bribery

Ontex strictly prohibits offering or soliciting anything of value with the aim of obtaining an improper business advantage, whether this involves government officials, clients, or commercial entities. In addition to the full range of training initiatives outlined in G1-1 (including the annual mandatory Code of Ethics training), the compliance program incorporates multiple measures derived from frameworks such as the United Nations Convention against Corruption, including:

- **A Gifts and Entertainment Policy** to prevent conflicts of interest;
- **Third-party due diligence** for high-risk business partners and regions;
- **Risk identification and mitigation**, including targeted training for employees in high-risk areas and structured supervision;
- **Supplier compliance**, with all third-party suppliers, vendors, consultants, and joint ventures being requested to acknowledge and adhere to the Supplier Code of Ethics;
- **Ad hoc anti-corruption training** for finance managers, including internal and external courses;
- **Robust internal controls**, such as approval requirements under the Delegation of Authority policies;
- **Unannounced internal audits**, conducted by the internal audit group across different business functions; and
- **The Whistleblower/Speak-Up channel** for employees to report concerns confidentially.

Clear protocols ensure that bribery and corruption investigations are conducted by qualified, independent personnel. Investigation teams are separate from the management chain involved, with external forensic experts or legal counsel consulted where necessary.

Violations result in consistent and proportionate disciplinary measures, including termination and legal action, demonstrating Ontex's commitment to legal and ethical standards. All reported incidents are reviewed by the Executive Management Committee and the Audit and Risk Committee of the Board of Directors.

Ontex periodically reviews and updates its anti-corruption policies, procedures, and controls to incorporate lessons learned from past incidents, industry best practices, and changes in legal requirements.

As outlined in Section S1-3, individuals in high-risk roles sign acknowledgment form confirming their awareness of and commitment to the Code of Ethics, with the same process applied after each ad hoc training.

The anti-corruption and bribery policies provide real-life examples and red-flag indicators to help employees recognize and respond to potential risks.

SUS-5.1.5 Metrics and targets

Confirmed incidents of corruption or bribery

No court convictions or fines related to corruption or bribery occurred during the reporting period.

As outlined in the previous section, measures to prevent corruption and bribery are continuously reviewed against real-life incidents, in order to ensure the compliance program remains effective and adaptable.

Code of Ethics trainings

Practicing business ethics

Conducting our global operations in a compliant & ethical way.

2030 targets (vs. 2020 baseline)

100% of employees regularly trained on Code of Ethics

As outlined above, Ontex employees are invited to participate in a mandatory annual Code of Ethics training, supplemented by ad hoc training for high-risk and supervisory roles. Progress is being made toward the 2030 goal of ensuring that 100% of the workforce is fully trained in the Code of Ethics and related compliance policies.

To realize this goal clear **internal targets** and **action plans** were established in 2024, including:

- **Comprehensive training programs**: Regularly updated and accessible training modules covering key principles of the Code of Ethics and its application in daily operations.
- **Mandatory completion requirements**: Setting clear deadlines and tracking progress to ensure full participation and completion by all employees, regardless of role or location.
- **Localized content delivery**: Providing training materials in multiple languages and tailored to regional and cultural contexts to ensure relevance and accessibility for the company's global workforce.
- **Regular monitoring and reporting**: Establishing robust systems to track training participation rates.
- **Targeted interventions**: Implementing additional training or support to regions, teams, or roles that may face unique compliance challenges.

- **Leadership accountability**: Engaging managers and leaders to champion training initiatives, ensuring compliance goals are cascaded throughout their teams.

These measures aim not only to achieve the 2030 target but also to embed ethical behavior and compliance principles into the corporate culture. By doing so, employees are empowered with the knowledge and confidence to uphold the company's values in their daily decisions and actions.

Methodologies and assumptions[23]

Training programs are designed to include 100% of employees, with high-risk functions identified based on their area of work. These areas are determined through the risks identified in the company's Enterprise Risk Management exercise.

SUS-5.1.6 Payment practices

Ontex is committed to the timely and fair payment of its vendors by:

- Aligning on clear payment terms and conditions in agreements with the vendor. There are no standard payment terms as payment terms are based on individual negotiations with each vendor. Where an agreement with the vendor is not available, the Ontex general Terms & Conditions are applicable: "*Unless otherwise specified in the Specific Terms, any undisputed invoiced amounts shall be paid to the Supplier within the relevant payment term set out in the applicable law*". Ontex ensures no distinction is made between vendors, and treats all vendors equally when it comes to payment behavior. Since no standard payment terms are defined, Ontex cannot compute and disclose percentage of its payment aligned with the standard terms.
- Ensuring payments are made to correct vendor bank accounts (with the vendor onboarding process requiring confirmation of bank details via an official bank letter);
- Processing invoices in compliance with agreed payment terms and legal requirements: invoices are verified against purchase orders and delivery receipts. Where no purchase order exists, an automatic workflow seeks approval from the purchase requester, in accordance with the Delegation of Authority policy.

These practices safeguard Ontex's supply chain and support broader sustainability objectives, establishing long-term partnerships built on trust and shared values.

The company operates on monthly payment cycles, with payments being executed on the first working day of each month. Consequently, payments typically occur just before or after contractual deadlines. The DPO (Days Payable Outstanding) at year-end 2024 is 105. The higher DPO at year-end is impacted by the timing of the payment run that occurs just after year-end.

As of December 31st 2024, no legal procedures were outstanding related to late payments to vendors.

Methodologies and assumptions

DPO (Days Payable Outstanding): # Days payable outstanding calculated as Trade Payables per Dec 31st 2024 / (Cost of Sales + Distribution Expense for 2024) x 365

[23] Ontex has limitations in direct approaching customer and supplier-specific data for its Russian entity, stemming from European sanctions, however the disclosures in the CSRD report, including the Russian activities, are based on our comprehensive management approach, which encompasses our commitment to workers in the value chain, consumers and end-users, and our overall business conduct.

Auditor reports

Statutory auditor's report to the general shareholders' meeting of Ontex Group NV on the consolidated accounts for the year ended December 31, 2024

We present to you our statutory auditor's report in the context of our statutory audit of the consolidated accounts of Ontex Group NV (the "Company") and its subsidiaries (jointly "the Group"). This report includes our report on the consolidated accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting d.d. 5 May 2023, following the proposal formulated by the board of directors and following the recommendation by the audit committee . Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2025. We have performed the statutory audit of the Group's consolidated accounts for 11 consecutive years.

Report on the consolidated accounts

Unqualified opinion

We have performed the statutory audit of the Group's consolidated financial statements, which comprise the consolidated statement of financial position as at 31 December 2024 , the consolidated income statement, the consolidated statement of comprehensive income , the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and which is characterised by a consolidated statement of financial position total of EUR 2,360.6 million and a profit for the year of EUR 10.3 million.

In our opinion, the consolidated accounts give a true and fair view of the Group's net equity and consolidated financial position as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with IFRS as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Furthermore, we have applied the International Standards on Auditing as approved by the IAASB which are applicable to the year-end and which are not yet approved at the national level. Our responsibilities under those standards are further described in the "*Statutory auditor's responsibilities for the audit of the consolidated accounts*" section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the consolidated accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated accounts of the current period. These matters were addressed in the context of our audit of the consolidated accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters .

(1) Disposal Group held for sale and discontinued operations

Description of the key audit matter

Since 2022 the Ontex group is divesting its activities located in "Emerging Markets" and classified these operations as disposal group held for sale in the statement of financial position. The related financial performance is reported as discontinued operations in the income statement. The sale of the Central American activities was completed in May 2023. In the first half of 2024 the sale of the Algerian and Pakistani activities was realised. In September 2024, Ontex entered into a binding agreement to sell its Brazilian business activities. The transaction is expected to be completed in the first half of 2025. In February 2025, Ontex announced that it has entered into a binding agreement to sell its Turkish subsidiary, with an expectation to close the transaction in the third quarter of 2025. Upon closing of the Turkish transaction, all assets that were presented as held for sale on 31 December 2024 will be disposed of within the next year. Based on these considerations, management determined the criteria of IFRS 5 were met and the activities should be presented as discontinued operations on 31 December 2024.

In accordance with IFRS 5 the group classified all assets and all liabilities related to these activities as Assets classified as held for sale and Liabilities related to assets classified as held for sale which amount to respectively EUR 259.3 million and EUR 104.6 million per 31 December 2024. In the consolidated income statement, the loss for the period of the activities located in Emerging Markets was presented in one line as "Loss for the period from discontinued operations" and amounts to EUR 10.7 million.

We consider this matter to be of most significance because of the size of the operations that have been sold in 2024 or are expected to be sold within the next year, the complexity of the planned transactions and judgements made by management in the valuation of the related assets and liabilities at the lower of carrying amount and fair value less costs to sell.

The assets classified as held for sale and the related liabilities, the key lines of the results and cash flows related to discontinued operations are detailed in note FIN-4.8 of the financial statements.

How our audit addressed the key audit matter

We read minutes of the Board of Directors and sales agreements of the divested entities and entities for which binding agreements were signed. We discussed with management the divestment process and agreements reached with buyers to evaluate the appropriateness of the accounting treatment, valuation, and disclosure in line with IFRS 5.

We performed procedures to verify completeness and accuracy of the assets, liabilities, results and cash flows presented as discontinued operations, including measurement in accordance with IFRS 5. Our procedures included but were not restricted to:

- Reconciling the reclassified assets, liabilities and results to the group reporting forms of the activities that are held for sale;
- Reconciling the loss on the sale of the Algerian and Pakistani business to the underlying calculation, share sales agreement, transaction expenses and bank statements;
- Validating assumptions taken on carved out assets, liabilities and net results of legal companies active in both continuing and discontinuing activities at Ontex Group based on audit evidence obtained;
- Reviewing and challenging management's preliminary estimate of the disposal result of entities not yet sold at year-end and reconciling the reversal of previously recognised impairment charge on tangible and intangible fixed assets with definite useful life to the underlying calculation;
- Evaluating the adequacy of the disclosure (Note FIN-4.4.9 and FIN-4.8) of the assets held for sale and discontinued operations in the consolidated accounts.

Our results

We agree with management's position that the IFRS 5 criteria were met as of 31 December 2024. We found the methodologies and the assumptions applied in respect of the assets, liabilities and results of the discontinued operations and the preliminary estimate of the disposal result to be in line with our expectations and the share sale agreements. We consider the disclosure on the discontinued operations as appropriate.

(2) Impairment of goodwill

Description of the key audit matter

Ontex carries a significant value of goodwill on the balance sheet amounting to EUR 799.4 million at 31 December 2024 as detailed in disclosure FIN-4.9.1. Under the International Financial Reporting Standards as endorsed by the EU ("IFRS's"), the Company is required to test the amount of goodwill for impairment at least annually.

We consider this matter to be of most significance because of the complexity of the assessment process and significant judgments in respect of assumptions about the future results of the business and the discount rates applied to future cash flow forecasts. The most important assumptions relate to the discount rate, growth rates of revenue and operating margin.

How our audit addressed the key audit matter

We challenged whether the goodwill impairment test was performed at the lowest CGU level at which the goodwill is monitored. We challenged the cash flow projections used in the impairment tests and the process through which they were prepared. We found that the projected cash flows for 2024 were consistent with the Board's approved budgets and the strategic plan as presented to the Board, which were subject to timely oversight and challenge by the Directors. We have critically assessed the historical accuracy of management's estimates and evaluation of business plans by comparing the prior year's forecast with the Group's actual performance. For the cash flows after 2025 we critically assessed and challenged the assumptions related to the long-term growth rates, by comparing them to industry forecasts and historical growth rates.

We compared the weighted average cost of capital ("WACC") to the cost of capital and debt of the Group and comparable organisations, as well as considering territory specific factors. We tested the calculation method used and the accuracy thereof. We compared operating margin, working capital- and CAPEX percentage with past actuals. We challenged the adequacy of management's sensitivity analysis of the headroom. For all CGUs we calculated the degree to which these assumptions would need to move before an impairment conclusion was triggered. We discussed the likelihood of such a movement with management. We included valuation specialists in our team to assist us with these procedures. We also evaluated the adequacy of the disclosures (Note FIN-4.9.1 and Note FIN-4.4.4) in the financial statements.

Our results

From our sensitivity analysis, we found the likelihood of changes resulting in impairment losses to be unlikely.

(3) Valuation of deferred taxes and valuation allowance on deferred tax assets related to tax losses carried forward

Description of the key audit matter

Ontex has recognised a deferred tax asset of EUR 27.6 million at 31 December 2024, which is for an important part related to tax losses or tax incentives carried forward. At the same time, a deferred tax asset position of EUR 136.6 million was not recognised, as disclosed in Note FIN-4.19.1.

The valuation of the deferred tax positions at Ontex involved significant judgement, more specifically in the determination of the recognition of deferred tax assets related to tax losses carried forward. The estimation of the future taxable basis is highly judgemental as well as the assessment of the impact of tax laws and regulations, tax planning action and strategies, rulings and transfer pricing. Because of all the aforementioned reasons, we found this key audit matter to be of most significance for our audit.

How our audit addressed the key audit matter

We challenged the assumptions made to assess the recoverability of deferred tax assets related to tax losses carried forward and the timing of the reversal of deferred tax positions. During our procedures, we used amongst others budgets, forecasts and tax laws and in addition we assessed the historical accuracy of management's assumptions. An important management judgement was the period over which taxable profits can be reliably estimated and consequently, no deferred tax assets are recognised for tax losses used in any period beyond. We verified that the deferred tax position was calculated at the enacted tax rate for the year in which the deferred tax position is expected to reverse.

We also assessed the adequacy and completeness of the Company's disclosure included in

Note FIN-4.4.2, FIN-4.19.1 and FIN-4.27 in respect of deferred taxes.

Our results

We found management's judgements in respect of the Group's deferred tax positions to be consistent and in line with our expectations.

Responsibilities of the board of directors for the preparation of the consolidated accounts

The board of directors is responsible for the preparation of consolidated accounts that give a true and fair view in accordance with IFRS 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 determine s is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated accounts, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intend s to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated accounts

Our objectives are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the consolidated accounts in Belgium. A statutory audit does not provide any assurance as to the Group's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management at Group level. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.
- 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 board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated accounts 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 accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or 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.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee , we determine those matters that were of most significance in the audit of the consolidated accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

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 accounts including the sustainability information and the other information included in the annual report on the consolidated accounts.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts and to report on these matters.

Aspects related to the directors' report on the consolidated accounts and to the other information included in the annual report on the consolidated accounts

The director's report on the consolidated accounts includes the consolidated sustainability information that is the subject of our report, which contains an 'Unqualified conclusion' on the limited assurance with respect to this sustainability information. This section does not concern the assurance on the consolidated sustainability information included in the director's report on the consolidated accounts.

In our opinion, after having performed specific procedures in relation to the directors' report on the consolidated accounts, this directors' report is consistent with the consolidated accounts for the year under audit and is prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report on the consolidated accounts and the other information included in the section 'Strategic report' in the annual report on the consolidated accounts is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

Statement related to independence

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated accounts, and our registered audit firm remained independent of the Group in the course of our mandate.
- The fees for additional services which are compatible with the statutory audit of the consolidated accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the consolidated accounts.

European Uniform Electronic Format (ESEF)

We have also verified, in accordance with the draft standard on the verification of the compliance of the annual report with the European Uniform Electronic Format (hereinafter "ESEF"), the compliance of the ESEF format with the regulatory technical standards established by the European Delegate Regulation No. 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation") and with the Royal Decree of 14 November 2007 concerning the obligations of issuers of financial instruments admitted to trading on a regulated market.

The board of directors is responsible for the preparation of an annual report, in accordance with ESEF requirements, including the consolidated accounts in the form of an electronic file in ESEF format (hereinafter "digital consolidated accounts") .

Our responsibility is to obtain sufficient appropriate evidence to conclude that the format and marking language of the digital consolidated financial accounts complies in all material respects with the ESEF requirements under the Delegated Regulation.

Based on our procedures performed, we believe that the format of the annual report and marking of information in the digital consolidated accounts included in the annual report of Ontex Group NV per 31 December 2024 complies, and which will be available in the Belgian official mechanism for the storage of regulated information (STORI) of the FSMA, are, in all material respects, in compliance with the ESEF requirements under the Delegated Regulation and the Royal Decree of 14 November 2007.

Other statements

This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.

Ghent, 17 March 2025

The statutory auditor
PwC Bedrijfsrevisoren BV/PwC Reviseurs d'Entreprises SRL

Represented by
Lien Winne [1]
Bedrijfsrevisor/Réviseur d'entreprises

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[1] Acting on behalf of Lien Winne BV

Limited assurance report of the statutory auditor to the general shareholders' meeting of on the consolidated sustainability statement Ontex Group NV for the accounting year ended December 31, 2024

We present to you our statutory auditor's report in the context of our legal limited assurance engagement on the consolidated sustainability statement of Ontex Group NV (the "Company") and its subsidiaries (jointly "the Group"). The consolidated sustainability statement of the Group is included in the section "Sustainability statements" of the "Annual report 2024" on 31 December 2024 and for the year then ended (hereafter "the consolidated sustainability statement").

We have been appointed by the general meeting d.d. 3 May 2024, following the proposal formulated by the board of directors and following the recommendation by the audit committee and the proposal formulated by the works' council to perform a limited assurance engagement on the consolidated sustainability statement of the Group.

Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2025. We have performed our assurance engagement on the consolidated sustainability statement for 1 year.

Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of the Group.

Based on the procedures we have performed and the assurance evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated sustainability statement of the Group, in all material respects:

- Has not been prepared in accordance with the requirements of article 3:32/2 of the Companies' and Associations' Code, including compliance with the applicable European Sustainability Reporting Standards (ESRS);
- Is not in accordance with the process (the "Process") carried out by the Group to identify the information reported in the consolidated sustainability statement in accordance with the description set out in note "SUS-2.4 Material impacts, risks and opportunities, and their interaction with strategy and business model";
- Does not comply with the requirements of article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") disclosed in note "SUS-3.3 Disclosures pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation)" of the consolidated sustainability statement.

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information ("ISAE 3000 (Revised)"), as applicable in Belgium.

Our responsibilities under this standard are further described in the "Statutory auditor's responsibilities for the limited assurance of the consolidated sustainability statement" section of our report.

We have complied with all ethical requirements that are relevant to assurance engagements of sustainability statements in Belgium, including those related to independence.

We apply International Standard on Quality Management 1 (ISQM 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our limited assurance engagement.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter

The scope of our work is limited to our limited assurance engagement regarding the consolidated sustainability information of the Group. Our limited assurance engagement does not extend to information related to the comparative figures included in the consolidated sustainability statement.

Responsibilities of the board of directors relating to the preparation of the consolidated sustainability statement

The board of directors is responsible for designing and implementing a Process and for disclosing this Process in note “SUS-2.4 Material impacts, risks and opportunities, and their interactions with strategy and business model” of the consolidated sustainability statement. This responsibility includes:

- Understanding the context in which the activities and business relationships of the Group take place and developing an understanding of its affected stakeholders;
- The identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect the Group’s financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long- term;
- The assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- Making assumptions that are reasonable in the circumstances.

The board of directors is further responsible for the preparation of the consolidated sustainability statement, which includes the information established by the Process:

- In accordance with the requirements referred to in article 3:32/2 of the Companies’ and Associations’ Code, including the applicable European Sustainability Reporting Standards (ESRS);
- In compliance with the requirements of article 8 of EU Regulation 2020/852 (the “Taxonomy Regulation”) disclosed in note SUS-3.3 “Disclosures pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation)” of the consolidated sustainability statement;

This responsibility comprises:

- Designing, implementing and maintaining such internal control that the board of directors determines is necessary to enable the preparation of the consolidated sustainability statement that is free from material misstatement, whether due to fraud or error; and
- The selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

The audit committee is responsible for overseeing the Group’s sustainability reporting process.

Inherent limitations in preparing the consolidated sustainability statement

In reporting forward-looking information in accordance with ESRS, the board of directors is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected and the deviation from that can be of material importance.

Responsibilities of the statutory auditor on the limited assurance engagement on the consolidated sustainability statement

Our responsibility is to plan and perform the assurance engagement with the aim of obtaining a limited level of assurance about whether the consolidated sustainability statement contains no material misstatements, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated sustainability statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), as applicable in Belgium, we apply professional judgment and maintain professional scepticism throughout the engagement. The work performed in an engagement aimed at obtaining a limited level of assurance, for which we refer to the section "Summary of work performed", is less in scope than in an engagement aimed at obtaining a reasonable level of assurance. Therefore, we do not express an opinion with a reasonable level of assurance as part of this engagement.

As the forward-looking information in the consolidated sustainability statement and the assumptions on which it is based, are future related, they may be affected by events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different from the assumptions, as the anticipated events frequently do not occur as expected, and the deviation from that can be of material importance. Therefore, our conclusion does not provide assurance that the reported actual outcomes will correspond with those included in the forward-looking information in the consolidated sustainability statement.

Our responsibilities regarding the consolidated sustainability statement, with respect to the Process, include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Designing and performing work to evaluate whether the Process is consistent with the description of the Process by the Group, as set out in note "SUS-2.4 Material impacts, risks and opportunities, and their interactions with strategy and business model".

Our other responsibilities regarding the sustainability statement include:

- Acquiring an understanding of the entity's control environment, the relevant processes, and information systems for preparing the sustainability information, but without assessing the design of specific control activities, obtaining supporting information about their implementation, or testing the effective operation of the established internal control measures;
- Identifying where material misstatements are likely to arise, whether due to fraud or error, in the consolidated sustainability statement; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the consolidated sustainability statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control,

Summary of work performed

A limited assurance engagement involves performing procedures to obtain evidence about the consolidated sustainability statement. The procedures carried out in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing, and extent of procedures selected depend on professional judgment, including the identification of areas where material misstatements are likely to arise in the consolidated sustainability statement, whether due to fraud or errors.

In conducting our limited assurance engagement with respect to the Process, we have:

- Obtained an understanding of the Process by:
  - Performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - Reviewing the Group's internal documentation relating to its Process; and
- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Group was consistent with the description of the Process set out in note "SUS-2.4 Material impacts, risks and opportunities, and their interactions with strategy and business model".

In conducting our limited assurance engagement, with respect to the consolidated sustainability statement, we have:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its consolidated sustainability statement by obtaining an understanding of the Group's control environment, processes and information system relevant to the preparation of the consolidated sustainability statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control.
- Evaluated whether the information identified by the Process is included in the consolidated sustainability statement;
- Evaluated whether the structure and the presentation of the consolidated sustainability statement is in accordance with the ESRS;
- Performed inquiries of relevant personnel and analytical procedures on selected information in the consolidated sustainability statement;
- Performed substantive assurance procedures on selected information in the consolidated sustainability statement;

- Evaluated the methods/assumptions for developing estimates and forward-looking information as described in the section 'Responsibilities of the statutory concerning the limited assurance engagement regarding the consolidated sustainability statement';
- Obtained an understanding of the Group’s process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the consolidated sustainability statement;

Statement related to independence

Our registered audit firm and our network did not provide services which are incompatible with the limited assurance engagement, and our registered audit firm remained independent of the Company in the course of our mandate.

Ghent, 17 March 2025

The statutory auditor
PwC Bedrijfsrevisoren BV/PwC Reviseurs d'Entreprises SRL

Represented by
Lien Winne [2]
Bedrijfsrevisor/Réviseur d'entreprises

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[2] Acting on behalf of Lien Winne BV

Information about this report

Glossary

Metric	Description
Adjusted Basic Earnings per share	Adjusted Basic Earnings per share are defined as Adjusted Basic Earnings divided by the weighted average number of ordinary shares.
Adjusted EBITDA	Adjusted EBITDA is defined as earnings before net finance cost, income taxes, depreciations and amortizations (commonly called EBITDA) plus EBITDA adjustments.
Adjusted EBITDA margin	Adjusted EBITDA margin is adjusted EBITDA divided by revenue.
Adjusted Profit	Adjusted Profit is defined as profit for the period plus EBITDA adjustments and tax effect on EBITDA adjustments, attributable to the owners of the parent.
EBITDA adjustments	Income and expenses classified under the heading “EBITDA adjustments” are those items that are considered by management not to relate to transactions, projects and adjustments to the value of assets and liabilities taking place in the ordinary course of activities of the Company. EBITDA adjustments are presented separately, due to their size or nature, so as to allow users of the consolidated financial statements of the Company to get a better understanding of the normalized performance of the Company. EBITDA adjustments relate to: • acquisition- and divestment-related expenses; • changes to the measurement of contingent considerations in the context of business combinations; • changes to the Group structure, business restructuring costs, including costs related to the liquidation of subsidiaries and the closure, opening or relocations of factories; • impairment of assets and major litigations. EBITDA adjustments of the Group for the years ended December 31 are composed of the following items presented in the consolidated income statement and can be reconciled in note FIN-4.24: • income/(expenses) related to changes to Group structure; and • income/(expenses) related to impairments and major litigations.

Metric	Description
Free Cash Flow	Free cash flow is defined as net cash generated from operating activities (as presented in the consolidated cash flow statement, i.e. including income taxes paid) less capital expenditures (Capex, defined as purchases of property, plant and equipment and intangible assets), less repayment of lease liabilities and including cash (used in)/from disposal, less financing cash flows, i.e. interests paid and received, and other financing cash flows (Other costs of financing, realized foreign exchange (losses)/gains on financing activities and derivative financial assets).
Like-for-like (LFL) revenue	Like-for-Like revenue is defined as revenue at constant currency excluding change in scope of consolidation or M&A and hyperinflation.
Net Financial Debt	Net financial debt is calculated by adding short-term and long-term debt and deducting cash and cash equivalents.
Leverage ratio	Net financial debt divided by the adjusted EBITDA for the last twelve months (LTM).
LTM adjusted EBITDA	LTM adjusted EBITDA is defined as adjusted EBITDA in the last twelve months (LTM) modified for the scope changes in the year by the end of the period.
Working Capital	The components of our net working capital are inventories, trade receivables and prepaid expenses and other receivables plus trade payables and accrued expenses and other payables.

Financial calendar

Financial calendar 2025	Date
Publication of the results of the 1st quarter of 2025	April 30, 2025
Annual General Meeting of shareholders	May 5, 2025
Publication of the results of the 2nd quarter and 1st half year of 2025	July 31, 2025
Publication of the results of the 3rd quarter of 2025	October 30, 2025
Publication of the results of the 4th quarter and full year 2025	February 12, 2026

About this report

Each year Ontex publishes an integrated report covering the economic, environmental and social issues that matter most to us and our stakeholders. Our latest report was published on March 18, 2025. This report contains financial and non-financial information for the period January 1, 2024, to December 31, 2024, unless otherwise specified.

This report represents the directors' report prepared in accordance with article 3:32 §1 and 3:32/2 of the Belgian Company Code. In most of the tables of this report, amounts are shown in € million for reasons of transparency. This may give rise to rounding differences in the tables presented in the report. This report has been prepared in English and translated into Dutch. In the case of discrepancies between the two versions, the Dutch version will prevail.

The Group prepares and discloses its financial statements in the European Single Electronic Format (ESEF) in Dutch and English. In addition, the Group makes available its financial statements in Dutch and English in pdf format. The Dutch financial statements prepared by the Group in the ESEF format are the only official ESEF version of the financial statements that exempt the Group from the obligations contained in the European Transparency Directive. The financial statements made available in pdf format on the Group's website, as well as financial statements prepared in ESEF format in a language other than Dutch, are therefore considered unofficial versions and translations. The official ESEF version prevails over all unofficial and translated versions. The official ESEF version of the Group's financial statements is filed on the Group's website ontex.com.

For the reporting year ended 31 December 2024, the company reports its sustainability information for the first time in accordance with article [3:32/2] of the Companies' and Associations' Code, including compliance with the applicable European Sustainability Reporting Standards ("ESRS").

The Ontex leadership team has validated this report.

Disclaimer

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Here for you.