



Building foundations for the future

Annual report 2025

Ontex
Here for you.

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Dear stakeholders

2025 was a challenging year for Ontex. Market consumption of baby care products dropped, competitive pressure from A-brands intensified, and our overall performance was significantly below our initial expectations. 2025 was also a year of focused execution, during which important groundwork was laid to prepare the company for sustainable value creation in the years ahead.

Refocus on our core

Over the past three years, Ontex has undergone a significant transformation. In 2025, this journey reached a key milestone with the divestment of our Brazilian and Turkish businesses. The sharper focus on retailer and healthcare brands in Europe and North America enables clearer strategic choices and a more disciplined allocation of resources towards areas with the greatest long-term potential.

Strengthening efficiency, innovation & customer focus

Operational efficiency continued to improve, building on earlier footprint and platform optimizations, again delivering significant savings. While these efforts did not offset the impact of lower volumes, they constitute essential structural actions to improve competitiveness and resilience.

Innovation gained depth, relevance, and speed across our three categories. Investments in R&D capabilities improved our ability to translate consumer insights into scalable, affordable, and more sustainable solutions.

Customer focus remained central. Partnerships with retailers deepened in Europe and North America through closer collaboration and more integrated ways of working. While market dynamics were volatile, particularly in baby care, the foundations for longer-term value creation were strengthened. Notably,

adult care became Ontex's largest category. This is important, as we hold a strong position in this growing category, reflecting both demographic trends and our strategic focus.

Reinforcing foundations

We took disciplined actions to strengthen the balance sheet. The successful refinancing of our senior bond extended maturities and reduced risk. Together with the completion of the divestments, these actions provide a more stable financial platform, even if leverage increased moderately due to lower earnings.

In line with our commitment to strong corporate governance, several improvements were implemented following the 2024 Board effectiveness assessment. We strengthened the Board with the appointment of three new members: Julie Hamilton and Els Verbraecken, who joined in 2025, and Lorenzo Grabau, who joined in early



"In 2025, we have laid important groundwork to strengthen Ontex's foundations and prepare the company for sustainable value creation in the years ahead."

Laurent Nielly, CEO



"We strengthened the Board with three new members, bringing complementary experience. Their perspectives further enhance the Board's ability to challenge, support, and guide the company."

**Hans Van Bylen,
Chairman of the Board**

**-5%**

LFL volume growth

€(25)M

free cash flow

10%adj. EBITDA margin
(-2.0pp)**A score**for CDP Climate
Action

2026 – bringing complementary experience across industries and geographies. Their perspectives further enhance the Board’s ability to challenge, support, and guide the company.

Looking ahead

2025 demonstrated the passion, commitment, and resilience of our people. Across all functions and geographies, our teams continued to deliver, adapt, and improve in partnership with customers, suppliers, financial stakeholders, and other partners who continue to place their trust in Ontex.

But challenges remain. In January 2026, under the leadership of our newly appointed CEO, Laurent Nielly, we therefore announced the launch of a strategic review to assess all levers of value creation, including business portfolio, operational footprint, route to market, and cash generation.

This review goes beyond the clear priorities we have set for 2026, with a strong focus on execution, financial discipline, and cash.

We believe that, with the actions taken and the foundations built over the past years, Ontex is positioned to move forward with confidence.

We remain fully committed to driving the significant change needed to build a stronger, more competitive company and to unlock Ontex’s intrinsic value for our customers, our consumers, our people, and our shareholders.

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.



»» Read more about how our strategic priorities create value for our stakeholders on [page 9](#)

5 strategic pillars



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.

Baby care
40%

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.



Adult care
46%

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.

Feminine care
13%

Our feminine care products – pads, liners and tampons – are designed with protection, comfort and innovation in mind.

We are here to support, by offering solutions that suit a variety of needs, preferences, and lifestyles, so one can feel confident every day.

>> [Read more about our markets on page 12](#)

>> [Read more about our innovations on page 14](#)

Ontex at a glance

Our presence*

11 Production facilities

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

10 Countries with Sales & Marketing sites

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

5 R&D centers

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.

	Production facilities 	Sales & marketing 	R&D centers 
Belgium	●	●	●
Czech Republic	●		
France	●	●●	
Germany	●	●●	●●
Italy	●	●	
Poland	●	●	
Russia	●	●	
Spain	●	●	●
United Kingdom		●●	
Australia	●	●	
USA	●	●	
Mexico	●		●

*As per December 31, 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 their contribution – individually and as a team – while helping to strengthen the foundations for Ontex's future.

4,908 employees*:

78
nationalities



5
values

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



Quentin Godar, Commercial Excellence Manager
France & BeLux

Daniele Tancredi, Finance Manager
Italy

Global Process Industrialization Team,
represented by
Pierguido Paolini (IT)

Karen Baeyens, HR generalist
in Buggenhout (BE)

Segovia Plant Team,
represented by
Ángel Luis Miguel Garrido (ES)

Brittanie Hesman, Operations System Supervisor
Stokesdale (US)

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 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 defines Ontex.

How we create value

Our purpose, vision and strategy direct everything we do at Ontex and help us create value for our stakeholders.



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.



Market context

At Ontex, the employee experience is evolving as AI becomes part of daily work. In 2025, we introduced two concrete AI tools in our core people processes. An AI assistant helps employees and people managers draft clear objectives and prepare feedback conversations. An AI coach guides employees to learning and development options that match their needs, lowering the threshold to build new skills. **We expect these tools to become more embedded in our performance and learning cycles in the coming years.**

Ontex continues to see **Diversity, Equity, and Inclusion** as essential to a healthy and high-performing workplace. The company reinforced its commitment through adopting the **UN Women’s Empowerment Principles** and a refreshed global strategy to build a fair, inclusive environment for all.

Key achievements

We took meaningful steps to support our people, strengthen skills, and improve the employee journey. We deployed a **digital learning platform** (see 'Learning in the flow of work' page 11) across production sites, giving operators direct access to training content and clear visibility on the competencies linked to their roles. Tablets on the line allow employees to learn in the flow of work, while line leaders can track skills in real time and identify gaps. This shift from paper-based to digital learning increased training hours and made development more practical and traceable.

We launched a **global Employee Assistance Program**, offering employees and their families free, confidential 24/7 support on health, work, financial, legal, and personal matters. The program will expand to full coverage in 2026. With 2025 being a demanding year, marked by uncertainty and transformation, **this support played an important role in promoting wellbeing**

and psychological safety.

We also improved the candidate and employee experience end-to-end. We brought our people promise — “For people who love to take pride in the work they do” — to the forefront of our employer brand and strengthened onboarding to help new colleagues feel welcome and effective from day one.

In 2025, we adapted our performance management methodology to evaluate and recognize employees not only for achieving their annual targets, but also for their daily contributions. This makes the performance review more complete, clear, and fair.

These actions, among many others, reflect our long-term commitment to people, growth, and care, while building strong foundations for the future.

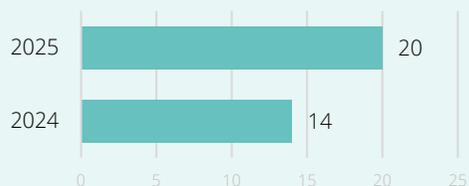


Jonas Deroo
Chief HR & Legal Officer

“At Ontex, learning is part of everyday work. Whether on the production line or through AI-powered tools, we help people build skills with confidence. When employees grow, our business grows, and that is what makes our PRIDE values tangible.”

22% women in leadership
18% turnover rate
57% engagement & wellbeing score

Training hours per employee :



Employees

Stakeholder engagement

We stay closely connected with **employees** through regular global and local touchpoints, including our Leadership Summit, Global Staff Updates, and plant townhalls. Our rebuilt intranet improves information sharing and communication across the organization.

We also run six-monthly **engagement surveys** to gather feedback and use our Speak Up platform to report concerns related to ethics.

We engage with **social partners** through transparent and constructive dialogue in Belgium, France, Germany, Spain, Italy, Czech Republic, and Mexico.

In 2025, we strengthened formal collaboration by updating our European Works Council Agreement to reflect our evolving structure and needs.



Success story

Learning in the flow of work

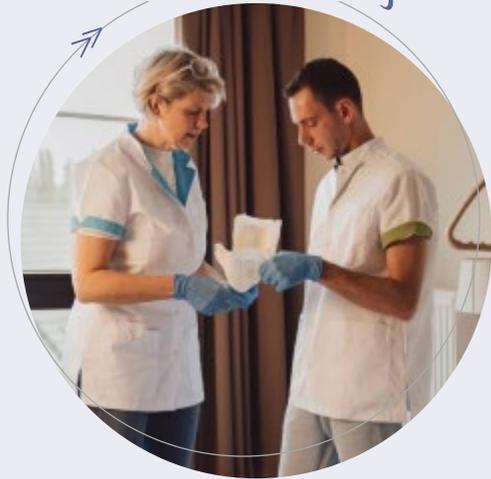
In 2025, we strengthened our learning ecosystem across production sites, making development practical, visible, and part of daily work. The digital learning platform, first piloted in Dourges, Segovia, Ortona, and Stokesdale, brings modern learning directly to the shopfloor. Operators can now access job-relevant content directly through shared tablets and computers, scanning a QR code to review tasks, safety guidance, machine operation standards, and onboarding steps. Line leaders can monitor skills in real time, helping to identify gaps and prioritize training. Training hours increased by 40%, and onboarding became faster and more consistent.

This progress also strengthened audit readiness: every qualification and training record is now traceable. This transparency about the skills and knowledge of our employees improves confidence for auditors, customers and teams.

The platform continues to expand, helping internal experts create and share localized content that reflects real work and real needs. As roll-out accelerates, every major plant will benefit from more structured, relevant, and empowering learning, supporting a skilled, agile workforce.



Markets & society



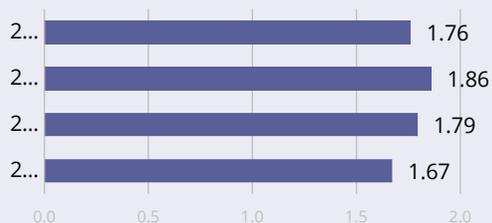
€1.76bn
revenue

€16M
taxes paid

€937M
raw materials paid to suppliers

€282M
services paid to providers

Revenue in € bn:



Market context

In **Europe**, aging populations continue to drive growth in the **adult care** market, both overall and in private label, increasingly through retail and self-pay channels as public reimbursement tightens. In contrast, **baby care** demand remains under pressure, as birth rates continue to decline, reinforced by a challenging economy.

Against this backdrop, **A-brands** are defending volumes in baby care through intense promotional activity across Europe and North America, supported by continued investment in e- and social media commerce. **Retailers** benefited short term from this promotion-driven traffic but are increasingly refocusing on strengthening their own brands to rebuild loyalty and long-term value; the intrinsic value of strong retailer brands remains, creating renewed opportunity for collaboration around retailer brand growth. In **feminine care**, demand remains broadly stable.

While the ongoing economic strain faced by low-to-middle income consumers led to the continued growth of private labels in most categories, the private label baby diaper segment was negatively impacted by a smaller consumer pool. We expect this trend to improve as value remains paramount for consumers in this category.

Key achievements: Europe

We maintained a positive balance between contract gains and losses, including in baby care.

New contracts started to materialize toward year end, providing encouraging signals despite a challenging market context.

This progress reflects our renewed **focus on customer centricity**, supported by more agile, multifunctional teams, closer listening to customer needs, faster responsiveness, and a more integrated customer engagement model.

In adult care, the first wave of platform standardization in adult pants and light incontinence pants in Europe reduced complexity, waste, and cost, further laying the foundation for scalable growth.

We also advanced our **packaging transformation** across categories. This strengthened regulatory compliance and sustainability performance, optimized total cost to serve, and improved shelf impact and purchase intent through new technologies and neuroscience insights.



Laurent Nielly
President Europe

“In 2025, new contracts started to gain traction, including in baby care, creating positive momentum, and confirming our strengthened competitiveness, powered by customer focus, faster execution, and agile, cross-functional teams.”

Key achievements: North America

We launched our **first private label baby pants** in the US, starting with a limited retail test and rapidly scaling threefold. The proposition resonated strongly with consumers, supported by online adoption, with increasing sales through e-commerce channels.

Markets & society



We also introduced our **highest-performing training pants** in partnership with a key retailer, achieving average ratings above 4.5 stars (See success story on page 13).

We expanded baby care market share in retailer brands through several new retail launches, alongside a broader product portfolio and expanded size ranges. These additions responded to evolving consumer needs and improved availability across key retail and online channels.



Paul Wood
President North America

“We expanded our baby care range in the US through close collaboration with leading retailers. By combining consumer insight with strong execution, we delivered higher-performing products that resonate with families across channels.”

Stakeholder engagement

We strengthened customer intimacy through a well-established commercial ecosystem. This included top-to-top meetings and recurring on-site customer visits, enabling comprehensive discussions on various aspects of the market.

Success story

Raising the bar for training pants in the US

Ontex successfully launched a new, high-performing Training Pants proposition for the US market, following a 10+ month co-creation partnership with a leading national retailer.

From the start, the collaboration was built on expert-to-expert alignment, bringing together commercial, R&D, supply chain, and quality teams from both organizations. This close cooperation ensured that consumer insights, performance expectations, and operational requirements were fully integrated into the product design.

The result is Ontex's highest-performing Training Pants to date, delivering improved fit, protection, and comfort for growing toddlers. Ratings and reviews exceeded expectations, with an average score above 4.5 stars, confirming strong consumer acceptance.

The project also leveraged expertise from Ontex's US teams and its Global Center of Excellence for Baby Care, combining local market understanding with global innovation capabilities. This success demonstrates how deep customer collaboration, paired with operational readiness, can accelerate innovation and deliver value at scale for families, retailers, and Ontex alike.



Innovation



5

R&D centers

€19M

operational and capital
expenditure

714

active patents
and applications

29

new patent families

Market context

Ongoing **geopolitical and economic uncertainty** influences how people think about health, value, and wellbeing. **Consumers seek inclusive approaches** to health and show greater openness towards adult care products. Financial caution **drives demand for flexibility, affordability,** and clear value for money.

Sustainability expectations continue to evolve in response to global developments. Consumers increasingly recognize climate change as a significant issue and expect companies to demonstrate clear, responsible climate action while maintaining simplicity and transparency. At the same time, health is viewed more holistically, with stakeholders looking at brands to support both physical and mental wellbeing through meaningful, credible initiatives.

Against this backdrop, **technology readiness** must accelerate. Features, such as improved softness, are no longer differentiators but essential. In parallel, US and European regulations on packaging, ingredient transparency, and sustainability raise the baseline for innovation and compliance.

Key achievements

The opening of the **R&D center in Segovia, Spain**, marked a major milestone. Fully operational in 2025, this fifth R&D hub strengthens our European footprint and shortens time-to-market. The Segovia site also expanded its manufacturing capacity through new, automated lines, adding over 100 job opportunities. (See 'Segovia: building innovation into everyday operations' on page 15.)

In **feminine care**, we launched a **multi-liquid liner** designed for menstrual flow, light bladder leaks, and daily vaginal discharges, addressing evolving daily needs, also around perimenopause and menopause.

Consumer testing confirmed performance on par with the leading A-brand. In **baby care**, we introduced front-and-back barrier diapers with a navel cut-out in the US, and expanded the Dreamshield® 360 portfolio with **Night Pants**.

Sustainable innovation progressed with the introduction of **bioSAP**, lower-carbon bio-based absorbent materials, and **mechanically post-consumer recycled packaging (mPCR)**. mPCR supplier validation now enables scale, impacting more than 100 million units annually and supporting our target of 75% recycled content in bags.



Annick De Poorter
Chief Innovation &
Sustainability Officer

“2025 marked an important step in strengthening our innovation intelligence. By formalizing how we capture insights from suppliers, markets and trends, we translate long-term signals into concrete input for our innovation pipeline and build strong foundations for the future.”

Innovation



Stakeholder engagement

We engaged with **regulators and auditors** through recurring touchpoints embedded in our design and development processes. Regular audits by certifying bodies support compliance with quality and environmental certifications, including ISO 9001, ISO 13485, and ISO 14001.

We collaborate closely with **customers** through top-to-top meetings, product demos, and innovation workshops.

We work with **suppliers** through a strategic collaboration program, piloted in 2024, and rolled out in 2025, including executive-level meetings and innovation workshops.



Success story

Segovia: building innovation into everyday operations

The new R&D Center in Segovia reinforces Ontex's commitment to fast, affordable, and sustainable innovation. Situated within the Segovia manufacturing site, the R&D center will support faster scaling of innovations and shorter time-to-market across product categories, with a strong focus on feminine care.

The R&D center brings together Ontex teams, suppliers, partners, and customers to co-create solutions that respond to evolving consumer expectations and regulatory requirements. By combining innovation capability with manufacturing proximity, our plant in Segovia supports Ontex's ambition to make high-quality, more sustainable personal care solutions accessible for everyone, while strengthening long-term resilience and agility across Europe.

The center plays a key role in advancing sustainable manufacturing processes, including the use of eco-friendly materials and lower-carbon techniques. It is part of our broader network of innovation hubs, alongside centers in Germany, Belgium and Mexico.



Resources & environment



100%
renewable
electricity

52%
renewable
materials

39%
Scope 1 & 2 GHG
emission reduction

9%
Scope 3 GHG
emission reduction

>> More details on our sustainability strategy can be found in our Sustainability Statement or at <https://www.ontex.com/sustainability>

Market context

The sustainability landscape is evolving at different paces. While corporate reporting requirements in the EU and US are being simplified, retailers increasingly demand **transparency, credible commitments, and proof of progress**. At the same time, pressure to reduce **Scope 1, 2, and 3 emissions** is intensifying, while affordable low-carbon materials and technologies are not widely available yet. **Circularity** requirements are growing, but recycling infrastructure for absorbent hygiene products is still limited, creating a gap between ambition and feasibility. Stricter rules on **environmental claims** further raise the bar for verification across the value chain.

From a resources perspective, **geopolitical instability** continues to create uncertainty in global supply chains, keeping procurement planning cautious. Raw material prices were up year on year, especially for fluff, super-absorbent polymers and packaging materials. These topics are closely linked to how we manage operations (see page 18).

Key achievements

Guided by Ontex's sustainability strategy, built around three pillars — Better for planet, Better for people, and Better for business — we took important steps in 2025 to strengthen how we manage resources, suppliers, and sustainability across our value chain.

First, we implemented Coupa, a new **procurement platform** that transforms how we work with suppliers. The platform streamlines onboarding, enforces compliance checks, and improves visibility into supplier performance and risk. Standardized workflows and automated controls strengthen governance across our supply base, while making collaboration more efficient and transparent. This milestone supports a more resilient and responsible procurement ecosystem.

In parallel, we advanced our sustainability agenda by increasing **regional and local sourcing** of raw materials and packaging. Sourcing closer to our operations reduces dependency on global supply chains, supports local communities, and lowers transport-related emissions. This approach improves supply chain agility and aligns with our long-term sustainability goals.

Our sustainability efforts were externally recognized. In 2025, Ontex received an 'A' score from CDP, confirming leadership in climate transparency, and achieved a Gold rating from EcoVadis. (see page 17).

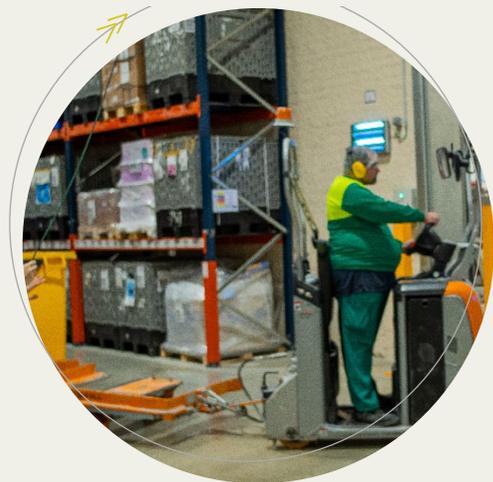
We also exceeded our goal of 30% recycled or renewable content in packaging by 2025, achieving 39%. Finally, employee engagement grew through our **Sustainability Spring** campaign, with 875 participants, local green initiatives, and strong involvement across all operations.



*Annick De Poorter
Chief Innovation &
Sustainability Officer*

"For retailers, sustainability is no longer a box-ticking exercise. It's embedded in how they operate, from carbon transparency to social audits and packaging choices. This shift is reshaping collaboration across the value chain, and we are actively embracing it."

Resources & environment



Stakeholder engagement

We engage with **customers** through regular visits and discussions, joint business planning, and surveys and research to align on sustainability expectations and priorities.

We interact with **consumers** on the environmental impact of our products, packaging, and product safety, supporting informed choices and transparency.

We engage with **employees** through competence development and activation initiatives, including Sustainability Week.

We respond to **investors** through ESG indices and information requests.

We collaborate with **suppliers** on human rights in the value chain and on initiatives to reduce carbon emissions.

We work with **communities** and **non-governmental organizations** through donations, charitable activities, and partnerships on shared topics such as human rights.



Success story

Building trust through transparent sustainability performance

In 2025, Ontex achieved a Gold EcoVadis rating, with an improved score of 81/100, placing the company in the top 3% globally. This recognition reflects the solid foundations built across key sustainability areas, including environmental performance, ethics, human rights, and sustainable procurement. It confirms our policies, targets, and actions are translating into measurable progress across the value chain.

Beyond the score itself, EcoVadis serves as a shared and transparent reference point for collaboration. Customers and partners increasingly use EcoVadis assessments to evaluate sustainability performance and identify opportunities for improvement. In that context, the rating supports more structured dialogue and alignment, helping to strengthen trust across our supplier and customer networks.

For Ontex, the EcoVadis rating is not an end point, but a baseline. It enables continuous improvement and supports long-term, responsible partnerships. The policies, targets, actions, and performance underpinning this recognition are detailed in the Sustainability Statements of this report.



Market context

Operations are increasingly shaped by volatility and the **need for speed and resilience**. Fluctuations in raw material, energy costs, and tariffs continue to challenge global supply chains. To ensure continuity, Ontex is **strengthening agile sourcing strategies** and building closer supplier partnerships.

Operational efficiency remains key. Ontex is **accelerating productivity improvements** through continuous improvement initiatives, lean methodologies, and targeted automation. **Simplifying processes and reducing complexity** are central to these efforts and are supported by cost transformation programs that deliver structural savings and reinforce operational excellence.

Looking ahead, **future readiness depends on smarter, more connected operations**. Investments in digital planning, predictive maintenance, and logistics optimization are enhancing agility, shortening lead times, lowering working capital exposure, and strengthening Ontex's ability to respond quickly to changing market dynamics.

Key achievements

Ontex maintained a **strong safety performance** throughout the year, supported by our Proud to be Safe program and advanced digital monitoring. These initiatives reinforced a culture of prevention and continuous improvement, safeguarding our people while strengthening operational resilience.

We completed **key footprint and platform optimization** actions, including the closure of the Eeklo site and the transformation of Buggenhout into a Center of Excellence. We also relocated selected assets from Belgium to facilities in the Czech Republic, Spain, and North America, and installed new state-of-the-art equipment.

Together, these steps improved capacity, flexibility, and cost efficiency across our manufacturing network.

We advanced our **digital supply chain transformation** program. We initiated the roll-out of advanced planning and predictive maintenance solutions, while preparing for core system upgrades, including the scheduled transition to SAP S/4HANA, the implementation of Advanced Planning Systems, and a new Manufacturing Execution System.

These initiatives will improve visibility, forecast accuracy, and uptime, laying the foundation for a fully integrated digital supply chain.

Combined cost transformation initiatives delivered €69 million in savings and partly compensated for increased raw materials costs and other operating costs.



Marco Querzoli
Chief Supply Chain Officer

"We are proud of the progress we have made and confident about what lies ahead. By building strong foundations and executing with discipline, we strengthen our competitiveness and resilience, enabling us to serve customers better and sustain performance."



11
factories

16.7bn
hygiene items sold

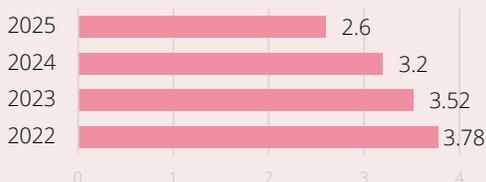
4.9%
operating efficiency gains

€81M
capital expenditure

€69M
net cost saving

2.61
accidents per million hours worked

Accidents per million hours worked



Stakeholder engagement

We are moving toward deeper, strategic partnerships with key **suppliers** to benefit from scale and expertise. We also partner with suppliers to accelerate innovation and progress on Scope 3 carbon emission reduction targets.

We actively engage in **industry associations** through board memberships in EDANA, INDA, BAHP, and Group'Hygiène in France.



Success story

Proud to be safe

In 2025, we made strong progress in strengthening our safety culture, marked by a 27% reduction in Lost Work Day Case frequency.

Safety is our highest commitment, and this result reflects sustained focus, awareness, and leadership across the organization. Leaders actively champion safety, health and wellbeing, setting clear expectations and leading by example.

The launch of the Proud to be Safe program played a central role in this progress. Embedded across our manufacturing plants and other sites, the program reinforces a proactive approach to risk assessment and actively involves employees in creating safer workplaces. It is built around four core pillars: creating safe working conditions, promoting safe behaviors, continuously assessing and improving safety processes, and demonstrating visible safety leadership without shortcuts.

By strengthening accountability, trust, and teamwork, Proud to be Safe has increased awareness and ownership. The program supports our ambition of zero accidents and helps ensure that everyone returns home safely, every day.



Year performance

In a challenging year, we managed to maintain a 10% **adjusted EBITDA** margin, representing a two-percentage-point decrease, which led to an adjusted EBITDA of €176 million. This margin contraction was mainly caused by lower cost absorption, following lower volumes. The strong delivery of the cost transformation plan compensated for cost inflation in raw materials and other operating costs, but was not sufficient to offset the additional costs incurred to mitigate supply chain constraints in the first half of the year.

Profit from continuing operations reached €17 million, slightly below the €21 million recorded in 2024, reflecting lower adjusted EBITDA, partly offset by reduced restructuring costs, as most of these had already been provisioned in 2024. Profit for the period turned negative at €(174) million, however entirely due to the non-cash negative contribution of €(190) million from discontinued operations. This primarily reflects the non-cash recycling of accumulated translation reserves triggered by the divestments of the Brazilian and Turkish entities during the year.

Free cash flow was €(25) million, compared to €48 million in 2024, reflecting the lower EBITDA and higher financing cash-out. Meanwhile the investment in Ontex's transformation continued through temporarily higher capital and restructuring expenditure.

Net financial debt decreased, nevertheless, to €577 million, 6% lower than at year-end 2024, supported by the divestment proceeds.

These more than offset the negative free cash flow and the cost of the share buy back plan executed in the first half or the year to cover for option plans.

Outlook 2026

Although market circumstances are anticipated to remain challenging, with continued soft baby care demand partly offset by demographic-driven growth in adult care, Ontex aims for a gradual improvement in performance throughout the year, underpinned by the continued ramp-up of recently gained contracts and the extension of the cost transformation program.

Adjusted EBITDA is thereby expected to increase by around 10%, based on a largely stable revenue and net efficiency improvements. Building on that, free cash flow is to turn positive, also benefiting from lower transformation-related capital expenditure and restructuring cash-out. Combined, this will allow the leverage ratio to drop to 3x or lower by year end.



Geert Peeters
Chief Finance Officer

“The year proved challenging, which shows in the results. Yet, the successful refinancing and completed divestment program strengthened Ontex’s financial foundation, allowing us to fully focus on unlocking shareholder value in our core business.”



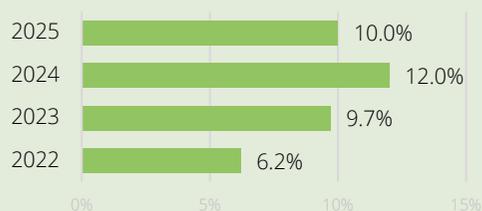
€176M
adj. EBITDA

€(25)M
free cash flow

€404M
market capitalization

3.3x
leverage ratio

Adjusted EBITDA margin



Stakeholder engagement

We maintain regular interactions with **banks and rating agencies** through ongoing dialogue and management presentations, supporting transparency and trust around our financial strategy and performance.

We engage with **financial analysts** as well as **bond and equity investors** through quarterly analyst calls, providing updates on results, outlook, and strategic priorities, and through participation in **roadshows and investor conferences** across key financial centers, strengthening engagement with the financial community.

We comply with all formal governance processes and engage with shareholders through the **Annual General Meeting** and ensure open dialogue through the Investor Relations function.



Success story

Disciplined refinancing strengthens balance sheet

In 2025, Ontex completed the refinancing of its outstanding senior bond, strengthening the company's financial foundations. A €400 million bond issued in March matures in 2030, extending our debt profile and providing the financial means to further transform and grow the business. The existing €580 million bond due in 2026 has been fully repaid via a tender offer in April and an early redemption of the remainder in July.

The higher nominal interest rate (5.25%) versus the previous issuance reflects the higher interest rate environment but at the same time an improved credit spread. Thanks to the divestments of our emerging market business, we could significantly lower the nominal amount of the high-yield bond.

The financing structure of Ontex is based on a 5-year high-yield bond and a revolving credit facility. Last year's deleveraging, following the divestments, demonstrates disciplined capital allocation and proactive balance sheet management. It gives Ontex financial flexibility and stability to support growth in its core markets and long-term value creation.



Corporate governance statement

For the financial year ended December 31, 2025

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/investor-relations/corporate-governance>.

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GOV-1 General information

GOV-1.1 Highlights of 2025 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).

ESG continues to be a fundamental element of the Company's strategy. In January 2026 and for the second consecutive year, Ontex was awarded an "A"-rating by the CDP, a globally recognized environmental non-profit, for its leadership in corporate transparency and performance on climate change, and it received an Ecovadis Gold medal for its sustainability efforts. This continued performance underscores the robustness of Ontex's commitment to sustainability. 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, and is implementing, an action plan.

GOV-2 Board & executive management

GOV-2.1 Board composition

On January 1, 2026, the Board was composed as follows (sustainability information provided pursuant to ESRS 2, GOV-1, § 21(a)):

Name	Mandate	Start	Expiration	Other board mandates per December 31, 2025
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, ECS Logistics Group, Etex, Care Property Invest, Ecorys
Michael Bredael	Non-executive director	2017	2029	Upfield Group BV, Umicore
Lorenzo Grabau ^[1]	Non-executive director	2026	2029	
Rodney Olsen	Non-executive director	2021	2029	
ACACIA I BV, permanently represented by Els Verbraecken	Independent director	2025	2029	Vyncke, Exmar, Jensen-Group, Credendo-GSR, Koninklijke De Vries Scheepsbouw, Subsea Micropiles
Julie Hamilton	Independent director	2025	2029	Imperial Brands, The WaterDrop Company

Mr. Jonas Deroo, Chief HR and Legal Officer, is Secretary of the Board. Further details on the evolution of the composition of the Board are detailed in section [GOV-2.2](#).

The biographical information, skills and experience of each member of the Board as it is currently composed, 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.

[1] HVV GmbH, permanently represented by Mr. Jesper Hojer, resigned as member of the Board with effect from 1 January 2026. The Board resolved to co-opt Mr. Lorenzo Grabau as a member of the Board with effect from 1 January 2026 and for the remaining duration of the mandate of HVV GmbH. In accordance with the provisions of the Belgian Code of Companies and Associations, the Board will submit such co-optation for confirmation to the next shareholders' meeting of the Company, which is scheduled to be held on May 5, 2026.



**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 NV, 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 Münchmeyer Petersen Capital Markets, a corporate banking advisory firm.



**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 Econopolis Wealth Management NV and Care Property Invest NV, independent director at Econoholding and independent director and chair of the Finance and Audit Committee at ECS Logistics Group NV, director at Etex NV, and a member of the supervisory Board at Ecorys. 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 as a representative of Groupe Bruxelles Lambert.



**Julie
Hamilton**

Independent
Director

On May 5, 2025, Ms. Julie Hamilton was appointed as an Independent Director. Ms. Hamilton has over 30 years of experience in marketing, strategy, and digital transformation within the FMCG sector. She recently served, among others, as Chief Commercial & Global Sales Officer at Diageo, a role she held until September 2023. Before joining Diageo, Ms. Hamilton spent over 23 years at The Coca-Cola Company, where she held several senior leadership positions, including Chief Customer & Commercial Leadership Officer. Since 2024, Ms. Hamilton serves as director of Imperial Brands and of The WaterDrop Company.



**Lorenzo
Grabau**

Non-Executive
Director

With effect from 1 January 2026, Mr. Lorenzo Grabau was co-opted by the Board as a Non-Executive Director after the resignation of HWV GmbH, permanently represented by Jesper Hojer, which had been appointed as a Non-Executive Director upon the nomination of Groupe Bruxelles Lambert (GBL). Mr. Grabau is an investor and former investment banker with extensive capital markets and strategic transformation expertise, who has considerable experience as director and chair of, and senior advisor to, various listed and non-listed companies. He served as President and Chief Executive Officer of Kinnevik AB, a Swedish listed investment company, and prior to that, was a Partner at Goldman Sachs. Mr. Grabau is also a member of the Supervisory Board of Circle Economy.



**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.



**Els
Verbraecken**

Independent
Director

On May 5, 2025, Ms. Els Verbraecken was appointed as an Independent Director. Ms. Verbraecken is a seasoned executive with extensive expertise in finance. She served as Chief Financial Officer of DEME Group from 2013 until 2024. Ms. Verbraecken currently holds board positions at Vyncke (since 2018), Exmar (since 2021), Jensen-Group (since 2023), Credendo-GSR (since 2024), Koninklijke De Vries Scheepsbouw (since 2025) and Subsea Micropiles (since 2025).

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	Julie Hamilton	Rodney Olsen	Ebrahim Attarzadeh	Els Verbraecken	Lorenzo Grabau
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 2025

At the Company's annual shareholders' meeting of May 5, 2025, the shareholders resolved to approve the appointments of ACACIA I BV, permanently represented by Ms. Els Verbraecken, and Ms. Julie Hamilton, both as independent directors.

In addition, as noted above, HWV GmbH, permanently represented by Mr. Jesper Hojer, resigned as member of the Board with effect as from 1 January 2026. The Board resolved to co-opt Mr. Lorenzo Grabau as a member of the Board with effect from 1 January 2026 and for the remaining duration of the mandate of HWV GmbH. In accordance with the provisions of the Belgian Code of Companies and Associations, the Board will submit such co-optation for confirmation to the next shareholders' meeting of the Company, which is scheduled to be held on May 5, 2026.

GOV-2.3 Board responsibilities and engagement

The individual attendance rate of the Board meetings during 2025 was as follows:

Name	Board attendance ^[2]	Attendance rate
ViaBylity BV, permanently represented by Hans Van Bylen	13/13	100%
Ebrahim Attarzadeh	12/13	92.31%
Inge Boets BV, permanently represented by Inge Boets	13/13	100%
Michael Bredael	13/13	100%
Julie Hamilton	8/8 ^[3]	100%
Isabel Hochgesand	4/5 ^[4]	80%
HWV GmbH, permanently represented by Jesper Hojer	11/13	84.62%
MJA Consulting BV, permanently represented by Manon Janssen	4/5 ^[5]	80%
Rodney Olsen	13/13	100%
ACACIA I BV, permanently represented by Els Verbraecken	8/8 ^[6]	100%

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

[3] Ms. Julie Hamilton was appointed as a director of the Board with effect from May 5, 2025.

[4] The mandate of Ms. Isabel Hochgesand as a member of the Board ended with effect from May 5, 2025.

[5] The mandate of Ms. Manon Janssen as a member of the Board ended with effect from May 5, 2025.

[6] Ms. Els Verbraecken was appointed as a director of the Board with effect from May 5, 2025.

During 2025, the Board met 13 times, with an attendance rate of 93.69%. 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 offering of senior notes due in 2030, and the cash tender for and redemption of its senior notes due in 2026;
- review and approval of the Company's annual budget and review of its medium and long-term strategy and business plan;
- oversight of the Company's share buy-back program;
- identification and appointment of a successor to Mr. Gustavo Calvo Paz, who served as the Company's Chief Executive Officer until January 2026;
- 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 Chief Executive Officer 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, and is implementing, an action plan.

GOV-2.5 Board committees^[7]

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, 2025, 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 ^[8]	Non-Executive Director
Rodney Olsen	Non-Executive Director
ViaBylity BV, permanently represented by Hans Van Bylen	Independent Director
ACACIA I BV, permanently represented by Els Verbraecken	Independent Director

During 2025, the Audit and Risk Committee met seven times. The attendance rate was 100%, as shown in the table below.

[7] In January 2026, the Board also established a Strategy Committee to accelerate the review, facilitate decision-making and ensure careful oversight over the execution of Ontex's medium- and long-term plans. As such Strategy Committee was only established in 2026, it is not further described in this report.

Name	Meetings attended	Attendance rate
Inge Boets BV, permanently represented by Inge Boets	7/7	100%
Michael Bredael	7/7	100%
Rodney Olsen	7/7	100%
ViaBylity BV, permanently represented by Hans Van Bylen	7/7	100%
ACACIA I BV, permanently represented by Els Verbraecken	3/3 ^[9]	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 2025, 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 offering of senior notes due in 2030, and the cash tender for and redemption of its senior notes due in 2026.

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;

[8] Mr. Lorenzo Grabau replaced Mr. Michael Bredael as a member of the Audit and Risk Committee with effect from February 10, 2026.

[9] Ms. Els Verbraecken was appointed as a member of the Audit and Risk Committee with effect from May 5, 2025.

- 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, 2025, 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
Julie Hamilton	Independent Director
HVV GmbH, permanently represented by Jesper Hojer ^[10]	Non-Executive Director
ACACIA I BV, permanently represented by Els Verbraecken	Independent Director

[10] Mr. Lorenzo Grabau replaced HVV GmbH, permanently represented by Jesper Hojer, as a member of the Remuneration and Nomination Committee with effect from January 1, 2026.

[11] The mandate of Ms. Isabel Hochgesand as a member of the Remuneration and Nomination Committee ended with effect from May 5, 2025.

[12] The mandate of Ms. Manon Janssen as a member of the Remuneration and Nomination Committee ended with effect from May 5, 2025.

During 2025, the Remuneration and Nomination Committee met eleven times. The attendance rate was 90.86%:

Name	Meetings attended	Attendance rate
ViaBylity BV, permanently represented by Hans van Bylen	11/11	100%
Isabel Hochgesand	2/3 ^[11]	66.67%
HVV GmbH, permanently represented by Jesper Hojer	9/11	81.82%
MJA Consulting BV, permanently represented by Manon Janssen	3/3 ^[12]	100%
Ebrahim Attarzadeh	11/11	100%
Julie Hamilton	7/8 ^[13]	87.5%
ACACIA I BV, permanently represented by Els Verbraecken	8/8 ^[14]	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 2025, 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 2024;
- determining 2025 targets for the short-term and long-term incentive schemes (refer to the Remuneration Report);

[13] Ms. Julie Hamilton was appointed as a member of the Remuneration and Nomination Committee with effect from May 5, 2025.

[14] Ms. Els Verbraecken was appointed as a member of the Remuneration and Nomination Committee with effect from May 5, 2025.

- reviewing the Company's Remuneration Report with respect to financial year 2024;
- preparing the amendments to the Company's remuneration policy, which was submitted for approval by the annual general shareholders' meeting held on May 5, 2025;
- succession and leadership assessment and development of the Executive Committee;
- identification and appointment of a successor to Mr. Gustavo Calvo Paz, who served as the Company's CEO until January 2026;
- 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 Committee on December 31, 2025 is shown in the table below:

Name	Position per December 31, 2025
Gustavo Calvo Paz ^[15]	Chief Executive Officer
Chilibri BV, permanently represented by Geert Peeters	Chief Financial Officer
Annick De Poorter	Chief Innovation & Sustainability Officer
Deroo Management & Consulting BV, permanently represented by 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

[15] The mandate of Mr. Gustavo Calvo Paz as the Company's CEO ended with effect as of January 13, 2026; Émage Europe SRL, permanently represented by Mr. Laurent Nielly, was appointed as Mr. Calvo Paz's successor, with effect as from the same date.



**Laurent
Nielly**

**Chief
Executive
Officer**

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 to President of the Europe Division in July 2021 after the combination of the Group's Retail and Healthcare divisions. Mr. Nielly was appointed as the Company's CEO with effect as from January 13, 2026. 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



**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 Mr. Peeters as Chief Financial Officer of Ontex, with effect from December 1, 2023. Before joining Ontex, Mr. 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 Price-WaterhouseCoopers.



**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 Gustavo Calvo Paz and Marco Querzoli). 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 2025, as a general rule, the Executive Committee met on a weekly basis and discussed, among others, the following topics:

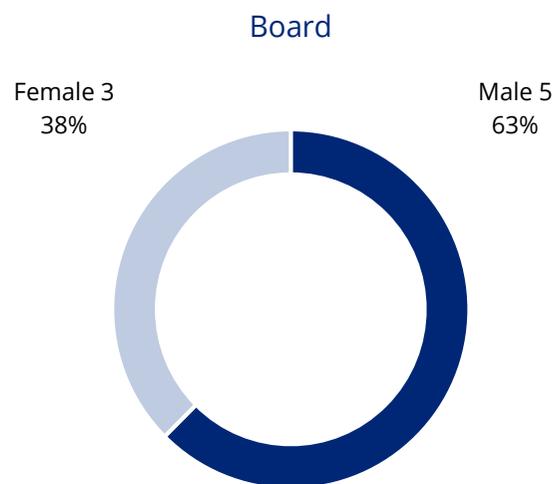
- strategic review and implementation;
- financial and operational performance;
- Ontex's organizational model and people-related matters;
- Ontex's Sustainability Strategy 2030;
- internal controls and compliance; and
- various operational matters.

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, 2025, the Board was composed of eight directors, three of which were women: Ms. Inge Boets (as permanent representative of Inge Boets BV), Ms. Els Verbraecken (as permanent representative of ACACIA I BV) and Ms. Julie Hamilton. 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, 2025, 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, 2025, 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, 2025, 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 was 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.

Between December 1, 2024, and April 10, 2025, the Company conducted a share buy-back program, in the context of which it acquired a total of 1.5 million shares (which represented 1.82% of the Company's share capital), and for which the Company paid €12.4 million. The shares acquired through the program will contribute to meeting Ontex's obligations under its current and future long-term incentive plans. The program was conducted under the terms and conditions of the authorization granted by the extraordinary shareholders' meeting held on May 5, 2023, and was executed by an independent intermediary, who made its decisions independently pursuant to a discretionary mandate.

In total, on December 31, 2025, the Company held 2,349,986 treasury shares, which represents 2.9% 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 10, 2025, the Company received a transparency declaration confirming that, on November 12, 2024, BPCE SA, Natixis SA, Natixis Investment Managers, NIM Participations 3 and DNCA Finance combined detained 2,491,966 Ontex voting rights, representing 3.03% of Ontex's issued shares. The holding of voting rights thereby crossed upward the threshold of 3%.

On July 3, 2025, the Company received a transparency declaration confirming that, on June 30, 2025, Brandes investment partners, L.P., detained 5,256,435 Ontex voting rights, representing 6.38% of Ontex's issued shares. The holding of voting rights thereby crossed upward the threshold of 5%.

On July 25, 2025, the Company received a transparency declaration confirming that, on July 22, 2025, Brandes Investment Partners, L.P., detained 6,182,739 Ontex voting rights, representing 7.51% of Ontex's issued shares. The holding of voting rights thereby crossed upward the threshold of 7.5%.

On August 13, 2025, the Company received a transparency declaration confirming that, on August 7, 2025, the Goldman Sachs Group, Inc., detained 190,699 Ontex voting rights and 2,368,943 equivalent financial instruments or 2,559,642 in total, representing respectively 0.23%, 2.88% and 3.11% of Ontex's issued shares. The combined holding thereby crossed upward the threshold of 3.0% in total.

On August 14, 2025, the Company received a transparency declaration confirming that, on August 8, 2025, the Goldman Sachs Group, Inc., detained 13,767 Ontex voting rights and 2,370,319 equivalent financial instruments or 2,384,086 in total, representing respectively 0.02%, 2.88% and 2.90% of Ontex's issued shares. The combined holding thereby crossed downward the threshold of 3.0% in total.

On August 19, 2025, the Company received a transparency declaration confirming that, on August 13, 2025, the Goldman Sachs Group, Inc., detained 94,311 Ontex voting rights and 2,425,641 equivalent financial instruments or 2,519,952 in total, representing respectively

0.11%, 2.95% and 3.06% of Ontex's issued shares. The combined holding thereby crossed the threshold of 3.0% upward in total.

On August 20, 2025, the Company received a transparency declaration confirming that, on August 14, 2025, the Goldman Sachs Group, Inc., detained 237,187 Ontex voting rights and 2,514,427 equivalent financial instruments or 2,751,614 in total, representing respectively 0.29%, 3.05% and 3.34% of Ontex's issued shares. The holding of equivalent financial instruments thereby crossed the threshold of 3.0% upward for Goldman Sachs Group, Inc., and also its for its subsidiary Goldman Sachs International.

On August 21, 2025, the Company received a transparency declaration confirming that, on August 15, 2025, the Goldman Sachs Group, Inc., detained 23,683 Ontex voting rights and 2,516,673 equivalent financial instruments or 2,540,365 in total, representing respectively 0.03%, 3.06% and 3.08% of Ontex's issued shares. The holding of equivalent financial instruments thereby remained above the threshold of 3.0% for Goldman Sachs Group, Inc., but crossed downward the threshold of 3.0% for its subsidiary Goldman Sachs International.

On August 22, 2025, the Company received a transparency declaration confirming that, on August 19, 2025, the Goldman Sachs Group, Inc., detained 82,718 Ontex voting rights and 2,559,752 equivalent financial instruments or 2,642,470 in total, representing respectively 0.10%, 3.11% and 3.21% of Ontex's issued shares. The holding of equivalent financial instruments thereby remained above the threshold of 3.0% for Goldman Sachs Group, Inc., but crossed upward the threshold of 3.0% for its subsidiary Goldman Sachs International.

On September 15, 2025, the Company received a transparency declaration confirming that, on September 11, 2025, Brandes Investment Partners, L.P., detained 8,251,487 Ontex voting securities, representing 10.02% of Ontex's issued shares. The holding of voting rights thereby crossed upward the threshold of 10%.

We refer to our website for transparency declarations received after December 31, 2025.

GOV-3.3 Shareholder structure

Based on the transparency declarations received by the Company, the shareholder structure of the Company on December 31, 2025^[16] was as follows:

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

Shareholders	Shares/ Voting rights	% ^[17]	Equivalent financial instruments	% ^[17]	Total	% ^[17]	Threshold range total ^[17]	Date crossing
Groupe Bruxelles Lambert SA	16,454,453	19.98%	-	-	16,454,453	19.98%	15%-20%	20/04/2021
ENA Investment Capital	12,411,999	15.07%	-	-	12,411,999	15.07%	15%-20%	29/04/2020
Brandes Investment Partners LP	8,251,487	10.02%	-	-	8,251,487	10.02%	10%-15%	11/09/2025
The Pamajugo Irrevocable Trust	2,722,221	3.64%	-	-	2,722,221	3.64%	3%-5%	29/02/2016
Mr. Joannes G.H.M. Niessen and Mont Cervin SARL	2,517,540	3.06%	-	-	2,517,540	3.06%	3%-5%	20/03/2024
BPCE SA, Natixis SA, Natixis Investment Managers, NIM Participations 3 and DNCA Finance	2,491,966	3.03%	-	-	2,491,966	3.03%	3%-5%	12/11/2024
Goldman Sachs Group Inc	82,718	0.10%	2,559,752	3.11%	2,642,470	3.21%	3%-5%	19/08/2025

[16] Updates subsequent to December 31, 2025 are provided on the website:
<https://ontex.com/investor-relations/share-information>.

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

GOV-3.4 Investor engagement & share price performance

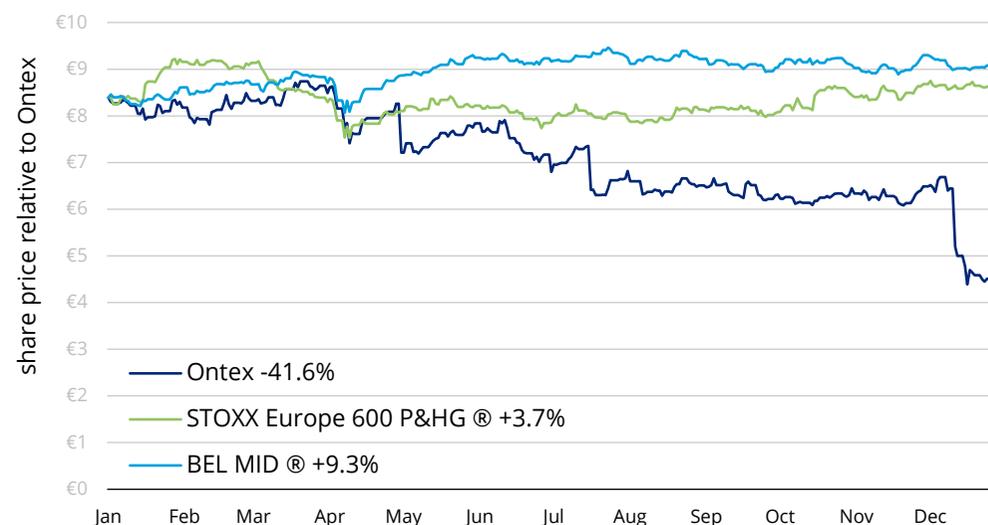
In 2025, the Company continued to engage with investors. Face-to-face meetings were held in the framework of investor conferences, during roadshows, or via video conferences. These meetings were primarily held by the Investor Relations department, while senior management focused on meetings with the top-ten shareholders of the Company. Following the publication of its financial results, the Company also hosted public conference calls during which the 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 six equity analysts.

Ontex's share price evolved negatively over the year, declining by 42% from €8.39 at the end of 2024 to €4.90 at the end of 2025, caused by the weaker than anticipated financial results, amplified by the two outlook revisions Ontex published in the year. This contrasts with the continued growth of the sector index STOXX Europe 600 Personal & Household Goods®, which gained 4%, and with the BEL Mid® index of Euronext Brussels, which rebounded by 9% in 2025 after the decrease in 2024.

38.0 million shares of the Company were traded on Euronext Brussels in 2025, representing 45% of the total amount of shares issued by the Company. This is an 8 percentage point increase compared to 37% in 2024, and represents a higher liquidity than mid- and small-cap companies, as evidenced by the 23% liquidity of the BEL MID® index, which rose more modestly by 4 percentage points compared to 2024. Ontex is also traded on other trading venues and OTC trades, which more than doubled the volumes traded on Euronext Brussels.

Share price evolution in 2025



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, 2025 can be found in section [GOV-3](#).

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, the Company conducted a share buy-back program between December 1, 2024 and April 10, 2025, in the context of which it acquired a total of 1.5 million 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 April 3, 2025 (the “**Indenture**”) pursuant to which the Company issued €400,000,000 5.250% senior notes due 2030 (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 2025.

During 2025, 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 Chief Executive Officer and the Executive Committee, which exercise such operational management within the framework of the strategy determined by the Board.

As at the end of 2025, the Company complied with all provisions of the 2020 Corporate Governance Code. In this respect, it is to be noted that provision 7.6 of the 2020 Corporate Governance Code provides for non-executive Board members to receive part of their remuneration in the form of shares in the Company. The Company’s annual shareholders’ meeting held on May 5, 2025, approved the revised version of the Company’s Remuneration Policy, which included, among others, the introduction of a restricted share unit (“**RSU**”) plan for Board members, as a result of which Board members, effective January 1, 2025, receive part of their remuneration in the form of RSUs, in line with the recommendation of the 2020 Corporate Governance Code.

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 [FIN-4.32](#).

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 Ontex's operations, supply chain, and broader business environment. The sustainability statements serve as critical references for sustainability risks, by providing insights into the mitigation strategies, resilience measures, and long-term sustainability goals. By incorporating sustainability (including climate change) risks into Ontex's risk management framework, it enhances its ability to proactively identify, assess, and manage emerging threats associated with sustainability matters. The Audit and Risk Committee has assumed responsibility for monitoring 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 long-term strategy and yearly objectives related to Compliance 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](#).

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". Internal audit reports are also shared with external audit every quarter and a meeting is held to identify any patterns or trends in identified issues.
- **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. More detailed information on the composition and functioning of the Audit and Risk Committee and the Board, is found in section [GOV-2.5.1](#).

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/investor-relations/financial-calendar>.

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

At Ontex, the critical importance of sustainability reporting is recognized as operations are ensured to be aligned with environmental, social, and governance (ESG) objectives. Ontex's 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 the sustainability reporting, findings from comprehensive risk assessments have been integrated into the internal functions and processes. Risk management and internal controls are applied as set out below:

- **Sustainability risk assessment:** The 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 Ontex's 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](#).
- **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 the sustainability data and disclosures.
- **Internal collaboration and accountability:** Collaboration between various internal functions is essential to ensure the effectiveness of the sustainability reporting process. Ontex's 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:** Ontex maintains clear communication channels and documentation procedures to facilitate transparency and accountability in the sustainability reporting process. Standardized reporting protocols and documentation requirements are established to guide employees in fulfilling their responsibilities.
- **Continuous improvement and adaptation:** Ontex's approach to risk management and internal control is dynamic and responsive to evolving sustainability challenges and opportunities. The teams regularly review and update the processes in light of new developments, stakeholder feedback, and best practices in sustainability reporting.

By integrating risk management and internal controls into the sustainability reporting process, the reliability and credibility of Ontex's disclosures is enhanced, stakeholder trust strengthened, and Ontex's commitment to sustainable business practices advanced.

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 strategic drivers as set out in the Strategic report 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

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 Ontex operates may constrain the way business is done (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.

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.

Ontex has built a supply chain resilience program for priority customers and top-selling products. Ontex's global presence may allow to remediate local country risk to a certain extent by leveraging other operations (e.g. producing from another location). Ontex also has the ability to review pricing with its customers in case of exceptional disruptive events.

Through the divestment of its Emerging markets business in Mexico, Brazil, Turkey, Pakistan and Algeria, together with their related export markets activities, Ontex has reduced its exposure to country-specific risks that are characteristically more prevalent in emerging market economies, such as macroeconomic instability, currency depreciation, political uncertainty, and unpredictable regulatory environments. As a result, Ontex's divestment of its activities in Emerging markets has improved the Group's overall risk profile.

Since the beginning of the conflict between Russia and Ukraine, Ontex has defined tight conditions to its operations in Russia, to ensure compliance with the evolving applicable regulations on economic sanctions. This model has led to the progressive autonomation of most of Ontex's local activities in Russia within a framework defined at Group level which allows Ontex to remain compliant with its group-wide quality, safety and IT and data security standards, as well as with its financial controls, reporting and strategic objectives. In this respect, certain intragroup services continue to be provided by Group to Ontex's Russian operations, as permitted by a governmental authorization granted by the Belgian Federal Public Service ("FPS") Economy in 2024, which was renewed in 2025. Such governmental authorization has a limited duration and further extensions are not guaranteed, which may lead to these intragroup services being discontinued. If the authorization to keep providing intragroup services to Ontex's Russian entity were not renewed, these operations would need to procure those services independently and Ontex would have to take certain additional measures to avoid adverse impacts on the Group operations (e.g. in the areas of IT and data security). More information on Ontex's operation in Russia is found in note [FIN-4.4.10](#).

Trade barriers

Ontex's business may be materially adversely impacted by the imposition of, or increases in, tariffs or other government trade policies. The implementation of tariff barriers or the heightening of existing tariffs, such as the recent import tariff changes by the U.S. Government, may have an adverse effect on the business and results of operations.

Risk management

Ontex made and maintains a full assessment regarding its exposure including exemption lists per country of origin and material. Ontex has developed action plans to mitigate the potential impact of tariffs, 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.

- **Enhancing Compliance Framework for Regulatory Programs:** Standardizing documentation ensuring that Ontex fully benefits from all available regulatory programs by government bodies to boost manufacturing by submitting requirements in a complete, accurate and timely manner.

Specifically for the exposure of Ontex's Mexican operations towards the U.S. market, USMCA compliance was verified by an external lawyer firm. Nevertheless, for the majority of the raw materials, Ontex adapted its sourcing to a mixed U.S./Mexican supplier base.

Competition

Across its footprint, Ontex is active in landscapes with intense competition from branded product manufacturers and retailer brand manufacturers. While Ontex competes with established regional players, increasingly new competitors, often with manufacturing in lower-cost countries such as China, gain traction in Ontex's key markets. 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, 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

Ontex's ambition is to be the partner of choice for retailer and healthcare brands, and achieving this ambition requires excellence in both service and product. Ontex consistently strengthens its cost and price competitiveness, while sharpening customer segmentation and deepening customer centrality.

Innovation plays a central role in the ongoing development of the product portfolio, ensuring sustained alignment with customer and consumer needs. Redesigning category management enables closer integration of customer insights and innovation, supported by regular strategic alignment meetings with key customers. Where appropriate, co-development initiatives are pursued.

Proactive market research allows Ontex to closely monitor, anticipate, and respond to market trends and competitive developments.

One of Ontex's fundamental strengths lies in the diversity of its customer base. Ontex serves 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, the customer portfolio is balanced by not being overly dependent on a handful of clients. The top 10 customers collectively account for less than 40% of the total business. This balanced distribution ensures that 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 strategy and product portfolio are increasingly exposing Ontex 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 Ontex's code of ethics. The code of ethics captures the 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 Ontex's code of ethics. On top of that, suppliers are required to sign a code of conduct including labor, ethics and health and safety standards. Breaches to Ontex's code of ethics can be reported via various channels within the organization or through an (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

Ontex has 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. Ontex regularly assesses the factors taken into consideration for insurance coverage specifically related to climate risks.
- **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, buildings, equipment, utilities and IT 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

Whereas prices in Ontex's sales contracts are typically fixed for the duration of the contract, raw material costs in purchase agreements are often linked to indices, and thereby the cost of goods sold and margins are 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 the sales, procurement and finance teams, and include both commodity index and retail shelf-price tracking, among other measures. Ontex continuously finetunes its 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 is offered to customers.

ERP transition

Ontex will be upgrading its group-wide ERP system from SAP ECC to SAP S/4HANA in the course of 2026, thereby modernizing Ontex's technology infrastructure and aligning it with current standards. This migration project ensures business continuity for the coming years, and is an important enabler for delivering a targeted portfolio of process improvement projects that will enhance Ontex's operational excellence and customer-centric innovation capabilities.

Risk management

Ontex uses its ERP system to support critical processes across its plants and locations, and it has taken the following actions to minimize the potential risks and ensure a smooth transition:

- Ontex opted for a **brown-field** conversion to limit the impact on the business processes, with process improvements introduced gradually in later stages after successful conversion;
- Ontex has selected a professional and **certified implementation partner** to execute the project and involves the ERP system provider in the project;
- A **Business Process Transformation Team**, including senior process experts from all functional areas, leads the project in close collaboration with the IT department and external service providers.
- **Best practice project methodology** and change management is applied, and Ontex is taking operational measures to have a gradual ramp up of the business following go-live.

Information security and privacy

Ontex is increasingly reliant on IT systems and data management to run its business. There is a risk of disruption of IT systems and that sensitive data may be compromised by leakage of information (from within the organization or by third parties), malicious cyber-attacks or

technology failures. A disruption of Ontex's IT systems could affect sales, production and cash flows, ultimately impacting results. Unauthorized access and misuse of sensitive information could interrupt the business and/or lead to loss of assets, impact the competitive position or investor confidence, and could have a negative impact on Ontex's reputation.

Risk management

Ontex continuously strengthens its 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. The 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.

Ontex's firm commitment to information security is demonstrated through a range of recognized security certifications and accreditations, including ISO27001 (ISO27001:2022 certification across all countries), Cyber Essentials, Cyber Essentials Plus, the Data Security Protection certification (DSPT), and PCI-DSS certification. These are complemented by regular independent external audits and IT penetration testing to validate the ongoing effectiveness of Ontex's security controls. Together, these measures support alignment with relevant regulatory frameworks and standards, including NIS2, and reinforce Ontex's responsible use of emerging technologies in line with the Group's AI Charter.

Strong emphasis is placed on empowering employees with comprehensive information security training. Global training programs, integrating both traditional and AI-based tools, aim to increase employee awareness and readiness in effectively mitigating cyber risks.

Ontex is focused on the key areas outlined in its long-term information security and privacy roadmap, including enhanced technology protection within plants and improved continuity through a global backup and recovery solution. Ontex also remains 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.

Continuous assessment and enhancement of security measures remain central to its strategy as Ontex adapts to evolving market dynamics and security threats.

From a governance perspective, Ontex's 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 design & quality

Ontex's reputation as a business partner relies heavily on its ability to supply innovative and qualitative products. In the event of quality issues, potential ramifications include adverse effects on consumer health, loss of market share, financial costs, reduced turnover, and reputational damage to Ontex. As Ontex faces competition in production innovation, rapid time-to-market is key to competitiveness. Failure to timely generate innovative products or inadequate choice of new production methods, technology or structural redesign of 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

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 continuous inputs from customers and the market in general to improve products and processes to foresee or remedy issues that could potentially impact consumer satisfaction.

- Ontex has merged teams into a Quality & Regulatory Affairs Department to deliver end-to-end governance, streamlined processes, and consistent standards that strengthen compliance, reduce operational and regulatory risks, and enhance overall performance.
- Ontex has implemented an effective Quality Management System. It captures the requirements of customers and of the various regulations applicable to Ontex. 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.
- A renewed Process Validation Procedure 2.0 to ensure product quality is produced consistently.

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

Raw material availability and price volatility

Ontex is dependent upon the availability of raw materials for the manufacturing of products. On average, the main raw materials and packaging costs account for between 75% and 80% of the cost of sales. Raw materials are subject to price volatility due to a number of factors that are beyond Ontex's 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 Ontex's 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 Ontex's supply chain is safeguarded in numerous ways, including the following:

- For most resources, multiple sources are available and validated;
- Strategic alliances are in place with key suppliers, resulting in long-term contracts with priority access for contractual volumes;
- Flexibility of volume allocations is built into Ontex's contracts;
- Alternative materials have been validated for usage in case of shortages;
- Complexity reduction of raw material specifications to allow for more flexibility;
- Geographical diversification of suppliers and sources offsetting local / regional volatility;
- Possibility of financial hedging of Ontex's key strategic materials; and
- Natural hedging via suppliers, decoupling from indices where possible.

Customer delivery commitments

As Ontex aims to grow its business, it will be instrumental to, in the deployment of the strategy, stay true to the volume expectations from customers and order commitments made to them. If Ontex would be unable to meet these, 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, such as:

- Enhancement of supply chain resilience by diversifying supplier base to avoid over-reliance on single sourcing (see also previous section on raw materials);
- Leveraging technology to improve forecasting, planning and monitoring;
- Operational efficiency and footprint optimization in order to assure its supply commitments.
- Development and continuous maintenance and testing of a Business Continuity Plan (see also section on Catastrophic damage).
- Right-sizing inventory to minimize service level disruptions and stabilized production plans;
- Sales & Operations Execution process to improve cross-functional collaboration, thereby anticipating service level risks and improve speed of issues resolution;
- Revision of process and Ways of Working to improve short-term demand and supply planning.

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 actions are identified, prioritized, assessed and set up 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.

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

Sustainability-related risks are managed via different means, including:

- **Creating transparency:** sustainability data monitoring in the plants and the 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 the supply chain, investing in energy-efficiency, renewable on-site solar energy, carbon reductions integrated in bonus scheme, continuous monitoring of customers' requirements, including sustainability in product designs, etc.
- **Mitigation actions:** Sustainability-related policies and procedures describe how (potential) negative impacts are dealt with. In addition, Ontex's Sustainability Strategy lays out clear targets to reduce the climate impact and work towards circular solutions, such as e.g. recycled content in packaging.

The sustainability topic continues to be high on the agenda of the strategy determination and budget discussions. The following focus areas will continue in the course of 2026:

- Progressing towards Ontex's 2030 sustainability strategy, focusing at reaching the 2030 sustainability targets, including science-based targets on climate, and reducing the environmental footprint of Ontex's products whilst adding value for the consumer.

- Assessing the sustainability requirements affecting Ontex and setting up implementation roadmaps in order to make sure compliance is obtained 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 the responses to investor questionnaires and through the continuous dialogue that is maintained with them.
- 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 Ontex's infrastructure enables alignment with the 2030 sustainability goals, facilitated by co-operation and partnerships.

As noted in section [GOV-8.3](#), the Executive Committee conducts deep-dives into certain sustainability-related topics, including climate change. These assessments delve into the potential impacts of sustainability matters on operations, the supply chain, and the broader business environment. The sustainability statements serve as critical references for sustainability risks, by providing insights into mitigation strategies, resilience measures, and long-term sustainability goals. By incorporating sustainability risks into the risk management framework, the ability is enhanced 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](#).

Employee engagement and corporate culture

A skilled and motivated workforce, coupled with an agile organization, is imperative for the continued success of business. The failure to identify, attract, develop, engage and retain talents to satisfy current and future needs of the business may affect Ontex's ability to compete. The health and safety of Ontex's 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 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, safe and motivating work environment, in addition to delivering professional human resources services.

This translates into 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, and initiatives to attract new talent and develop existing talent.

To support employee engagement, Ontex conducts a survey, including Ontex's Engagement Index, two times per year, after which an action plan is defined and implemented per location.

To drive corporate culture a DEI strategy and action plan has been put in place and the PRIDE values have been integrated in the annual performance appraisal. Moreover Ontex celebrates its PRIDE Champions annually through a company-wide awards ceremony and local PRIDE values recognition programs. 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. More information can be found in section [SUS-4.1](#).

Divestitures

As part of the strategy that was announced in December 2021, Ontex has divested its Emerging Markets businesses in Mexico, Brazil, Turkey, Algeria and Pakistan, together with their related export markets. Each of these divestments have meanwhile been concluded and the net proceeds have been received, with the exception of some smaller deferred payments. Notwithstanding the completion of these transactions, a post-completion risk remains, however, arising from customary undertakings given to the acquirers, and potential claims by the acquirers or by other third parties in connection with the divested assets.

GOV-8.9.4 Legal and financial risks

Intellectual property

Although changes in intellectual property rights and related legal developments are monitored, it can occur that intellectual property rights owned by third parties or applicable legislation are inadvertently infringed. 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. Ontex completes regular third-party intellectual property rights screening and legal analyses, and also continues to grow its leading IP portfolio in the retail segment of the personal hygiene field.

Liquidity & financing

Ontex requires sufficient liquidity to fund its operations, to invest in infrastructure, equipment and product innovation as well as to finance working capital that is required to grow the business. Liquidity is secured through two complementary means: positive cash flows on the one hand, and a balanced financing structure on the other hand. To this end, Ontex has put in place a high-yield bond, a revolving credit facility (see note [FIN-4.17](#)) and a factoring agreement (see note [FIN-4.13](#)). The use of these facilities can be subject to certain financial ratio's or covenants; e.g. for the revolving credit facility a maximum leverage ratio has been defined. The maturity dates of the debt facilities should be far enough in the future to avoid any refinancing risk related to market or company conditions. Ontex maintains a strong liquidity position with sufficient headroom to run its operations with its current credit facilities (see note [FIN-4.5.8](#)). Plans are pursued by management to generate a positive free cash flow and maintain sufficient headroom on covenants.

Nevertheless, the risks described could put pressure on the company's operations and results. Therefore, the Group's liquidity position and leverage ratio 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

Maintaining Ontex's financial debt at a sustainable level is a key criterium in Ontex's capital allocation. This can be measured with the leverage ratio. In this context, the proceeds from the divestiture of the Emerging Markets business were almost fully used to deleverage the balance sheet in the previous years.

Detailed reporting and monthly forecasting of the liquidity and leverage are in place. Initiatives to stimulate co-ownership of the business on working capital have been rolled out. Revenue, adjusted EBITDA, net 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 has secured sufficient credit facilities in order 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 2025, Ontex issued a €400 million High-Yield Bond with maturity mid-2030, and repaid its outstanding High-Yield Bond of €580 million which was to mature mid-2026, thereby extending its financial maturity.

GOV-9 Remuneration report

GOV-9.1 Introduction

GOV-9.1.1 Remuneration policy

In 2025, the Company applied its Remuneration Policy, which was last revised by resolution of the annual shareholders' meeting of May 5, 2025. The aim of the revised Remuneration Policy remains to strongly incentivize management to accelerate the realization of the Company's ongoing turnaround by strengthening the alignment of executive rewards and shareholder returns.

The amendments to the Remuneration Policy that were approved at the annual shareholders' meeting of May 5, 2025 included, among others, (i) the introduction of a restricted share unit ("RSU") plan for Board members, as a result of which Board members, effective January 1, 2025, receive part of their remuneration in the form of RSUs, in line with the recommendations of the 2020 Corporate Governance Code, and (ii) the introduction of a possibility for the Board to grant an option to members of the Executive Committee to defer the vesting of their performance share units (PSUs) under the Company's 2023-2025 "Value Creation Projects" Long-Term Incentive Plan and the related performance test with one year.

For more details, please refer to the Remuneration Policy (2025 version) as made available on the Company's website: <https://ontex.com/investor-relations/corporate-governance>.

GOV-9.1.2 Composition of Executive Committee

In 2025, 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 2025, the following financial and non-financial performance results are of relevance for the 2025 STI, as detailed further in this Remuneration Report:

- Revenue for the Total Group was €1,757.2 million, at budget foreign exchange rate (compared to a target of €1,950.2 million).
- Adjusted EBITDA for the Total Group was €175.6 million (compared to a target of €245 million).
- Cash Conversion Cycle was 51.8 days (compared to a target of 47.1).
- Scope 1 & 2 GHG emissions^[18] decreased by 38.6% (compared to a target of -3.8%).
- Scope 3 GHG emissions decreased by 8.6% (compared to a target of -2.6%).
- Accident frequency rate (percentage reduction in labor accidents) decreased by 27% (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 below target: an average of 22.6% of target for the members of the Executive Committee. The details of the STI bonus calculation can be found in section [GOV-9.3](#).

GOV-9.1.4 2024 Remuneration report

The Company's Remuneration Report regarding financial year 2024 was approved by 98.6% of the votes cast at the annual shareholders' meeting of May 5, 2025. 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.

[18] GHG or Green House Gas emissions, expressed in ton CO₂ equivalents

GOV-9.2 2025 remuneration of the directors

All members of the Board are Non-Executive Directors. During financial year 2025, our directors were rewarded through a combination of a fixed annual fee paid in cash, a fixed annual entitlement to RSUs (which was introduced with retroactive effect as from 1 January 2025), 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 2025, 13 meetings of the Board of Directors (compared to 10 in 2024), seven Audit and Risk Committee Meetings (compared to six in 2024) and 11 Remuneration and Nomination Committee Meetings (compared to four in 2024) took place. The aggregate cash remuneration of the Directors in 2025 was 7.22% lower than in 2024. In addition to such cash remuneration, as noted above and in accordance with the Remuneration Policy (2025 version), the Directors also received (and accepted) a grant of RSUs (as detailed further in this Report).

The composition of the Board underwent the following changes during 2025:

- at the annual shareholders' meeting held on May 5, 2025, the shareholders resolved to approve (i) the re-appointments of Michael Bredael, HWV GmbH, with Jesper Hojer as its permanent representative, and Rodney Olsen (each as Non-Executive Directors), and (ii) the appointments of Julie Hamilton and ACACIA I BV, with Els Verbraecken as its permanent representative (both as Independent Directors), all for a term ending immediately after the annual shareholders' meeting of the Company that will consider the approval of the annual accounts for the financial year ending December 31, 2028; and
- the mandates of Isabel Hochgesand and MJA Consulting BV, with Manon Janssen as its permanent representative, ended immediately after the annual shareholders' meeting held on May 5, 2025.

The remuneration paid to the Directors during the financial year 2025 is shown in the table below.

Name	Mandate	Fixed fee (in €)	Fixed annual RSU entitlemen t ^[19]	# Board meetings attended	Board attendance fee (in €)	# R&N Committee meetings attended	R&N Committee attendance fee (in €)	# A&R Committee meetings attended	A&R Committee attendance fee (in €)	Total fees for 2025 (in €)
ViaBylity BV, permanently represented by Hans Van Bylen	Chairman of the Board of Directors, Chairman of the Remuneration and Nomination Committee, Independent Director	210,000	64,000	13/13	5,000	11/11	5,000	7/7	2,500	370,250
Ebrahim Attarzadeh	Non-Executive Director	60,000	12,000	12/13	2,500	11/11	2,500	N/A	N/A	112,000
Inge Boets BV, permanently represented by Inge Boets	Chairwoman of the Audit and Risk Committee, Independent Director	70,000	12,000	13/13	2,500	N/A	N/A	7/7	5,000	130,750
Michael Bredael	Non-Executive Director	60,000	12,000	13/13	2,500	N/A	N/A	7/7	2,500	107,000
Isabel Hochgesand ^[20]	Independent Director	20,000	N/A	4/5	2,500	2/3	2,500	N/A	N/A	31,250
HVV GmbH, permanently represented by Jesper Hojer	Non-Executive Director	60,000	12,000	11/13	2,500	9/11	2,500	N/A	N/A	107,000
MJA Consulting BV, permanently represented by Manon Janssen ^[21]	Independent Director	20,000	N/A	4/5	2,500	3/3	2,500	N/A	N/A	32,500
Rodney Olsen	Non-Executive Director	60,000	12,000	13/13	2,500	N/A	N/A	7/7	2,500	107,000
Julie Hamilton	Independent Director	40,000	7,923	8/8	2,500	7/8	2,500	N/A	N/A	72,923
ACACIA I BV, permanently represented by Els Verbraecken	Independent Director	40,000	7,923	8/8	2,500	8/8	2,500	3/3	2,500	81,673

[19] As noted, the Remuneration Policy (2025 version) introduced an RSU plan pursuant to which the Company's Non-Executive Directors are rewarded, among others, with a fixed annual entitlement to RSUs with effect as from 1 January 2025. The RSU component corresponds to approximately 20% of a Non-Executive Director's fixed annual cash fee, and the grant of RSUs occurs at the outset of the mandate (covering the entire duration of the Non-Executive director's mandate), or, if the RSU grant occurs during an ongoing mandate (which was the case for all Non-Executive Directors other than Julie Hamilton and ACACIA I BV, with Els Verbraecken as permanent representative), covering the remainder of the mandate (adjusted pro rata temporis). As the mandates of Julie Hamilton and ACACIA I BV, with Els Verbraecken as permanent representative, commenced on May 5, 2025, the value of their annual RSU entitlement for 2025 is determined on a pro rata temporis basis (covering the period between May 5, 2025 and December 31, 2025).

[20] The mandate of Isabel Hochgesand as a member of the Board of Directors and the Remuneration and Nomination Committee ended on May 5, 2025.

[21] The mandate of Manon Jansen as a member of the Board of Directors and the Remuneration and Nomination Committee ended on May 5, 2025.

GOV-9.3 2025 remuneration of the members of the Executive Committee

GOV-9.3.1 Introduction

There were no changes to the composition of the Executive Committee in 2025.

	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	97,838	121,500	0	0	187,920	1,307,258
Other members of the Executive Committee	2,845,077	672,907	173,179	576,577	0	249,108	4,516,848

The relative share of the different remuneration components in the total remuneration paid to both the CEO and the other members of the Executive Committee is shown below.

Remuneration	CEO	Other members of the executive Committee
Fixed remuneration as % of total remuneration	91%	83%
Variable remuneration as % of total remuneration	9%	17%
Extraordinary remuneration as % of total remuneration	0%	0%

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 2025 is summarized in the table below (all amounts in €):

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 (which is paid in cash) 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, which provides that the base remuneration is 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 2025 bonus for the CEO and the other members of the Executive Committee has been determined on the basis of a set of financial (Revenue, Adjusted EBITDA, and Cash Conversion Cycle) and non-financial KPIs.

For the revenue financial KPI, the threshold performance was set at 92.5% 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 110% of target or more. For the Adjusted EBITDA financial KPI, the threshold performance was set at 87.5% 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 112.5%. For the Cash Conversion Cycle financial KPI, the threshold performance was set at 96% 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 104.3% of target or more.

2025 KPIs for CEO and Group executives



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.

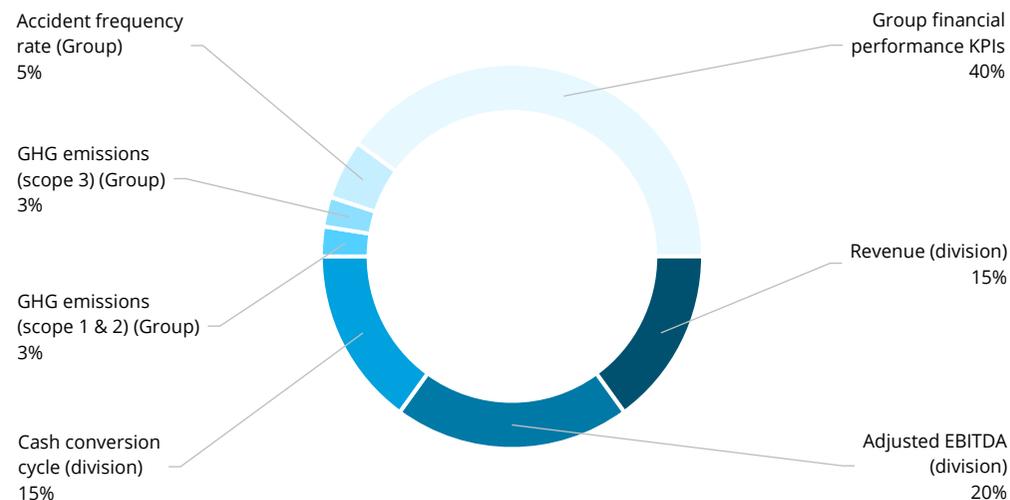
In addition, a “personal leadership multiplier” is applied in function of the individual leadership performance and people impact of the relevant member of the Executive Committee, as explained in the Company’s Remuneration Policy.

For 2025, 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 2025, the specific financial and non-financial KPIs, and their respective weight, were as follows:

2025 KPIs for Division Presidents



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 2025

The KPIs for the 2025 Group Financial Performance and 2025 Division Financial Performance were "Revenue", "Adjusted EBIT(DA)" and "Cash Conversion Cycle". These KPIs for 2025 were measured as follows:

- **"Revenue"**: total revenue (at Group level for Group financial performance and at division level for Division financial performance).
- **"Adjusted 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 adjusted 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 2025 were as follows:

Group performance 2025	Revenue (in € million)	Adjusted EBITDA (in € million)	CCC (in days)
Target	1,950.2	245.0	47.1
Actuals ^[22]	1,757.2	175.6	51.8

Based on the target KPIs and actuals for the 2025 Group Financial Performance and 2025 Division Financial Performance, the average pay-out ratio compared to target for the members of the Executive Committee was 0% for each of the financial KPIs.

[22] The revenue target is defined at the forex rate as set for the budget. The actual it compares with is set at the same budget rate, and thereby differs from the reported revenue for the year.

KPIs, weight and targets for non-financial performance for 2025

The KPIs for the 2025 Non-Financial Performance were "GHG emissions (scope 1 & 2)", "GHG emissions (scope 3)" and "Accident frequency rate". These KPIs were measured as follows:

- **"GHG emissions (Scope 1 & 2)"**: percentage reduction in Scope 1 & 2 CO₂ equivalent emissions.
- **"GHG emissions (Scope 3)"**: percentage reduction in Scope 3 CO₂ equivalent emissions.
- **"Accident frequency rate"**: accident frequency rate.

For 2025, the targets for the Non-Financial Performance KPIs were as follows:

- **"GHG emissions (Scope 1 & 2)"**: reduction by 3.8%.
- **"GHG emissions (Scope 3)"**: reduction by 2.6%.
- **"Accident frequency rate"**: reduction by 30%.

Group performance 2025	GHG emissions Scope 1 & 2	GHG emissions Scope 3	Accident frequency rate
Target	-3.8%	-2.6%	-30%
Actuals ^[23]	-38.6%	-8.6%	-27%

Personal leadership multiplier for 2025

For 2025, 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%)

[23] The actuals presented in the table differ from the ones reported, as the scope is aligned with the target's, i.e. before the restatement following the divestment of the Brazilian and Turkish businesses.

Based on the abovementioned financial and non-financial KPIs and personal leadership multiplier, the CEO received an aggregate bonus of €121,500 for financial year 2025. The aggregate amount of bonuses paid to the other members of the Executive Committee for financial year 2025 amounted to €173,179.

The annual bonus is subject to a claw back. Such claw-back will be applied in case the respective member of the Executive Committee would have engaged in fraud, willful misconduct or gross negligence resulting in the need for a material restatement of the Company's financial results. The Company can exercise such claw-back right for a period of three years after the end of the financial year in which the fraud, willful misconduct or gross negligence occurred.

Name	Date of		At vest		Performance stock units		Restricted stock units		Stock options	
	Grant	Vesting	Share price	Payout %	# vested	Value at vest	# vested	Value at vest	# vested	Value at vest
De Poorter, Annick	10/03/2022	10/03/2025	8.23	75.5%	25,377	208.853	-	-	-	-
Deroo, Jonas	10/03/2022	10/03/2025	8.23	75.5%	18,041	148,477	-	-	-	-
Nielly, Laurent	10/03/2022	10/03/2025	8.23	75.5%	26,640	219,247	-	-	-	-

For the performance stock units granted under the 2022 Performance Share Plan, the combined targets (EPS, relative TSR, Accident frequency rate and GHG emissions), generated a payout of 75.5% at vesting.

Extra-ordinary items and pension expenses

Extra-ordinary items

There were no extra-ordinary items in 2025.

Pension expenses

Pension expenses include the contributions paid by the Company in 2025 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 €437,028. More details on the pension expenses paid for the benefit of the CEO and the other members of the Executive Committee are provided in section [GOV-9.3.2](#).

Multi-year variable (LTI)

Long-term Incentive vesting in 2025

The table below shows the performance stock units ("PSUs") which were granted in 2022 and which vested in 2025. 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.

GOV-9.3.3 Share-based remuneration

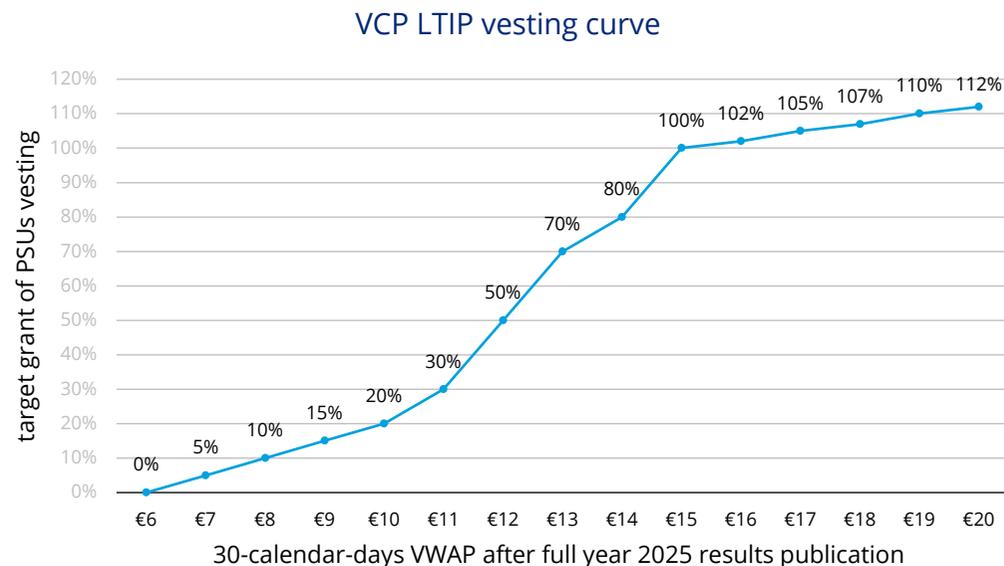
VCP LTIP grant

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 was 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, which is 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, provided that, as mentioned before, pursuant to the Remuneration Policy (2025 version), the Board had the possibility to grant the option to members of the Executive Committee to defer the vesting and related performance testing under the VCP LTIP with one year. The purpose of such delayed performance testing is ensuring that Ontex's management remains strongly incentivized to complete the Company's turnaround, and allows management an additional year to see its efforts in relation to the Company's turnaround reflected in the Company's share price. The Board has made use of such possibility and has granted the option to members of the Executive Committee^[24] to defer the vesting and related performance testing of the VCP LTIP with one year.

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:



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). This share buy-back program was completed in April 2025.

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

[24] For the avoidance of doubt, such option to extend has not been offered to the Company's former CEO, whose mandate ended on January 13, 2026.

Executive Committee Member	Position	Number of PSUs awarded and accepted	Award date	Vesting date ^[25]
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 of 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 2025, relating to the share-based remuneration that is due to 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%), GHG emissions (10%) and Accident frequency rate (10%). Vesting for each of the KPIs is between 0 and 200%.

The sole KPI for the PSU grant of 2023 is the share price of the Company.

[25] Unless the relevant member of the Executive Committee exercises its option to defer the vesting and performance testing with one year, in which case the vesting date will be postponed with one year.

Beneficiary	Plan type	Main conditions of the Stock Option plan				Information for the reported financial year											
		Grant date	Vesting date	Exer- cise period	Strike price (in €)	Opening balance		During the year						Closing balance			
						Vested	Un- vested	# awar- ded	Value awar- ded (in €)	# vested	Value vested (in €)	# exer- cised	Value exerci- sed (in €)	# for- feited	Value forfei- ted (in €)	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.

Information for the reported financial year												
Beneficiary	Plan type	Main conditions of the Performance Share plan			Opening balance	During the year						Closing balance
		Performance period	Grant date	Vesting date	Unvested	# awarded	Value awarded (in €)	# vested	Value vested (in €)	# forfeited	Value forfeited (in €)	Unvested
Calvo Paz, Gustavo	PS 2023	2023-2025	08/05/2023	08/05/2026	1,005,668	-	-	-	-	-	-	1,005,668
De Poorter, Annick	PS 2022	2022-2024	10/03/2022	10/03/2025	33,613	-	-	25,377	208,853	8,236	67,782	0
	PS 2023	2023-2025	08/05/2023	08/05/2026	293,854	-	-	-	-	-	-	293,854
Deroo, Jonas	PS 2022	2022-2024	10/03/2022	10/03/2025	23,896	-	-	18,041	148,477	5,855	48,187	0
	PS 2023	2023-2025	08/05/2023	08/05/2026	299,430	-	-	-	-	-	-	299,430
Nielly, Laurent	PS 2022	2022-2024	10/03/2022	10/03/2025	35,286	-	-	26,640	219,247	8,646	71,157	0
	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.

<i>in €</i>	2021	2022	2023	2024	2025	
Remuneration directors	1,356,500	1,663,417	1,173,750	1,091,250	1,012,500	
Year-on-year change ^[26]	-2%	+23%	-29%	-8%	-7%	
Remuneration CEO	1,588,121	3,945,342	1,769,154	1,667,298	1,307,258	
Year-on-year change ^[27]	-77%	+148%	-55%	-6%	-22%	
Remuneration other Executives	6,635,885	5,289,606	6,032,993	4,814,289	4,516,848	
Year-on-year change ^[28]	-15%	-20%	+14%	-20%	-6%	
Remuneration average employee	34,884	39,986	26,646	31,073	39,240	
Year-on-year change ^[29]	-10%	+14%	-33%	+17%	+26%	
Revenue	Year-on-year change	-3%	+22%	+10%	+2.0%	-5.3%
Adjusted EBITDA	Year-on-year change	-27%	-21%	+65%	+12.8%	-21.1%
Cash conversion cycle	Year-on-year change		New KPI	-5.3 days	+1.9 days	

Remuneration in the table above includes the total remuneration as defined in sections [GOV-9.2](#) and [GOV-9.3.2](#). 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 [GOV-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 2025, divided by the average total number of employees during 2025.

In 2025, the ratio of the total remuneration of the CEO compared to the total remuneration of the lowest remunerated employee (located in Russia) is 558. 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.

[26] The decrease in the aggregate cash remuneration of the Directors compared to 2024 is explained mainly by (i) the reduction of the size of the Board from nine to eight members as from October 1, 2024 (as a result of which the Board's aggregate remuneration decreased since that date), and (ii) the reduction of the Board Chair's additional fixed fee from €190,000 to €140,000 as from January 1, 2025 (as per the Remuneration Policy (version 2025)).

[27] The year-on-year change reported from 2024 to 2025 is -22%, which is mainly explained by a reduced STI pay-out in 2025 compared to 2024. The 2022 year-on-year change was influenced by one-off termination payments to Members of the Executive Committee.

[28] The year-on-year decrease is mainly explained by a decrease of the short term variable paid out to other members of the Executive Committee compared to 2024. When the long term variable is excluded, the decrease is -15%.

[29] The year-on-year increase is mainly explained by perimeter changes as a result of the sale of our Brazilian and Turkish businesses in the course of 2025.

GOV-9.5 2026 remuneration outlook

In 2026, the Company will continue to apply its Remuneration Policy, which was last revised by resolution of the annual shareholders' meeting of May 5, 2025, subject to certain changes that will be proposed to the shareholders' meeting to be held on May 5, 2026. The key change that will be proposed is a one-off rebalancing of the weighing between the short-term incentive and the long-term incentive for the CEO (and potentially other members of the Executive Committee) for the period covering financial years 2026 to 2028. As a result of such rebalancing, the short-term incentive component is proposed to be decreased, and the long-term incentive component is proposed to be increased through the introduction of a specific three-year long term incentive plan for the CEO (and potentially other members of the Executive Committee), which is proposed to have the share price evolution as single KPI. The aim of such change is to ensure full alignment of the CEO's remuneration package with value creation for the shareholders.

The other members of the Executive Committee will be remunerated in accordance with the terms of the Remuneration Policy, as follows:

- In terms of long-term variable remuneration (LTI), a grant under an LTI plan (consisting solely of performance stock units) will be issued in May 2026 that covers the financial years 2026, 2027 and 2028;
- In terms of short-term variable remuneration (STI) for 2026, 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 2026, as follows:

- Targets for Financial Performance – As the targets for Financial Performance for the 2026 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 2026.
- Targets for Non-Financial Performance – The targets for Non-Financial Performance for the 2026 STI will be as follows:
 - "GHG emissions (Scope 3)": reduction by 9% compared to 2025 level; and
 - "Accident frequency rate": reduction by 16% compared to 2025 level (i.e. to an Accident frequency rate of 2.20).
- Personal Leadership Multiplier – Finally, the personal leadership multiplier for the 2026 STI will be the same as for the 2025 STI (as detailed above).

Consolidated financial statements

For the financial years ended December 31, 2025 and 2024

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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 IFRS Accounting Standards 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, § 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, 2025 were authorized for issue in accordance with a resolution of the Board of Directors on March 13, 2026.

FIN-2.2 Business activities

Ontex is a leading international developer and producer of baby care, feminine care and adult care products, both for retailers and healthcare, primarily in Europe and North America. The group employs around 5,000 people, with plants and offices in 12 countries, and its innovative products are distributed in around 100 countries. Ontex is headquartered 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. In 2008, Ontex 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 was 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, which was completed in the second half 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 Kepestraat 21, 9320 Ereembodegem (Aalst), Belgium. The shares of Ontex Group NV are listed on the regulated market of Euronext Brussels.

FIN-3 Consolidated financial statement

FIN-3.1 Consolidated statement of financial position

<i>in € million</i>	Note	December, 31	
		2025	2024
Goodwill	9	792.9	799.4
Intangible assets	9	26.9	33.8
Property, plant and equipment	10	518.1	497.6
Right-of-use assets	11	138.7	100.9
Deferred tax assets	19	30.7	27.6
Non-current receivables	13	7.4	11.1
Non-current assets		1,514.8	1,470.4
Inventories	12	274.7	292.9
Trade receivables	13	186.8	204.1
Prepaid expenses and other receivables	13	78.7	67.2
Current tax assets	13	4.1	3.3
Derivative financial assets	5.1	1.9	6.3
Other financial assets	8	33.5	0.0
Cash and cash equivalents	14	70.4	56.9
Assets classified as held for sale	8	0.0	259.3
Current assets		650.1	890.2
Total assets		2,164.9	2,360.6

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

<i>in € million</i>	Note	December, 31	
		2025	2024
Share capital & premium	15	1,208.0	1,208.0
Treasury shares		(35.7)	(31.0)
Cumulative translation reserves		(31.5)	(242.6)
Retained earnings and other reserves		(190.4)	(8.7)
Total equity		950.4	925.7
Employee benefit liabilities	18	14.0	13.4
Interest-bearing debts	17	518.1	667.1
Deferred tax liabilities	19	16.7	16.0
Other payables		1.4	2.0
Non-current liabilities		550.2	698.5
Interest-bearing debts	17	129.3	53.1
Derivative financial liabilities	5.1	4.4	2.0
Other current financial liabilities	19	5.8	0.0
Trade payables	20	432.7	440.1
Accrued expenses and other payables	20	18.5	21.1
Employee benefit liabilities	18	32.8	45.3
Current tax liabilities	19	25.3	31.8
Provisions	21	15.6	38.3
Liabilities related to assets classified as held for sale	8	(0.0)	104.6
Current liabilities		664.4	736.3
Total liabilities		1,214.6	1,434.8
Total equity and liabilities		2,164.9	2,360.6

FIN-3.2 Consolidated income statement

<i>in € million</i>	Note	Full year	
		2025	2024
Revenue	6	1,761.6	1,860.5
Cost of sales	25	(1,282.2)	(1,316.7)
Gross profit		479.4	543.8
Distribution expenses	25	(211.9)	(207.0)
Sales and marketing expenses	25	(81.2)	(81.9)
General administrative expenses	25	(90.8)	(96.3)
Other operating income/(expenses), net	23, 25	2.7	(10.1)
Income and expenses related to changes to Group structure	24	(6.2)	(61.9)
Income and expenses related to impairments and major litigations	24	(13.0)	(10.8)
Operating profit/(loss)		79.0	75.8
Net finance cost:		(51.1)	(51.4)
Finance income	26	5.2	4.2
Finance costs	26	(52.1)	(49.1)
Net exchange differences relating to financing activities	26	(4.1)	(6.5)
Profit/(loss) before income tax		27.9	24.3
Income tax expense	27	(11.4)	(3.4)
Profit/(loss) for the period from continuing operations		16.6	20.9
Profit/(loss) for the period from discontinued operations	8	(190.1)	(10.7)
Profit/(loss) for the period		(173.5)	10.3
attributable to the owners of the parent		(173.5)	10.3

Earnings per share

<i>in €</i>	Note	Full year	
		2025	2024
For continuing operations			
Basic earnings per share	16	0.21	0.26
Diluted earnings per share	16	0.20	0.25
For continuing and discontinued operations			
Basic earnings per share	16	(2.16)	0.13
Diluted earnings per share	16	(2.16)	0.12
Weighted average number of ordinary shares outstanding during the period		80,164,404	81,178,171

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

FIN-3.3 Consolidated statement of comprehensive income

<i>in € million</i>	Note	Full year	
		2025	2024
Profit/(loss) for the period		(173.5)	10.3
Other comprehensive income/(loss) for the period, after tax			
Remeasurements of defined benefit plans		(0.5)	0.2
Deferred tax on items that will not be reclassified subsequently to income statement		0.1	(0.0)
Items that will not be reclassified subsequently to income statement, net of tax		(0.5)	0.1
Exchange differences on translating foreign operations		211.0	4.2
Fair value remeasurements - Cash flow hedge	5.1	(5.3)	7.5
Deferred tax on items that will be reclassified subsequently to income statement		0.6	(1.0)
Items that will be reclassified subsequently to income statement, net of tax		206.2	10.7
Other comprehensive income/(loss) for the period, net of tax		205.8	10.8
Total comprehensive income/(loss) for the period		32.3	21.1
attributable to the owners of the parent		32.3	21.1

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

FIN 3.4 Consolidated statement of changes in equity

<i>in € million</i>	Attributable to equity holders of the Company										Total Equity
	Number of shares	Share capital	Share Premium	Treasury shares	Cumulative translation reserves	Retained earnings	Other reserves				
							Defined benefit plans	Cash flow hedge	Share- based payments	Other	
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
Transactions with owners at the level of Ontex Group NV											
Share-based payments	-	-	-	-	-	2.5	-	-	1.0	-	3.5
Settlement of share-based payments	-	-	-	6.6	-	-	-	-	(1.1)	(5.5)	-
Share buy-back program	-	-	-	(11.2)	-	-	-	-	-	-	(11.2)
Descoper	-	-	-	-	-	(3.4)	3.0	0.4	-	0.0	0.0
Total transactions with owners	-	-	-	(4.6)	0.0	(0.8)	3.0	0.4	(0.0)	(5.5)	(7.6)
Comprehensive income											
Profit/(loss) for the period	-	-	-	-	-	(173.5)	-	-	-	-	(173.5)
Other comprehensive income/(loss)	-	-	-	-	211.0	(0.0)	(0.5)	(4.8)	-	0.0	205.8
Balance at December 31, 2025	82,347,218	795.2	412.7	(35.7)	(31.5)	(484.1)	4.8	(0.4)	11.4	278.0	950.4

Attributable to equity holders of the Company

<i>in € million</i>	Number of shares	Share capital	Share Premium	Treasury shares	Cumulative translation reserves	Retained earnings	Other reserves				Total Equity
							Defined benefit plans	Cash flow hedge	Share-based payments	Other	
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

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

The shareholding of Ontex Group NV based on the declarations, received in the period up to December 31, 2025, is as follows:

Shareholder	December 31, 2025	% ^[30]
Groupe Bruxelles Lambert SA	16,454,453	19.98%
ENA Investment Capital LLC	12,411,999	15.07%
Brandes Investment Partners LLP	8,251,487	10.02%
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%
Goldman Sachs Group Inc. ^[31]	2.559.752	3.21%

[30] At the time of the transparency declaration

[31] The position held by Goldman Sachs Group Inc. consists mostly of equivalent financial instruments, whereas the other shareholders own only shares. More information can be found in section [GOV-3.3](#).

FIN-3.5 Consolidated statement of cash flows

<i>in € million</i>	Note	Full year	
		2025	2024
Cash flows from operating activities			
Profit/(loss) for the period		(173.5)	10.3
Adjustments for:			
Income tax expense		12.1	9.7
Depreciation and amortization		77.5	74.1
Impairment losses and items relating to investing activities		198.8	32.4
Provisions (including employee benefit liabilities)		(15.0)	32.5
Change in fair value of financial instruments		1.4	(4.0)
Net finance cost		52.5	57.9
Changes in working capital:			
Inventories		16.7	(45.4)
Trade and other receivables and prepaid expenses		(1.5)	(16.3)
Trade and other payables and accrued expenses		(16.6)	70.8
Current employee benefit liabilities		(12.3)	4.0
Cash from operating activities before taxes		140.0	226.0
Income taxes paid		(16.2)	(10.3)
Net cash generated from operating activities		123.9	215.7
Cash flows from investing activities			
Purchases of property, plant and equipment and intangible assets		(81.1)	(112.4)
Proceeds from disposal of property, plant and equipment and intangible assets		0.2	0.2
Proceeds from divestments, net of cash disposed and transaction costs	8 , 13	97.9	10.3
Net cash generated from/(used in) investing activities		17.0	(101.9)

<i>in € million</i>	Note	Full year	
		2025	2024
Cash flows from financing activities			
Proceeds from borrowings	17	467.8	67.4
Repayment of borrowings	17	(616.6)	(184.7)
Interests paid		(41.0)	(37.6)
Interests received		5.9	7.2
Other costs of financing		(3.4)	0.9
Realized foreign exchange (losses)/gains on financing activities		(2.2)	0.1
Derivative financial assets		(2.3)	(1.5)
Net cash generated from/(used in) financing activities		(191.9)	(148.1)
Net increase/(decrease) in cash and cash equivalents		(51.0)	(34.3)
Effects of exchange rate changes on cash and cash equivalents		(2.8)	(9.7)
Cash and cash equivalents at the beginning of the period		124.2	168.3
Cash and cash equivalents at the end of the period		70.4	124.2
of which presented as part of assets classified as held for sale	8	-	67.3

The amounts include both continuing and discontinued operations. For details regarding the discontinued operations, see note [FIN-4.8](#).

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, 2025 to December 31, 2025 are consistent with those applied in the audited consolidated financial statements for the year ended December 31, 2024 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, 2025 have been prepared in compliance with IFRS Accounting Standards as adopted by the European Union. These include all IFRS accounting standards and IFRIC interpretations issued and effective as at December 31, 2025. The new standards, amendments to standards and interpretations that are mandatory for the first time for the financial year beginning January 1, 2025, 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 2025 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, 2025:

Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*. 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.

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

Relevant IFRS accounting pronouncements to be adopted as from 2026 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, 2026 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 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 IFRS 9 and IFRS 7 is not expected to have a significant impact on the consolidated financial statements. The impact of the amendments to IFRS 18 is

being assessed. At this stage, more comprehensive disclosure cannot be provided as the quantitative impact is not reasonably estimable yet.

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 up till the divestment of Ontex Turkey in the beginning of November.

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:

Rate in / € Currency	December 31			
	2025		2024	
	Closing	Average	Closing	Average
AUD	1.7581	1.7489	1.6772	1.6399
BRL	6.4364	6.3055	6.4253	5.8268
CZK	24.2370	24.6920	25.1850	25.1189
GBP	0.8726	0.8566	0.8292	0.8466
MXN	21.1180	21.6729	21.5504	19.8249
PLN	4.2210	4.2392	4.2750	4.3057
RUB	98.7672	94.6326	122.4011	100.8206
TL	50.4838	44.7653	36.7372	35.5653
USD	1.1750	1.1293	1.0389	1.0821

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	Useful life
Brands	20 years
IT implementation costs	3 to 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	Useful life
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') and performance stock units ('PSU'). 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 § 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 note [FIN-4.1.22](#)).

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:

<i>in € million</i>	Full year					
	2025			2024		
	Continuing Operations	Discontinued Operations	Total Group	Continuing Operations	Discontinued Operations	Total Group
Revenue	1,761.6	111.2	1,872.8	1,860.5	306.9	2,167.4
Operating profit/(loss)	79.0	(187.8)	(108.8)	75.8	2.1	77.9
Depreciation and amortization	77.5	0.0	77.5	74.1	0.0	74.1
EBITDA	156.5	(187.8)	(31.4)	149.9	2.1	152.0
EBITDA adjustments:	19.1	196.5	215.6	72.7	27.1	99.9
Income and expenses related to changes to Group structure	6.2	196.5	202.7	61.9	51.6	113.5
Income and expenses related to impairments and major litigations	13.0	0.0	12.9	10.8	(24.5)	(13.7)
Adjusted EBITDA	175.6	8.6	184.2	222.6	29.2	251.9
Adjusted EBITDA margin	10.0%	7.7%	9.8%	12.0%	9.5%	11.6%

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:

<i>in € million</i>	December 31					
	2025			2024		
	Continuing Operations	Discontinued Operations	Total Group	Continuing Operations	Discontinued Operations	Total Group
Non-current interest-bearing debts	518.1	-	518.1	667.1	10.9	678.0
Current interest-bearing debts	129.3	-	129.3	53.1	5.2	58.3
Cash and cash equivalents	(70.4)	-	(70.4)	(56.9)	(67.3)	(124.2)
Net financial debt	577.0	-	577.0	663.3	(51.2)	612.0
Adjusted EBITDA (LTM) ^[32]	175.6	(0.0)	175.6	222.6	25.7	248.3
Leverage ratio			3.29x			2.46x

[32] The LTM Adjusted EBITDA (LTM) in FY25 excludes the €8.6m contribution of the Brazilian and Turkish activities which were sold during 2025. The LTM Adjusted EBITDA (LTM) in FY24 excludes the €3.5m contribution of the Algerian and Pakistani activities which were sold in the first half of 2024.

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:

<i>in € million</i>	Full year	
	2025	2024
Operating profit/(loss)	79.0	75.8
Depreciation and amortization	77.5	74.1
EBITDA	156.5	149.9
EBITDA from discontinued operations	(187.8)	2.1
Non-cash items and items relating to investing and financing activities	185.1	61.0
Inventories	16.7	(45.4)
Trade and other receivables and prepaid expenses	(1.5)	(16.3)
Trade and other payables and accrued expenses	(16.6)	70.8
Employee benefit liabilities	(12.3)	4.0
Cash from operating activities before taxes	140.0	226.0
Income taxes paid	(16.2)	(10.3)
Net cash generated from operating activities	123.9	215.7
Capex	(81.1)	(112.4)
Cash (used in)/from on disposal	0.2	0.2
Repayment of lease liabilities	(25.0)	(24.8)
Free cash flow before financing	18.0	78.7
Interests paid & received	(35.1)	(30.4)
Other financial cash flow	(8.0)	(0.4)
Free cash flow	(25.1)	47.9

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.

<i>in € million</i>	December 31	
	2025	2024
Inventories	274.7	292.9
Trade receivables	186.8	204.1
Prepaid expenses and other receivables	78.7	67.2
Trade payables	(432.7)	(440.1)
Accrued expenses and other payables	(18.5)	(21.1)
Net working capital	89.0	103.0

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.

<i>in € million</i>	2024	Volume	Price/mix	2025 LFL	Forex	2025
Continuing Operations	1,860.5	(93.5)	2.6	1,769.6	(8.0)	1,761.6

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:

in € million	December 31	
	2025	2024
Non-current interest-bearing debts	518.1	678.0
Current interest-bearing debts	129.3	58.3
Cash and cash equivalents	(70.4)	(124.2)
Net financial debt	577.0	612.0
LTM adjusted EBITDA	175.6	248.3
Net financial debt / LTM adjusted EBITDA	3.29	2.46

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, which is tested on June 30 and December 31 of each year. The leverage ratio of net financial debt over the adjusted EBITDA of the last twelve months is not to exceed 3.50x throughout all testing periods, except for a one-time spike up to 3.75x.

On April 3, 2025, the Group refinanced its €580.0 million senior notes, which had a maturity date in July 2026, with new 5.25% senior notes due 2030 for a principal amount of €400.0 million. The senior notes do not have any maintenance covenants to be complied with. Following the cash tender offer launched in March and concluded in April 2025, which was accepted for €283.1 million out of the originally issued €580.0 million, the remaining outstanding amount was €296.9 million. The Group redeemed all of its remaining outstanding notes, plus accrued and unpaid interest and additional amounts, if any, on July 15, 2025.

The Group complied with all requirements of the loan covenant on its available credit facilities throughout the reporting period. Management has prepared detailed budgets for the next years, which reflect the strategy of the Group. Management acknowledges that uncertainty remains in these budget exercises, but the Company is confident that it will meet the requirements of the loan covenant.

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 €669.0 million at December 31, 2025 (€633.8 million at December 31, 2024).

The Group has only recognized deferred tax assets on €141.0 million of tax losses and other tax incentives out of the €669.0 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 2025 did not result in an impairment, nor in 2024. For more detailed information, see note [FIN-4.9](#).

The Group identifies the following cash-generating units:

- Europe
- Russia
- North America

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. In 2025 Ontex revised its physical 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.

The key findings are:

- In terms of physical risks, Ontex assessed operational disruptions related to extreme weather, with a focus on production sites and supply chain vulnerabilities. Under the IPCC RCP 8.5 (BAU 3.2–4.5) scenario, climate-related risks were evaluated using several factors, including asset value and potential turnover losses, assuming that certain production sites could be slowed down or temporarily disrupted by specific climate events. The assessment also considered the likelihood of each climate risk at the location of each production site, as well as the mitigation measures already in place to protect facilities against these risks.
- By 2050, climate hazards may pose increased risks for Ontex, particularly flooding and severe wind events, which could lead to asset damage and business interruption.
- The previous study conducted by Ontex in 2023 analyzed transition risks and opportunities. The key findings are presented below.
- Ontex explored transition risks under the IPPC RCP 2.6 (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 such as 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.
- 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	
	2025	2024
Europe	8.8%	9.4%
North America	8.6%	8.9%
Russia	20.4%	22.4%

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 16.3%, 12.1% and 22.4% 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 Europe, Russia 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 CGUs are currently operating. Should the long growth rate for Europe and North America decrease by 40.0%, no impairment would need to be recognized.

Should the estimated operating margins for Europe or North America 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. 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. During 2025, the sale of the Brazilian and Turkish activities was concluded, which means that Ontex no longer holds any of the activities located in the Emerging Markets and that there are no longer assets 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 2025, Ontex generated €104.9 million (2024: €95.0 million) revenue in its Russian subsidiary. The fixed assets held in Russia represent €41.9 million (2024: €12.5 million) consolidated fixed assets, including mainly machinery and right-of-use assets (leased manufacturing facilities). The Russian contribution to the Group is impacted by the year over year exchange rate fluctuations. 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 automation 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.

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:

<i>in € million</i>	Designated in hedge relationship	At amortized cost	Fair value	Fair value level
December 31, 2025				
Non-current receivables		7.4	7.4	Level 3
Trade receivables		186.8	186.8	Level 2
Other receivables		78.7	78.7	Level 2
Derivative financial assets:	1.9		1.9	
Forward foreign exchange contracts	1.9		1.9	Level 2
Other financial assets		33.5	33.5	Level 2
Cash and cash equivalents		70.4	70.4	Level 2
Total financial assets	1.9	376.8	378.7	
Interest-bearing debts - non-current:		518.1	521.0	
Senior notes		394.7	397.6	Level 1
Lease & other liabilities		123.4	123.4	Level 2
Derivative financial liabilities:	4.4		4.4	
Forward foreign exchange contracts	3.1		3.1	Level 2
Commodity hedging contracts	1.3		1.3	Level 2
Other payables - non-current		1.4	1.4	Level 2
Interest-bearing debts - current:		129.3	129.3	
Revolving credit facility		98.3	98.3	Level 2
Accrued interests - Other		9.7	9.7	Level 2
Lease & other liabilities		21.3	21.3	Level 2
Trade payables		432.7	432.7	Level 2
Other payables - current		24.3	24.3	Level 2
Total financial liabilities	4.4	1,105.8	1,113.1	

<i>in € million</i>	Designated in hedge relationship	At amortized cost	Fair value	Fair value level
December 31, 2024				
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	

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:

<i>in € million</i>	Fair value December 31		Nominal amounts December 31	
	2025	2024	2025	2024
Forward foreign exchange contracts	1.9	6.3	104.7	216.5
Commodity hedging contracts	0.0	0.0	0.0	7.0
Derivative financial assets	1.9	6.3	104.7	223.5
Forward foreign exchange contracts	3.1	2.0	140.2	149.5
Commodity hedging contracts	1.3	0.0	20.8	0.0
Derivative financial liabilities	4.4	2.0	161.0	149.5

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 derivatives is as follows:

<i>in € million</i>	Forward foreign exchange contracts	Commodity hedging contracts
December 31, 2023	(2.7)	(0.2)
Amounts recognized in 2024	8.6	(1.8)
Amounts derecognized (Recycled to P&L) in 2024	(1.6)	2.0
Total movement 2024	7.0	0.2
December 31, 2024	4.3	0.0
Amounts recognized in 2025	(5.8)	(1.9)
Amounts derecognized (Recycled to P&L) in 2025	2.0	0.6
Total movement 2025	(3.8)	(1.3)
December 31, 2025	0.5	(1.3)

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 (2024: €-0.3 million), and derivatives within Assets held for sale for an amount of €-0.1 million in 2024.

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, 2025 (nor 2024).

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), Australian dollar (AUD), US dollar (USD) and Mexican peso (MXN) 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:

<i>in € million</i>	Assets December 31		Liabilities December 31	
	2025	2024	2025	2024
EUR	1,498.5	1,339.5	2,059.2	1,974.4
USD	243.8	223.7	278.9	266.1
MXN	50.8	66.7	52.0	66.0
PLN	63.5	48.7	32.7	11.8
GBP	63.2	29.3	40.7	2.5
RUB	39.1	26.7	4.1	3.8
AUD	18.5	11.0	10.4	1.4
CZK	29.5	7.0	23.4	1.4

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 2025 maturing at the latest in March 2027 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 2026. Based on the hedge strategy, the foreign exchange forward contracts hedge the following forecasted exposures until December 31, 2025: for British pound (GBP) 79.2 million, for Polish zloty (PLN) 159.6 million, for Australian dollar (AUD) 22.0 million, for Czech crown (CZK) 856.3 million, for US dollar (USD) 63.6 million versus EUR and US dollar (USD) 18.0 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, 2025, an unrealized gain of €2.3 million (mainly British pound versus EUR for €2.0 million) has been recognized in other comprehensive income, offset by an unrealized loss of €6.1 million (mainly Brazilian real versus EUR for €3.1 million and US dollar versus EUR for €3.0 million). The unrealized loss for the Brazilian real is a consequence of the hedge of a part of the consideration for the sale of the Brazilian activities.

As of December 31, 2025, the fair value of the derivative financial asset for the foreign exchange contracts amounted to €1.9 million (2024: €6.3 million) and of the derivative financial liability amounted to €3.1 million (2024: €2.0 million).

An amount of €2.0 million was reclassified to P&L (loss) during 2025 (2024: €1.6 million gain).

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.

<i>in € million</i>	Impact of 10% weakening of the €			Impact of 10% strengthening of the €		
	2025		2024	2025		2024
	P&L	Equity	P&L	P&L	Equity	P&L
AUD	(0.2)	(1.3)	(0.2)	0.1	1.0	0.2
GBP	(1.1)	(9.1)	(1.2)	0.9	7.4	1.0
PLN	(0.5)	(3.6)	(0.5)	0.4	3.0	0.4
USD	(2.9)	4.3	(4.9)	2.4	(3.5)	4.0

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. At this moment, the Group does not longer have interest rate swaps.

The Group has a 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, 2025, there has been €100.0 million withdrawn on the Floating Rate Revolving Credit Facility, carrying an interest of EURIBOR 1 month + margin of 1.85%.

On April 3, 2025, a new €400.0 million bond was issued with a fixed interest rate of 5.25% and a maturity date at April 2030. This new bond replaced an existing €580.0 million bond with a fixed interest rate of 3.50%, that was due to mature in July 2026.

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 2025.

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 2025 was €12.6 million covering propylene. The average hedged rate for 2025 was €1,142/ton for propylene.

The OCI net impact for 2025 was a €1.3 million gain (2024: €0.2 million loss). €0.6 million was reclassified to P&L (loss) during 2025 (2024: loss of €2.0 million).

Sensitivity of the fair value of derivative financial instruments related to commodities: at December 31, 2025, 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 €2.0 million higher / €2.0 million lower (2024: impact was €0.7 million higher / €0.7 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.

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 were spread over a five-month period, which started on December 1, 2024 and ended on April 10, 2025, after a total of 1.5 million shares had been acquired by the Company, for which it paid €12.4 million, and which represented 1.8% of the Company's share capital.

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 2025 and 2024. 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 (see note [FIN-4.17](#)) 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.

<i>in € million</i>	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, 2025				
Interest-bearing debts	(121.7)	(21.3)	(461.3)	-
Lease liabilities	(27.7)	(23.5)	(52.7)	(48.8)
Trade payables	(432.7)	-	-	-
Total non-derivative financial liabilities	(581.4)	(44.8)	(514.0)	(48.8)
Forward foreign exchange contracts	(235.4)	(9.4)	-	-
Total derivative financial liabilities	(235.4)	(9.4)	-	-

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.

Revenue <i>in € million</i>	Full year	
	2025	2024
Adult Care	814.1	800.5
Baby Care	696.6	793.4
Feminine Care	228.2	236.6
Other	22.7	30.0
Total	1,761.6	1,860.5

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.

Revenue <i>in € million</i>	Full year	
	2025	2024
United Kingdom	294.5	316.2
Italy	265.9	252.7
USA	228.3	248.9
France	179.6	188.3
Poland	136.1	173.7
Other countries	657.2	680.7
Total	1,761.6	1,860.5

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.

Non-current assets <i>in € million</i>	December 31	
	2025	2024
Belgium	134.0	133.5
Spain	99.8	89.9
Poland	91.0	87.9
Czech Republic	68.7	55.6
Mexico	66.7	56.9
United States	62.2	71.8
Other countries	161.4	136.7
Total	683.8	632.3

FIN-4.6.3 Revenue from major customers

The Group does not have a single significant customer (more than 10.0%). The 10 largest customers represent less than 40% of 2025 revenue (2024: 37.9%).

FIN-4.7 List of consolidated companies

Name	Country	% interest held by the Group		Registered office	Company legal number
		2025	2024		
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. ^[33]	Brazil	0.0%	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. ^[33]	Brazil	0.0%	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 District, 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 ^[34]	Germany	0.0%	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 Hygieneartikel Deutschland GmbH	Germany	100.0%	100.0%	Fabrikstrasse 30, 02692 Grosspostwitz, Germany	HRB 3865

[33] The Brazilian and Turkish activities were sold during 2025, see note [FIN-4.8](#).

[34] In 2025, a corporate reorganization of the German entities took place, resulting in the following companies ceasing to exist: Ontex Engineering GmbH & Co KG, Ontex Inko Deutschland GmbH, Ontex Care GmbH and WS Windelshop GmbH. In May 2025, Ontex Mayen GmbH changed its name to Ontex Global Excellence Center GmbH.

Name	Country	% interest held by the Group		Registered office	Company legal number
		2025	2024		
Ontex Inko Deutschland GmbH ^[34]	Germany	0.0%	100.0%	Robert-Bosch-Straße 8, 56727 Mayen, Germany	HRB 20630
Ontex Care GmbH ^[34]	Germany	0.0%	100.0%	Robert-Bosch-Straße 8, 56727 Mayen, Germany	HRB 21024
Ontex Global Excellence Center GmbH ^[34]	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 ^[34]	Germany	0.0%	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 Polska sp. z.o.o.	Poland	100.0%	100.0%	ul. Przedsiębiorcow 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 ^[33]	Turkey	0.0%	100.0%	Tekstil Kent 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

Name	Country	% interest held by the Group		Registered office	Company legal number
		2025	2024		
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
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%	9300 NC Highway 65, Stokesdale, NC 27357	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.

For the financial year ending December 31, 2025 the following companies make use of the exemptions in accordance with the German regulations of § 264 section 3 HGB:

- Ontex Vertrieb GmbH, Mayen;
- Ontex Global Excellence Center GmbH, Mayen;
- Moltex Baby-Hygiene GmbH, Mayen;
- Ontex Healthcare Deutschland GmbH, Lotte; and
- Ontex Hygieneartikel Deutschland GmbH, Großpostwitz

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 Pakistani 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 was 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, which was completed in the second half of 2025. Upon closing of the Turkish transaction, all assets held for sale were disposed.

Disposal group classified as held for sale

In 2025, there were EBITDA adjustments incurred for an amount of €196.5 million (cost) which are almost entirely related to the sale of the Brazilian and Turkish activities.

For the Brazilian activities, the result on the transaction is as follows:

<i>in € million</i>	Full year 2025
Total cash received	112.4
Cash disposed	(17.5)
Net cash impact	94.9
Provision repayment to buyer	(3.3)
Carrying amount of net assets sold	(67.3)
Result on disposal before reclassification of foreign currency translation reserve	24.3
Reclassification of foreign currency translation reserve	(142.1)
Result on disposal	(117.8)

Note that the transaction for the sale of the Brazilian activities includes a contingent consideration related to the Protégé legal case. In 2018, the State of Goiás 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 Goiás (“Protégé”) 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 the Protégé contribution in court. After Falcon received a favorable judgment from the court of first instance in 2023, the State of Goiás filed an appeal, which was rejected by the court of second instance in November 2024. Such favorable judgment became final and unappealable in April 2025.

As part of the binding agreement entered into with Softys S.A. for the sale of Ontex’s Brazilian business, Ontex voluntarily paid the Protege contributions for the period 2020 to early 2025, for an amount of €21.7 million. As the favorable ruling by the court of second instance has become final and non-appealable, Falcon has meanwhile filed a claim against the State of Goiás for reimbursement of such Protege contributions. Upon receipt by Falcon of such reimbursement, such amounts shall be paid to Ontex in accordance with the binding agreement between Softys S.A. and Ontex. At 31 December 2025, Ontex has not recognized this contingent consideration in its statement of financial position due to the ongoing lawsuit against the State of Goiás, and the uncertainty on the timing of a possible reimbursement.

The sale of the Turkish activities resulted in the following:

<i>in € million</i>	Full year 2025
Total cash received	38.8
Cash disposed	(39.6)
Net cash impact	(0.8)
Deferred consideration	33.5
Provision repayment to buyer	(3.3)
Carrying amount of net assets sold	(38.3)
Result on disposal before reclassification of foreign currency translation reserve	(8.9)
Reclassification of foreign currency translation reserve	(68.2)
Result on disposal	(77.1)

Within the result for the period from discontinued operations in 2024, there were EBITDA adjustments for an amount of €27.1 million of which €51.6 million was 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. 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 was related to the sale of the Algerian and Pakistani business. The remaining amount was mostly related to the sale of the Brazilian activities for which an upfront cost of €21.1 million was incurred and which was therefore part of the investing cash flow. The incurred cost related to the Protege legal case which is disclosed above and the amounts corresponds to the Protege contributions for the period 2020 to December 2024.

The major classes of assets and liabilities comprising the operations classified as held for sale are as follows:

<i>in € million</i>	December 31	
	2025	2024
Intangible assets	-	7.6
Property, plant and equipment	-	81.1
Right-of-use assets	-	20.8
Non-current receivables	-	0.2
Non-current assets	-	109.8
Inventories	-	34.0
Trade receivables	-	41.2
Prepaid expenses and other receivables	-	4.8
Current tax assets	-	1.8
Derivative financial assets	-	0.4
Cash and cash equivalents	-	67.3
Current assets	-	149.5
Assets classified as held for sale	-	259.3

<i>in € million</i>	December 31	
	2025	2024
Employee benefit liabilities	-	4.3
Interest-bearing debts	-	10.9
Deferred tax liabilities	-	11.6
Non-current liabilities	-	26.8
Interest-bearing debts	-	5.2
Trade payables	-	58.2
Accrued expenses and other payables	-	7.2
Employee benefit liabilities	-	5.6
Provisions	-	1.5
Current liabilities	-	77.8
Liabilities related to assets classified as held for sale	-	104.6

Financial performance

The results of the discontinued operations, which have been included in the consolidated income statement, were as follows:

<i>in € million</i>	Full year	
	2025	2024
Revenue	111.2	306.9
Operating expenses (excl. depreciations and amortizations)	(102.6)	(277.7)
Adjusted EBITDA	8.6	29.2
Result on divestment of subsidiary	(196.5)	(27.1)
EBITDA	(187.8)	2.1
Depreciation and amortization	(0.0)	(0.0)
Financial result	(1.5)	(6.4)
Profit/(loss) before income tax	(189.3)	(4.3)
Income tax expense	(0.8)	(6.3)
Profit/(loss) for the period from discontinued operations	(190.1)	(10.7)

<i>in €</i>	Full year	
	2025	2024
Basic earnings per share	(2.37)	(0.13)
Diluted earnings per share	(2.36)	(0.13)

Cash flows

The cash flow information presented for the period ended December 31, 2025 and 2024:

<i>in € million</i>	Full year	
	2025	2024
Net cash generated from / (used in) operating activities	(1.5)	24.2
Net cash generated from / (used in) investing activities	(59.8)	(11.0)
Net cash generated from / (used in) financing activities	(2.8)	(12.7)
Net increase / (decrease) in cash and cash equivalents	(64.1)	0.5
Effects of exchange rate changes on cash and cash equivalents	(3.2)	(4.3)

The above net cash used in investing activities includes the total cash disposed as part of the sale of the Brazilian and Turkish activities for an amount of €57.1 million. It does not include the total cash received for the sale of the Brazilian and Turkish activities in 2025 as this was received by the owners of these activities, i.e. Ontex Hygienic Spain and Ontex ES Holdco, 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 until the disposal of the Turkish subsidiary in the beginning of November 2025;
- 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 2025, in combination with the application of the CPI on the income statement, amounted to €-11.5 million (2024: €-12.2 million). The CPI index at October 31, 2025 amounted to 3,453.09 which means an increase of 29% versus December 31, 2024; 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 2025 amounted to €1.7 million (2024: €2.0 million).

FIN-4.9 Goodwill and intangible assets

<i>in € million</i>	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
of which cost	841.2	18.6	82.2	21.5	963.6
of which accumulated amortization and impairment	(41.8)	(9.8)	(64.7)	(14.1)	(130.4)
Period ended December 31, 2025					
Opening carrying amount	799.4	8.8	17.5	7.4	833.2
Additions	0.0	0.1	5.7	5.0	10.7
Transfers	0.0	4.5	(1.1)	(4.5)	(1.1)
Amortization expense	0.0	(3.5)	(7.5)	0.0	(11.1)
Impairment	0.0	(4.6)	(0.8)	0.0	(5.4)
Exchange differences	(6.5)	0.0	(0.0)	(0.0)	(6.6)
Closing carrying amount	792.9	5.2	13.8	7.9	819.8
of which cost	844.6	23.2	86.4	22.0	976.2
of which accumulated amortization and impairment	(51.7)	(18.0)	(72.5)	(14.1)	(156.4)

Capitalized IT implementation costs represent internally developed and externally purchased software for own use. The impairment expenses of €5.4 million are related to development projects on both R&D and IT projects which were stopped.

The amortization expense is included in the captions of the consolidated income statement as follows:

Amortization expense <i>in € million</i>	Full year	
	2025	2024
Cost of sales	0.2	0.2
General and administrative expenses	10.9	9.6
Total	11.1	9.7

The Group incurred €17.0 million of research and development expenses in 2025 (2024: €14.5 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 Hypermarchas (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 2024.

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:

Goodwill <i>in € million</i>	December 31	
	2025	2024
Europe	743.1	743.1
North America	49.8	56.3
Allocated to the CGU's	792.9	799.4

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 2028 and 2029 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 2028, 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, 2025.

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

<i>in € million</i>	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
of which cost	126.2	634.3	3.8	4.2	94.7	863.3
of which accumulated depreciation and impairment	(51.8)	(307.8)	(2.9)	(3.2)	(0.0)	(365.7)
Period ended December 31, 2025						
Opening carrying amount	74.4	326.5	0.9	1.1	94.7	497.6
Additions	1.5	41.5	(0.1)	0.0	29.9	72.7
Transfers	3.5	41.9	0.2	0.0	(44.5)	1.1
Disposals	(0.0)	(0.9)	(0.0)	0.0	(0.1)	(1.0)
Depreciation expense	(4.3)	(39.9)	(0.2)	(0.2)	0.0	(44.6)
Impairment	0.0	(3.8)	0.0	0.0	(2.2)	(6.0)
Capital grants received	0.0	(1.0)	0.0	0.0	0.0	(1.0)
Exchange differences	0.6	(1.4)	0.0	(0.0)	0.2	(0.6)
Closing carrying amount	75.6	362.9	0.8	0.9	77.9	518.1
of which cost	132.4	682.4	3.9	4.2	77.9	900.8
of which accumulated depreciation and impairment	(56.8)	(319.5)	(3.1)	(3.3)	0.0	(382.7)

The additions to property, plant and equipment represent mainly investments in capacity extension, investments in innovation, investments to improve the efficiency and IT investments.

In 2025, impairment losses amounting to €6.0 million were incurred, mostly related to the optimization of the production footprint throughout the Group, resulting in some machinery becoming idle. 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.

The depreciation expense is included in the consolidated income statement as follows:

Depreciation expense <i>in € million</i>	Full year	
	2025	2024
Cost of Sales	40.5	38.7
Distribution expenses	1.2	1.3
Sales and marketing expenses	0.1	0.1
General administrative expenses	1.1	1.4
Other operating income	1.6	1.6
Total	44.6	43.1

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
of which cost	158.0	6.3	23.4	187.8
of which accumulated depreciation and impairment	(72.8)	(3.3)	(10.7)	(86.8)
Period ended December 31, 2025				
Opening carrying amount	85.2	3.0	12.7	100.9
Additions	39.6	1.1	12.3	53.0
Depreciation expense	(14.9)	(1.2)	(5.7)	(21.8)
Impairment	(0.2)	0.0	0.0	(0.2)
Modifications to lease liabilities	11.5	(0.3)	(2.7)	8.5
Exchange differences	(2.0)	0.0	0.2	(1.8)
Closing carrying amount	119.3	2.7	16.7	138.7
of which cost	196.9	4.8	27.8	229.5
of which accumulated depreciation and impairment	(77.7)	(2.1)	(11.0)	(90.8)

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, 2025, 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) (2024: €15.4 million).

The consolidated income statement presents the following amounts relating to leases:

<i>in € million</i>	Full year	
	2025	2024
Cost of Sales	8.7	8.4
Distribution expenses	9.0	8.8
Sales and marketing expenses	1.4	1.3
General administrative expenses	2.6	2.8
Other operating income/(expenses)	0.0	0.0
Total depreciation expense	21.8	21.2
Interest expense	4.8	4.5
Expense relating to short-term leases	16.8	16.0
Expense relating to leases of low-value assets	0.2	0.2
Expense relating to variable lease payments	5.9	4.1

The lease liabilities are detailed in note [FIN-4.17](#).

FIN-4.12 Inventories

Inventories can be split as follows:

<i>in € million</i>	December 31	
	2025	2024
Raw materials	118.7	128.2
Work in progress	1.1	1.4
Finished goods	167.0	175.1
Other	3.1	6.6
Write-down on inventories	(15.2)	(18.3)
Inventories	274.7	292.9

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 €1,282.2 million in 2025 (€1,316.7 million in 2024).

FIN-4.13 Trade receivables, prepaid expenses and other receivables

The current trade and other receivables are detailed below:

<i>in € million</i>	December 31	
	2025	2024
Trade receivables	191.0	208.1
Less: allowance for impairment of trade receivables	(4.2)	(4.0)
Trade receivables - net	186.8	204.1
Prepayments	12.0	3.4
Other amounts receivable	66.7	63.9
Prepaid expenses and other receivables	78.7	67.2
Trade and other receivables, current	265.5	271.3

Other amounts receivable include recoverable VAT for an amount of €63.7 million for 2025 (2024: €59.0 million). The fair value of the current receivables approximates their carrying amounts. The increase in prepayments is predominantly explained by the insurance receivable following the heavy rain incident in the plant in Segovia in the first half of the year.

The aging of the trade receivables (net) at December 31 is as follows:

<i>in € million</i>	December 31	
	2025	2024
Not due	158.1	183.8
0 to 30 days	15.1	12.3
31 to 60 days	4.2	2.9
61 to 90 days	1.9	1.5
Over 90 days	7.5	3.6
Total	186.8	204.1

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:

<i>in € million</i>	December 31	
	2025	2024
EUR	79.6	75.7
PLN	30.0	35.9
USD	23.4	34.9
GBP	23.3	28.0
RUB	16.8	12.9
Other	13.7	16.8
Total	186.8	204.1

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:

<i>in € million</i>	December 31	
	2025	2024
Opening Balance	4.0	4.4
Allowance for receivable impairment	(0.0)	0.5
Receivables written off during the year as uncollectible	0.1	(0.7)
Unused amounts reversed	0.0	(0.0)
Foreign exchange differences	0.1	(0.1)
Closing balance	4.2	4.0

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 €4.7 million for 2025, compared to €7.1 million in 2024.

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, 2025 the trade receivables before factoring amounted to €180.3 million out of which €125.8 million was derecognized leading to a continuing involvement of €54.5 million. As at December 31, 2024 the trade receivables before factoring balance was €185.3 million out of which €127.6 million was derecognized leading to a continuing involvement of €57.7 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, MBFACTA S.p.A and BFF. The all-in cost for factoring, including interest and factoring fees for these programs amounts to €3.1 million for 2025, compared to €3.1 million in 2024.

As at December 31, 2025, €180.6 million (December 31, 2024: €167.9 million) of financing was obtained through the above mentioned factoring programs, this is in addition to €4.2 million

(December 31, 2024: €6.4 million) of financing which was obtained through the use of supply chain financing programs offered by our customers. The total outstanding factoring amount at December 31, 2025, therefore amounts to €184.7 million (2024: €175.8 million, including factoring within assets held for sale for €1.5 million). The late payment risk related to the factoring has been assessed as immaterial at closing 2025 and 2024.

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 and €10.8 million at December 31, 2024. The remaining balance at December 31, 2025 amounts to €7.1 million, with the difference versus prior year being explained by further reimbursements during 2025, which are reported under the divesting cashflow and FX differences as the amount is denominated in Mexican peso.

FIN-4.14 Cash and cash equivalents

The net cash position as presented in the consolidated statement of cash flows is as follows:

<i>in € million</i>	December 31	
	2025	2024
Short-term bank deposits (no longer than 3 months)	23.1	15.7
Cash at bank and on hand	47.2	41.3
Total	70.4	56.9

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:

<i>in € million</i>	December 31	
	2025	2024
AA	0.1	0.3
A	45.0	38.0
BBB	1.9	1.3
No credit rating	23.4	17.3
Total	70.4	56.9

FIN-4.15 Share capital

The share capital and premium of €1,208.0 million is represented by 82,347,218 shares, of which 2,349,986 treasury shares (2024: 1,260,044 treasury shares). As such, 79,997,232 shares (2024: 81,087,174) 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 2025 was 80,164,404, which is the weighted average number of shares (2024: 81,178,171 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:

Earnings per share	Full year	
	2025	2024
<i>in €</i>		
For continuing operations		
Basic earnings per share	0.21	0.26
Diluted earnings per share	0.20	0.25
Adjusted basic earnings per share	0.38	0.93
Adjusted diluted earnings per share	0.36	0.89
For continuing and discontinued operations		
Basic earnings per share	(2.16)	0.13
Diluted earnings per share	(2.16)	0.12

<i>in € million</i>	Full year	
	2025	2024
Basic earnings		
Profit/(loss) from continuing operations attributable to equity holders of the Company	16.6	20.9
Profit/loss attributable to equity holders of the Company	(173.5)	10.3
Diluted earnings		
Profit/(loss) from continuing operations attributable to equity holders of the Company	16.6	20.9
Profit/loss attributable to equity holders of the Company	(173.5)	10.3
Adjusted Basic Earnings		
Profit from continuing operations attributable to equity holders of the Company	16.6	20.9
EBITDA adjustments	19.1	72.7
Tax correction	(5.0)	(17.9)
Adjusted Basic Earnings	30.7	75.8
Adjustment dilution	-	-
Adjusted Earnings, after dilution effect	30.7	75.8
Number of shares	Full year	
	2025	2024
Weighted average number of ordinary shares outstanding during the period	80,164,404	81,178,171
Dilution	4,121,391	3,997,921

A weighted average number of 1,019,796 options were not included in the denominator of the diluted earnings per share as they were out-of-the-money at year-end 2025 (2024: 1,430,523 options).

FIN-4.17 Interest-bearing debts

<i>in € million</i>	December 31	
	2025	2024
Borrowings:	394.8	577.4
Senior notes	394.7	577.2
Other borrowings	0.1	0.1
Lease and other liabilities:	123.3	89.8
Lease liabilities	123.3	89.8
Interest-bearing debts, non-current	518.1	667.1
Borrowings:	108.0	33.3
Revolving credit facility	98.3	24.0
Accrued interests	9.7	9.3
Lease and other liabilities:	21.3	19.8
Lease liabilities	21.3	19.8
Interest-bearing debts, current	129.3	53.1
Total interest-bearing debts	647.4	720.2

All borrowings are denominated in € as of December 31, 2025.

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 2.35% at a leverage of 3.29 at the end of 2025. At December 31, 2025, an amount of €100.0 million was utilized on the revolving credit facility, versus €24.0 million at December 31, 2024.

On April 3, 2025, the Group refinanced its €580.0 million senior notes, which had a maturity date in July 2026, with new 5.25% senior notes due 2030 for a principal amount of €400.0 million.

The following table reconciles the movements of the financial liabilities to the cash flows arising from financing activities:

<i>in € million</i>	Opening carrying amount	Cash flows	Non-cash movements					Closing carrying amount	Of which held for sale
			Acquisition	Descope	Exchange differences	Reclasses	Other		
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 ^[35]		(183.6)							
December 31, 2025									
Non-current interest-bearing debts:									
Borrowings	577.4	(186.2)	-	-	0.0	-	3.7	394.8	-
Lease and other liabilities	100.7	(25.0)	53.4	(13.3)	(3.2)	1.5	9.2	123.3	-
Current interest-bearing debts:									
Borrowings	33.3	73.9	-	-	0.0	0.0	0.8	108.0	-
Lease and other liabilities	25.0	(0.3)	-	(1.9)	0.1	(1.5)	(0.0)	21.3	-
Total liabilities from financing activities	736.3	(137.6)	53.4	(15.2)	(3.2)	0.0	13.7	647.4	-
Presented in the statement of cash flows (financing activities) as follows:									
Proceeds from borrowings		467.8							
Repayment of borrowings ^[36]		(605.4)							

[35] 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

[36] Repayment of borrowings differs from the €616.6 million as reported in note FIN-3.5 as the share buy-back program is included there for €11.2 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 2025 and 2024, 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 €50.0 million lines of credit available, of which €26.2 million has been used through the issuance of external bank guarantees:

- €25.0 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 0.1 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:

<i>in € million</i>	December 31	
	2025	2024
Post-employment benefits	13.4	12.8
Long-term benefits	0.6	0.6
Employee benefit liabilities	14.0	13.4
Short-term employee benefit liabilities	32.8	45.3
Net liability	46.8	58.7

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 €2.9 million (see also note [FIN-4.22](#); 2024: €3.6 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, 2025, no liability has been recognized (2024: 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 <i>in € million</i>	December 31	
	2025	2024
Defined benefit obligation (DBO) at end of period	(38.3)	(32.0)
Fair value of plan assets at end of period	26.6	20.8
Net (liability)/asset in statement of financial position	(11.7)	(11.2)
of which funded	(11.7)	(11.2)

Defined benefit cost <i>in € million</i>	December 31	
	2025	2024
Current service cost	(1.9)	(2.1)
Past service cost	-	0.4
Service cost recognized in Income Statement	(1.9)	(1.7)
Interest expense on DBO	(1.3)	(1.1)
Interest income on plan assets	0.9	0.7
Net interest cost	(0.4)	(0.4)
Pension expense	(2.4)	(2.1)

Reconciliation of the obligation <i>in € million</i>	December 31	
	2025	2024
Defined benefit obligation (DBO) at beginning of year	(32.0)	(32.0)
Other significant events (transfers)	(3.7)	-
Service cost:	(1.9)	(1.7)
Current service cost	(1.9)	(2.1)
Past service cost	-	0.4
Interest expense on DBO	(1.3)	(1.1)
Participant contributions	(0.0)	(0.1)
Administrative expenses included in the DBO	0.1	0.1
Taxes included in the DBO	0.2	0.2
Benefit payments from plan	0.5	1.0
Benefit payments from employer	0.6	0.7
Effect of changes in financial assumptions	0.2	0.2
Effect of experience adjustments	(1.0)	0.6
Effect of changes in foreign exchange rates	(0.0)	0.1
Defined benefit obligation (DBO) at end of year	(38.3)	(32.0)

Reconciliation of plan assets at fair value <i>in € million</i>	December 31	
	2025	2024
Fair value of plan assets at beginning of year	20.8	19.6
Interest income	0.9	0.7
Employer contribution	2.6	2.2
Plan participants' contributions	0.0	0.1
Other significant events (transfers)	3.6	-
Benefit payments from plan	(0.5)	(1.0)
Benefit payments from employer	(0.6)	(0.7)
Administrative expenses included in the DBO	(0.1)	(0.1)
Taxes paid from plan assets	(0.2)	(0.2)
Return on plan assets (excluding interest income)	0.1	0.2
Fair value of plan assets at end of year	26.6	20.8

Reconciliation of net (liability)/asset in statement of financial position <i>in € million</i>	December 31	
	2025	2024
Net (liability)/asset at beginning of year	(11.2)	(12.4)
Other significant events (transfers)	(0.0)	-
Defined benefit cost included in the income statement	(1.9)	(1.7)
Net interest expense	(0.4)	(0.4)
Total remeasurements included in OCI	(0.7)	1.0
Employer contributions	2.6	2.2
Effect of changes in foreign exchange rates	(0.0)	0.1
Net (liability)/asset at end of year	(11.7)	(11.2)
of which part of DBO from plans that are wholly unfunded	(11.7)	(11.2)

The plan assets consist of insurance contracts.

Expected contributions to post-employment benefit plans for the year ending December 31, 2026 are €1.6 million.

Significant actuarial assumptions

	Poland	Mexico	Belgium	Germany	France	Italy
December 31, 2025						
Discount rate	5.30%	9.73%	3.95%	3.05% / 3.59% / 3.80% pensions& jubilee and 2.40% ATZ	3.60%	3.30%
Expected interest income	5.30%	9.73%	3.95%	3.05% / 3.59% / 3.80% pensions& jubilee and 2.40% ATZ	3.60%	3.30%
Salary increase rate (on top of inflation)	5.60% in 2025 3.10% in 2026 2.40% afterwards	4.54%	3.50%	N/A / N/A / 2.50% only ATZ	3.00%	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%	1.80%
Mortality table	For men: 90% PTTZ 2024 men For women: 90% PTTZ 2024 women	EMSSA 2015	MR -5 / FR -5	Heubeck 2018 G	INSEE 2019/2021	IPS55
Turnover table/rates	8.10%	Company experience	Mercer turnover table	N/A / N/A / Only Jubilee: 10% of employees 60 years old and younger	Client's table 2023, 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	10.2	10.1	0.8	5.9	9.8	6.5

	Poland	Mexico	Belgium	Germany	France	Italy
December 31, 2024						
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% only 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

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.

<i>in € million</i>	Poland	Mexico	Belgium	Germany	France	Italy
December 31, 2024						
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, 2025						
Discount rate - 0,25bp	(0.1)	(0.9)	(29.1)	(5.7)	(1.8)	(1.5)
Discount rate + 0.25bp	0.1	0.8	28.6	5.5	1.8	1.5
Salary increase - 0.25bp	(0.1)	(0.8)	(28.8)	(5.6)	(1.8)	(1.5)
Salary increase + 0.25bp	0.1	0.8	28.9	5.6	1.8	1.5

Post-Employment Benefits by Country

<i>in € million</i>	Poland	Mexico	Belgium	Germany	France	Italy
Recognition of the obligation						
December 31, 2024						
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	-	-	-
Net (liability)/asset in statement of financial position	(0.1)	(0.8)	(1.1)	(5.7)	(2.0)	(1.5)
of which funded	(0.1)	(0.8)	(1.1)	(5.7)	(2.0)	(1.5)
December 31, 2025						
Defined benefit obligation (DBO) at end of period	(0.1)	(0.8)	(28.7)	(5.4)	(1.8)	(1.5)
Fair value of plan assets at end of period	-	-	26.6	-	-	-
Net (liability)/asset in statement of financial position	(0.1)	(0.8)	(2.0)	(5.4)	(1.8)	(1.5)
of which funded	(0.1)	(0.8)	(2.0)	(5.4)	(1.8)	(1.5)

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:

in € million	December 31			
	2025		2024	
	DTA	DTL	DTA	DTL
Intangible assets	1.1	-	1.7	-
Property, plant and equipment	-	(36.7)	-	(40.1)
Leases	18.5	(21.9)	14.1	(17.9)
Inventories	3.3	-	2.6	-
Financial instruments	6.3	-	7.9	-
Employee benefits	4.0	-	3.3	-
Accrued expenses and other payables	3.3	-	5.1	-
Others	-	(0.3)	4.0	-
Tax losses	164.5	-	156.8	-
Tax credit	10.1	-	10.6	-
Deferred tax assets & liabilities, gross	210.9	(58.9)	206.2	(58.0)
Net deferred tax assets not recognized	(138.0)	-	(136.6)	-
Offsetting	(42.2)	42.2	(42.0)	42.0
Deferred tax assets & liabilities, net	30.7	(16.7)	27.6	(16.0)

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 €138.0 million (2024: €136.6 million) on the tax losses carried forward and tax incentives of tax attributes carried forward, which are mostly related to Belgium, France and United States, representing 86% of the total unrecognized deferred tax assets. Tax losses can in principle be carried forward indefinitely.

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% 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%. 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 16% 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

<i>in € million</i>	December 31	
	2025	2024
Current tax assets	4.1	3.3
Current tax liabilities	(25.3)	(31.8)

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 €14.3 million actual corporate taxes payable (2024: €23.7 million) and €11.0 million of provision for uncertain taxes (2024: €8.1 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:

<i>in € million</i>	December 31	
	2025	2024
Accrued expenses and other payables	18.5	21.1
Current accrued expenses and other payables	18.5	21.1
Trade payables	432.7	440.1
Employee benefit liabilities	32.8	45.3
Total current liabilities	489.8	506.5

At December 31, 2024, the trade payables contained an accrual of €5.0 million regarding MedTech payback measure of the Italian Healthcare Law. During the year, an amount of €4.3 million was paid and the remainder was released in the profit and loss statement. For more information on the MedTech payback measure, refer to [FIN-4.29](#).

FIN-4.21 Provisions

<i>in € million</i>	Legal claims	Restructuring	Other	Total
Opening Balance	6.8	31.4	0.1	38.3
Additional provisions	0.2	3.4	-	3.6
Unused amounts reversed	(0.1)	(1.0)	-	(1.1)
Used during the year	(5.4)	(20.4)	-	(25.8)
Reclassified as held for sale	0.7	-	-	0.7
Exchange differences	(0.1)	(0.0)	(0.0)	(0.1)
As at December 31, 2025	2.2	13.4	0.1	15.6
of which current	2.2	13.4	0.1	15.6

The Group recognizes a provision for certain legal claims filed against the Group by customers, suppliers or former employees.

The outstanding restructuring provision at December 31, 2025 is mostly related to the restructuring of the Group's Belgian production and distribution activities, which was announced in 2024 and 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 portion of the provision taken per December 31, 2024 and used during the year is related to costs incurred in the context of the further execution of the social plan relating to the plant in Eeklo (with the other payments in relation to such plan already having been incurred in 2024), a first phase of the social plan relating to the plant in Buggenhout, along with other project related costs. The outstanding provision at December 31, 2025 is mostly related to the social plan for employees at the plant in Buggenhout, along with related project costs.

On September 2, 2014, Ontex received a notification that the Spanish Competition Authorities (CNMC) had 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 found eight companies, including Ontex' Spanish subsidiaries guilty of having participated in a cartel. For Ontex's 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 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. During February 2025, Ontex received a formal request for payment of the administrative fine corresponding to the provisioned amount, and Ontex paid such amount on March 12, 2025. As a result, Ontex released the corresponding provision at such time.

The Group currently believes that the disposition of all other claims and disputes, individually or in the aggregate, should not have a material adverse effect on our consolidated financial condition, results of operations or liquidity.

FIN-4.22 Employee benefit expenses

Employee benefit expenses <i>in € million</i>	Full year	
	2025	2024
Wages and salaries	(214.5)	(224.1)
Social security costs	(56.8)	(63.8)
Defined benefit plans - Service cost	(1.9)	(1.7)
Defined contribution costs	(2.9)	(3.6)
Other employee benefit expenses	(52.9)	(49.2)
Total	(329.0)	(342.4)

Average number of total employees <i>in Full-Time Equivalents</i>	Full year	
	2025	2024
Workers	3,051	3,570
Employees	1,870	1,888
Management	59	68
Total	4,980	5,526

FIN-4.23 Other operating income/(expenses), net

Other operating income/(expense), net <i>in € million</i>	Full year	
	2025	2024
Gain on sale of assets	0.4	0.0
Foreign exchange differences on operating activities	4.3	(8.1)
Losses on sale of assets	(0.5)	(0.1)
Other income/(expenses) ^[37]	(1.5)	(2.0)
Total	2.7	(10.1)

[37] "Other income/(expenses)" consists mainly of depreciation expenses on idle equipment and machinery and pension expenses.

FIN-4.24 EBITDA adjustments

EBITDA adjustments <i>in € million</i>	Full year	
	2025	2024
Business restructuring	(6.2)	(61.9)
Income and expenses related to changes to Group structure	(6.2)	(61.9)
Impairment of assets	(11.6)	(10.6)
Litigation and legal claims	(1.3)	(0.3)
Other	(0.1)	(0.0)
Income and expenses related to impairments and major litigations	(13.0)	(10.8)
Total	(19.1)	(72.7)

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 €61.3m.

In 2025, an additional cost of €2.5 million was incurred related to this restructuring project. The remaining incurred costs in 2025 are related to smaller restructuring projects in different countries.

FIN-4.24.2 Income and expenses related to impairments and major litigations

Impairment of assets

The asset impairments in 2025 are related to both intangible assets (€5.4 million), as some development projects were stopped, and tangible assets (€6.0 million), with a number of production lines that had become idle following an optimization of the Company's footprint.

As a consequence of the Belgian restructuring, a number of production lines were stopped and others were moved to different plants within the Group in 2024. The combination of both items had an impact of €6.4 million.

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:

<i>in € million</i>	Note	Full year	
		2025	2024
Changes in inventory work in progress and finished goods		(18.1)	15.8
Raw materials and consumables purchased		(937.0)	(993.4)
Employee benefit expenses	22	(329.0)	(342.4)
Depreciation and amortization	9, 10, 11	(77.5)	(74.1)
Rendered services		(281.7)	(287.4)
Lease expenses	11	(22.9)	(20.4)
Other income / (expenses)	23	2.7	(10.1)
Total cost of sales, distribution expenses, sales and marketing expenses, general administrative expenses and other operating income / (expense)		(1,663.5)	(1,712.0)

FIN-4.26 Net finance cost

The various items comprising the net finance cost are as follows:

<i>in € million</i>	Full year	
	2025	2024
Interest income on current assets	5.1	4.2
Other	0.0	0.0
Finance income	5.2	4.2
Interest expense:	(45.2)	(43.7)
Interest expense on group borrowings	(30.0)	(26.4)
Amortization of borrowing expenses	(4.1)	(3.7)
Interest expense on other borrowings and other liabilities	(11.0)	(13.7)
Banking cost	(1.6)	(1.6)
Factor fee	(3.1)	(2.6)
Losses on derivatives and cost of hedging	(2.2)	(1.2)
Finance cost	(52.1)	(49.1)
Net exchange differences relating to financing activities	(4.1)	(6.5)
Net finance cost as per income statement	(51.1)	(51.4)

The interest expense on other borrowings and other liabilities also includes the interest expense on lease liabilities as disclosed in note [FIN-4.11](#). The increased interest expense on group borrowings is mainly explained by the overlap between the €580.0 million High Yield Bond, which is only repaid in full by 15 July 2025, and the new €400.0 million High Yield Bond, which was issued in the beginning of April. The decrease in interest expense on other borrowings is mostly explained by the lower interest cost on factoring due to its lower usage during 2025.

FIN-4.27 Income tax expense

The income tax (charged)/credited to the income statement during the year is as follows:

Income tax expense <i>in € million</i>	Full year	
	2025	2024
Current tax (expense) / income	(13.0)	(24.5)
Deferred tax (expense) / income	1.7	21.1
Total	(11.4)	(3.4)

The income tax expense can be reconciled as follows:

Income tax expense <i>in € million</i>	Full year	
	2025	2024
Profit/(loss) before income tax	27.9	24.3
Income tax expense calculated at domestic tax rates	(7.6)	(5.7)
Disallowed expenses	(3.6)	(5.0)
Tax-exempt income	1.7	3.1
Current year tax losses not recognized as deferred tax asset	(13.5)	(10.9)
Recognition of previously unrecognized deferred tax assets on losses	9.9	23.9
Adjustments in respect of prior year	1.0	(1.7)
Difference in statutory tax rates	0.4	-
Withholding tax	-	(4.2)
Other	0.4	(2.8)
Total	(11.4)	(3.4)

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. This has also been the case in 2025, apart from a separate plan for the Company's board members, to which a number of RSU's were issued. 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 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, 2025. 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, 2025. 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, 2025. 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, 2025.

On or about March 10, 2022, the Group granted an LTIP plan consisting of 611,477 PSU's. 611,477 PSU's have been forfeited or exercised as of December 31, 2025.

During 2023, the Group granted LTIP plans consisting of 5,206,379 PSU's. 1,186,346 PSU's have been forfeited as of December 31, 2025.

During 2024, the Group granted new LTIP plans consisting of 301,634 PSU's. 64,786 PSU's have been forfeited as of December 31, 2025.

During 2025, the Group granted new LTIP plans consisting of 140,512 PSU's and 62,382 RSU's. 8,258 PSU's have been forfeited as of December 31, 2025.

The following share-based payment arrangements were in existence during the current and prior years:

	Expiry date	Exercise price per stock option (in €)	Weighted average fair value (in €)	# stock options/ RSUs/PSUs December 31, 2025	# stock options/ RSUs/PSUs December 31, 2024
LTIP 2018					
Options	2026	23.56	4.68	297,828	297,828
LTIP 2019					
Options	2027	14.00	3.99	209,982	209,982
LTIP 2020					
Options	2028	13.90	3.13	130,946	130,946
LTIP 2022					
PSU's	2025	N/A	7.30	-	349,383
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	1,003,605	1,003,635
PSU's - Plan C	2026	N/A	2.34	73,479	78,114
LTIP 2024					
PSU's - Plan A	2026	N/A	1.31	188,173	188,173
PSU's - Plan B	2027	N/A	1.10	48,675	65,490
LTIP 2025					
PSU's	2028	N/A	8.48	132,254	-
RSU's	2028	N/A	4.90	62,382	-
Total outstanding stock options ^[38]				638,756	852,332
Total outstanding RSU's				62,382	-
Total outstanding PSU's				4,389,135	4,627,744

The following reconciles the options, RSU's and PSU's outstanding at the beginning and end of the year:

[38] The total outstanding stock options of 852,332 for 2024 includes the amounts for LTIP 2017 at the end of December 31, 2024 (213,576) as these were still outstanding at that moment in time, but are no longer included in the overview as expired at December 31, 2025

	Average exercise price per stock option (in €) ^[39]	Stock options	RSUs	PSUs
As at January 1, 2024	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
Granted	-	-	62,382	140,512
Forfeited	-	-	-	(115,401)
Exercised	-	-	-	(263,720)
Expired	33.11	(213,576)	-	-
As at December 31, 2025	18.44	638,756	62,382	4,389,135
of which vested and exercisable	-	638,756	-	-

The fair value of the PSU's in 2025 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 historical volatility of the Company. Below is an overview of all the parameters used in this model:

	LTIP 2018	LTIP 2019	LTIP 2020	LTIP 2021	LTIP 2022	LTIP 2023 ^[40]	LTIP 2024 ^[40]	LTIP 2025
Exercise Price (in €)	23.56	14.00	13.90	-	-	-	-	-
Expected volatility of the shares	25.63%	37.98%	31.90%	43.12%	39.01%	34.14%	27.53%	30.37%
Expected dividends yield	2.70%	3.82%	4.00%	3.00%	4.10%	4.00%	4.00%	0.00%
Risk free interest rate	0.69%	0.10%	-0.18%	0.00%	0.00%	2.61%	2.79%	1.98%

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 €3.3 million during 2025 (2024: €4.8 million) and was included within employee benefit expenses. Social charges related to the LTIP are accrued for over the vesting period.

[39] The total outstanding stock options of 852,332 for 2024 includes the amounts for LTIP 2017 at the end of December 31, 2024 (213,576) as these were still outstanding at that moment in time, but are no longer included in the overview as expired at December 31, 2025

[40] 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

From time to time, the Group is involved in certain environmental, contractual, product liability, intellectual property, employment and/or 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 appealed such decision on grounds of unconstitutionality of the fines imposed. 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.
- At December 31, 2024, the Group's trade payables contained an accrual of €5.0 million relating to the "payback mechanism" for medical devices that was introduced by Article 9ter of Italian Decree-Law no. 78/2015 (the "Payback Law"). This payback mechanism allowed Italian regional authorities to claim compensation from medical device suppliers that had participated in public tenders during the period 2015-2018 for a pro rata portion of the total amount of regional healthcare expenditure overruns. Early 2023, Serenity SpA ("Ontex Italy") received claims to pay €17.2 million under such payback mechanism for the period 2015-2018. Ontex Italy appealed such claims, together with +/- 1,800 other medical device suppliers. In August 2024, the Italian Constitutional Court determined that the payback mechanism is constitutional. In June 2025, the Italian Government then issued a decree-law that introduced an option for all impacted companies to receive a discount of 75% of the claimed amounts subject to waiving all legal proceedings with respect to the 2015-2018 period and paying the remaining amounts to the Italian regional authorities. Ontex has chosen to make use of this option and has paid an aggregate amount of €4.3 million to the relevant Italian regional authorities. For the years after the period 2015-2018, it is not possible to predict the likelihood of any similar claims from the Italian regions, nor of the amount of any such potential claims, as it is not known whether any Italian regions have exceeded their spending budgets for those years (and, if so, to which extent). As such, Ontex has not taken any provision for those years.

- In June 2025, Drylock Technologies NV filed a lawsuit against Ontex BV in the Munich Regional Court, Germany. The lawsuit, which was served on July 29, 2025, seeks monetary damages allegedly resulting from customer correspondence issued by Ontex on July 5, 2024 and Ontex's enforcement of a first-instance patent infringement judgment from the Düsseldorf Regional Court (case No. 4a O 23/21). This followed a first instance decision, dated July 2 2024, confirming patent infringement by Drylock Technologies NV ("Drylock") of Ontex patent EP 3 711 729 ("EP'729"). An invalidity action before the European Patent Office ("EPO") was filed by Drylock against EP'729, and after survival of the patent in a slightly amended form in first instance, Drylock was successful to have the patent revoked in Appeal on a formal ground on March 24, 2025. In the Munich damages case, Ontex has filed its first statement of defense on December 12, 2025, with a first oral hearing currently scheduled for April 23, 2026. On the substance, the quantum of damages sought (approximately €100 million plus interest of nine percent since service of the lawsuit on July 29, 2025) is highly speculative and largely unsubstantiated, and Ontex's position is bolstered by economic expert support. Ontex believes it has a substantial defense on both procedural and substantive grounds and will defend its position vigorously. At this stage, management does not expect the outcome of this litigation to have a material adverse effect on Ontex's financial position or operations.
- In FY2024, the Mexican tax authorities initiated a tax audit relating to Productos Internacionales Mabe, S.A. de C.V. (Mabe), which Ontex divested in 2023. In the context of such divestment, Ontex has granted to the purchaser a tax indemnity relating to pre-closing taxes. The audit remains ongoing and no final assessment has been issued to date. At this stage, management does not expect the outcome of this tax audit to have a material adverse effect on Ontex's financial position or operations.

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, 2025 of €40.6million (2024: €42.9 million).

FIN-4.30.2 Bank guarantees

As indicated in note [FIN-4.17](#), 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 €26.2 million in order to participate in public tenders as at December 31, 2025 (2024: €28.8 million).

For Ontex Mexico Operations S.A. de C.V., a bank guarantee issued by BBVA is in place for MXN 100.0 million in favor of the Mexican VAT authorities as at December 31, 2025.

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, 2025.

For Ontex Manufacturing Pty Ltd, a bank guarantee issued by Commonwealth Bank Australia is in place for AUD 1.2 million related to a local lease agreement as at December 31, 2025.

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](#)

FIN-4.31.2 Relations with the shareholders

There are no transactions with shareholders per December 31, 2025 (nor in 2024).

FIN-4.31.3 Relations with non-executive members of the Board of Directors

Remuneration of the Board of Directors <i>in € million</i>	Full year	
	2025	2024
Remuneration	1.2	1.1

The Remuneration Policy (2025 version) introduced an RSU plan pursuant to which the Company's Non-Executive Directors are rewarded, among others, with a fixed annual entitlement to RSUs with effect as from 1 January 2025. As part of this plan, the Board of Directors was awarded a total of 62,382 RSUs.

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 the Executive Committee.

FIN-4.31.5 Key management compensation

Remuneration of the CEO <i>in € million</i>	Full year	
	2025	2024
Fixed and variable remuneration	1.3	1.7

The above remuneration includes post-employee benefits of €0.2 million (2024: €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 2025, nor in 2024. The share based payment cost amounted to €0.8 million in 2025 (2024: €0.8 million), linked to the PSUs granted in 2023.

Remuneration of the Executive Team (excluding the CEO) <i>in € million</i>	Full year	
	2025	2024
Fixed remuneration	3.5	3.5
Variable remuneration	0.8	1.0
Other remuneration	0.3	0.4
Total	4.5	4.8

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 2025, nor in 2024. The total share based payment cost (including older plans) amounted to €1.6 million in 2025 (2024: €1.7 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, 2025	Number of RSU's	Number of PSU's	Number of Stock Options
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

There were no significant events that occurred after the end of the reporting period.

FIN-4.33 Audit fees

<i>in € thousands</i>	Full year	
	2025	2024
Audit Fees	1,104.0	1,221.0
Additional Services rendered by the auditor's mandate:		
Audit related fees	416.8	304.6
Tax advisory & compliance services	-	12.4
Total	1,520.8	1,538.0

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

<i>in € million</i>	December 31	
	2025	2024
Intangible assets	15.4	13.6
Tangible assets	0.1	0.2
Financial fixed assets:	2,406.0	2,746.0
Participating interests	1,687.1	1,687.1
Amounts receivable	718.7	1,058.8
Other financial fixed assets	0.2	0.2
Fixed assets	2,421.5	2,759.9
Amounts receivable within one year	331.0	209.6
Treasury shares	11.5	10.6
Cash at bank and in hand	36.7	28.8
Deferred charges and accrued income	16.3	26.3
Current assets	395.5	275.2
Assets	2,817.0	3,035.1

<i>in € million</i>	December 31	
	2025	2024
Capital	823.6	823.6
Share premium	412.7	412.7
Reserves	270.2	269.1
Accumulated profits/(losses)	174.3	171.8
Equity	1,680.9	1,677.2
Amounts payable after more than one year:	400.0	580.0
Financial debt	400.0	580.0
Amounts payable within one year:	723.8	760.5
Financial debt	274.5	209.2
Trade debts	4.9	18.6
Taxes, remunerations and social security	1.4	4.3
Other amounts payable	443.0	528.4
Accruals and deferred income	10.0	9.5
Amounts payable	1,133.8	1,349.9
Provisions and deferred taxes	2.4	8.0
Equity and liabilities	2,817.0	3,035.1

FIN-5.2 Statutory income statement

<i>in € million</i>	Full year	
	2025	2024
Operating income	75.2	56.6
Operating charges	(48.5)	(42.9)
Operating gain / (loss)	26.7	13.7
Financial result	(21.9)	3.9
Profit/(loss) for the period before taxes	4.8	17.6
Income taxes	(1.2)	(2.1)
Profit/(loss) for the period	3.7	15.5

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, 2025 (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, 2025

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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.

		
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
<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Enhancing consumer safety • Being a caring employer • Elevating living standards in the value chain 	<ul style="list-style-type: none"> • 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. Information on the Brazilian and Turkish activities for 2025 is excluded, unless stated otherwise, as Ontex no longer has access to sustainability information following their divestments in Q1 and Q4 2025, respectively.

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 the Company 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 statements 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 section [AUD-2](#). 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 such as industry-average emission factors were used. Note that scope 3 metrics are subject to significant measurement uncertainty. See section [SUS-3.1.5](#) 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.

Ontex continuously works to refine its methodology in order to shift from estimations to actual data. As a result, information reported under sections [SUS-3.1](#) and [SUS-3.2](#) may not be comparable with information reported in the previous reporting periods.

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.

Changes in preparation or presentation of sustainability information

For the 2025 reporting period, Ontex maintained the structure of the 2024 Annual Report, prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD).

Following the divestments of the Brazilian and Turkish activities in Q1 and Q4 2025, respectively, Ontex no longer had access to sustainability information for these entities after their divestment dates. As a result, these entities have been removed from the 2025 sustainability indicators, except for a limited number of KPIs for which information was available up to the divestment dates and where their contribution remains material. In such cases, the 2025 figures including these entities are disclosed in the respective topical sections to ensure transparency.

To increase consistency and comparability across reporting periods, the following changes were made in preparation for the sustainability statements.

- Restatement of the value of baseline year (2020) and comparative information on GHG emissions indicators, as shown in section [SUS-3.1.5](#),
- Restatement of the comparative information on energy and waste indicators, as shown in sections [SUS-3.1.6](#) and [SUS-3.2.6](#), respectively, and
- Restatement of the value of baseline year (2020) for the accident frequency rate indicator and comparative information on health and safety indicators, as shown in section [SUS-4.1.7](#).

The restatements of the baselines and comparative information are a consequence of the conclusion of Ontex's strategic refocus on retailer and healthcare brands in Europe and North America. Where comparative information has been restated, footnotes disclose the values that were reported in prior year for the main indicators to ensure completeness in line with ESRS requirements.

In addition, consumer complaints are now reported only as year-on-year percentage changes, as seen in section [SUS-4.3.7](#), whereas in the prior year both absolute values and the year-on-year percentage change were disclosed

Presenting comparative information

Where metrics have been reported previously, comparative information is presented. All of the 2024 comparative metrics were subject to limited assurance by Ontex's statutory auditor, dated March 17, 2025. All other comparative information has not been subject to reasonable or limited assurance procedures. There are no newly introduced metrics for the 2025 reporting period compared to 2024.

Reporting error in prior period

No material mistakes in the prior reporting year were identified in the current reporting period.

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 of matters under negotiation were omitted in the sustainability statements.

Phase-in provisions

In these sustainability statements, Ontex uses the option to omit information for ESRS 2 SBM-3 § 48(e), ESRS E1-9, E5-6, S1-14 (non-employees) in accordance with the European Commission's Delegated Regulation (EU) 2025/1416 of 11.7.2025, amending 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', ESRS 'E4 Biodiversity & ecosystems', and ESRS 'S3 Affected communities' as these topics were deemed immaterial in its double materiality assessment (DMA), as described in section [SUS-2.4.1](#). 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 that follows 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	GOV-9 Remuneration report
S1-16	§97b The annual total remuneration ratio (the CEO pay ratio)	GOV-9 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, the 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 and 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.



Composition and diversity of the members of the undertaking's administrative, management and supervisory bodies

The Company refers to section [GOV-2](#) 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 it receives periodic updates from Ms. Annick De Poorter, who is a member of the Company's Executive Committee and who is responsible for sustainability matters. Furthermore, a dedicated sustainability team supports the Company's efforts by providing subject-matter expertise, and the Company has access to trainings by and the expertise of specialized, external consultants. Finally, expertise in sustainability matters is considered a relevant factor in the identification of potential new Board members.

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 Ontex's Executive Committee, 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 a 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 champion 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 section [GOV-9.3.2](#).

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 and 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 and 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

Ontex's Executive Committee oversees the implementation of the Company's remuneration policy. For key remuneration policy elements, sustainability-related performance integration, variable remuneration proportion tied to sustainability-related targets and pay-outs for performance against 2025 STI targets, see section [GOV-9.3.2](#).

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	<ul style="list-style-type: none"> • SUS-1 Creating value through sustainability • SUS-2.2 Governance • GOV-2 Board & executive management • Strategic report Defining our path
Engaging with affected stakeholders in all key steps of the due diligence	<ul style="list-style-type: none"> • SUS-2.3.2 Interests and views of stakeholders • SUS-2.4.2 Process for identifying and assessing material impacts, risks and opportunities • SUS-2.6.3 Integration and cross-functional collaboration • SUS-4.2.1 Interests and views of stakeholders S2 • SUS-4.3.1 Interests and views of stakeholders S4
Identifying and assessing adverse impacts	<ul style="list-style-type: none"> • SUS-2.4.2 Process for identifying and assessing material impacts, risks and opportunities • SUS-4.2.5 Processes to remediate negative impacts and channels for value chain workers to raise concerns
Taking actions to address adverse impacts	<ul style="list-style-type: none"> • SUS-2.4.2 Process for identifying and assessing material impacts, risks and opportunities • SUS-3.1.2 Material impacts, risks and opportunities and their interaction with strategy and business model E1 • SUS-3.2.1 Impacts, risks and opportunities management E5 • SUS-4.1.2 Material impacts, risks and opportunities and their interaction with Ontex's strategy and business model S1 • SUS-4.2.2 Material impacts, risks and opportunities and their interaction with Ontex's strategy and business model S2 • SUS-4.3.2 Material impacts, risks and opportunities and their interaction with Ontex's strategy and business model S4
Tracking the effectiveness of these efforts and communicating results	<ul style="list-style-type: none"> • SUS-3.1.5 Metrics and targets E1 • SUS-3.2.4 Metrics and targets E5 • SUS-4.1.7 Metrics and targets S1 • SUS-4.2.7 Metrics and targets S2 • SUS-4.3.7 Metrics and 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 Ontex identifies, assesses and mitigates sustainability-related risks, please refer to section [GOV-8](#). This section outlines the governance structures, processes and controls in place to ensure the accuracy, reliability and compliance of its 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-4.2.2](#) [Material impacts, risks and opportunities and their interaction with Ontex's strategy and business model](#);
- Strategic report - Defining our path;
- [FIN-4.6](#) [Operating segments](#).

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 asks stakeholders to identify key sustainability topics to be addressed by the Company. Detailed information is available in section [SUS-2.4.1](#).

Stakeholder group	Methods	Key topics	Responses
Customers	<ul style="list-style-type: none"> • Product sales monitoring • Contact through sales team • Regular customer visits • Joint business planning • Surveys and research 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Consumer panels and focus groups • Social media networks • Product sales' monitoring • Surveys and research 	<ul style="list-style-type: none"> • Product quality and safety • Products' environmental impact • Product labeling • Innovation • Service 	<ul style="list-style-type: none"> • Ensuring consumer health and safety • Reducing products' environmental impact • Offering more eco-labeled products • Ensuring sustainable innovation • Customizing products to address local needs
Employees	<ul style="list-style-type: none"> • 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 channel • Social media & website 	<ul style="list-style-type: none"> • Health & Safety • Working conditions & remuneration • Equal opportunities • Business ethics • Leadership • Personal development 	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Visits and meetings • Supplier conferences • Procurement • Supplier tracking 	<ul style="list-style-type: none"> • Raw material sourcing • Business ethics/human rights • Management systems • Quality • Innovation • Material safety • Evolving regulations 	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Ongoing dialogue • Presentations/meetings • Annual General Meeting • Quarterly earnings reports and webcasts • PR • ESG indices and information requests 	<ul style="list-style-type: none"> • Governance • Business ethics • Risk management • Environment/carbon footprint 	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Ongoing dialogue • Partnerships on common issues • Memberships of business and industry associations • Charitable activities • Information requests from academics and students • Corporate website 	<ul style="list-style-type: none"> • Human rights • Environment • End-of-life waste • Consumer health and safety • Local community involvement • Medical face mask production to meet urgent needs 	<ul style="list-style-type: none"> • 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, Ahpma 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 2025, placing the Company in the top companies evaluated by the CDP.



ISS ESG Rating: In 2025, Ontex received a C+ rating, obtaining Prime Status in the Consumer Goods sector.



EcoVadis Assessment: Ontex was awarded a gold medal for its sustainability achievements.



MSCI ESG Ratings: In 2025, Ontex received a rating of AAA (on a scale of AAA-CCC), maintaining its position as a leader in the Household & Personal Products sector.



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 the 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 the 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 such as 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 training on the Code of Ethics, which includes anti-corruption, 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 the Company's reporting under ESRS E5, leveraging existing

data 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

Ontex 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.

The Company consulted relevant internal and 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 Ontex's Executive Committee.

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 (Executive Committee & 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 irremediability 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, irremediability 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 Ontex's Executive Committee. Any necessary adjustments were incorporated before their final sign-off. The approval by the Company's Executive Committee did not change the overview of material topics. Finally, the results were approved by the Board of Directors.

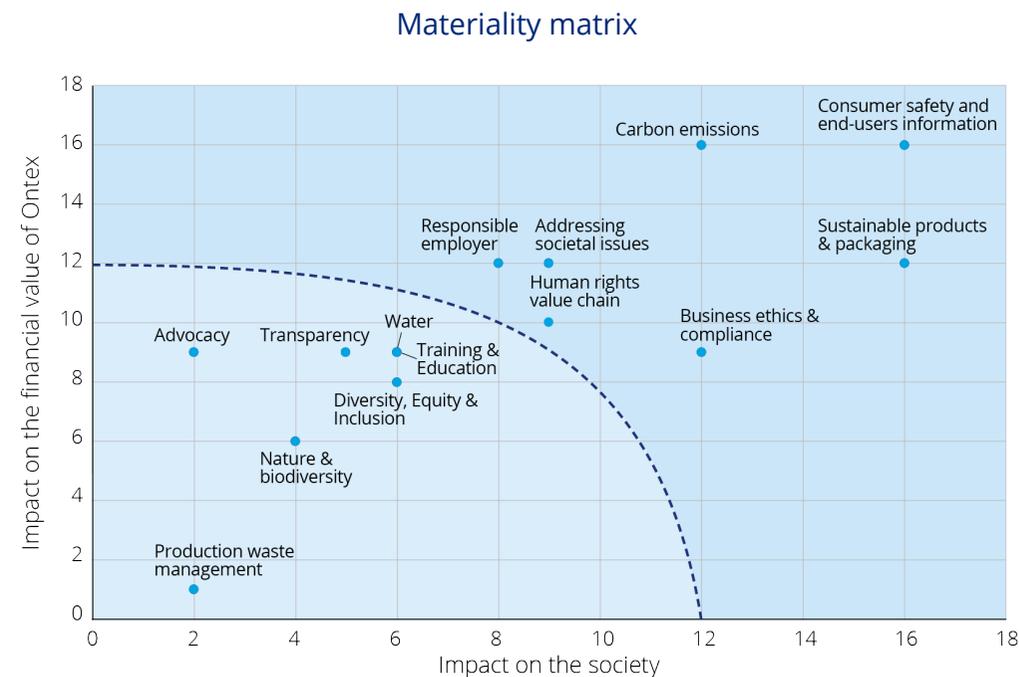
Step 5: Adaptation Ontex's Sustainability Strategy

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 section GOV-8 Risk management and internal control network.

Materiality matrix



Changes versus the previous materiality assessment

In 2023, Ontex conducted its first double materiality assessment, which was the basis of the 2024 Annual Report and continues to be the basis of the 2025 reporting year. Prior to this, an impact materiality assessment was completed in 2021.

Ontex's process of the materiality assessment did not change compared to the prior reporting period. Ontex assessed all internal and external triggers that could potentially lead to the revision of the materiality assessment in 2025, such as Company changes, peer performance and policy developments. However, no significant triggers were identified. The Company plans the next revision in 2026, in view of the European Commission's proposal for a Directive amending the CSRD and revising the first set of ESRS.

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 Ontex's 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 Company's Executive Committee 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 and related strategy adaptation in 2024, the ESG policies underwent an update throughout 2024 and 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, covering 9 manufacturing locations (82% coverage), the Headquarters and 2 sales offices in 2025;
- ISO 50001: Energy Management System, covering 7 manufacturing locations (64% coverage) and the Headquarters in 2025, and
- ISO 45001: Occupational Health and Safety Management System, covering 2 manufacturing locations (18% coverage), the Headquarters and 1 sales office in 2025.

Additionally, the system incorporates a range of voluntary and mandatory requirements, such as:

- SMETA social compliance scheme, covering 9 own manufacturing locations (82% coverage) in 2025;
- 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 supervisory bodies	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-2.4
		IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	SUS-2.4.2
		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 (continued)	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-3.2.6
		E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	SUS-3.2.7
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 (continued)	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
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 § 21 (d)	•		•		GOV-2.7
		GOV-1	Percentage of board members who are independent § 21 (e)			•		GOV-2.1
		GOV-4	Statement on due diligence § 30	•				SUS-2.2.3
		SBM-1	Involvement in activities related to fossil fuel activities § 40 (d) I	•	•	•		Not material
		SBM-1	Involvement in activities related to chemical production § 40 (d) II	•		•		Not material
		SBM-1	Involvement in activities related to controversial weapons § 40 (d) III	•		•		Not material
		SBM-1	Involvement in activities related to cultivation and production of tobacco § 40 (d) IV				•	Not material
Environmental disclosures	Climate change (E1)	E1-1	Transition plan to reach climate neutrality by 2050 § 14				•	SUS-3.1.1
		E1-1	Undertakings excluded from Paris-aligned Benchmarks § 16 (g)		•	•		Not applicable
		E1-4	GHG emission reduction targets § 34	•	•	•		SUS-3.1.5
		E1-5	Energy consumption from fossil sources disaggregated by sources for high climate impact sectors § 38	•				Not applicable
		E1-5	Energy consumption and mix § 37	•				SUS-3.1.6
		E1-5	Energy intensity associated with activities in high climate impact sectors § 40-43	•				Not applicable
		E1-6	Gross scope 1, 2, 3, and total GHG emissions § 44	•	•	•		SUS-3.1.7
		E1-6	Gross GHG emissions intensity § 53-55	•	•	•		SUS-3.1.7
		E1-7	GHG removals and carbon credits § 56					•

Section	ESRS Standard	Datapoint deriving from other EU legislation		SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Section
Environmental disclosures (continued)	Climate change (E1 (continued))	E1-9	Exposure of the benchmark portfolio to climate-related physical risks § 66			•		SUS-3.1.2
		E1-9	Location of significant assets at material physical risk § 66 (c)			•		SUS-3.1.2
		E1-9	Breakdown of the carrying value of real estate assets by energy-efficiency classes § 67 (c)			•		Not applicable
		E1-9	Degree of exposure of the portfolio to climate-related opportunities § 69				•	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 § 28	•				Not material
	Water and marine resources (E3)	E3-1	Water and marine resources 9	•				Not material
		E3-1	Dedicated policy § 13	•				Not material
		E3-1	Sustainable oceans and seas § 14	•				Not material
		E3-4	Total water recycled and reused § 28 (c)	•				Not material
		E3-4	Total water consumption in m ³ per net revenue on own operations § 29	•				Not material
	Biodiversity and ecosystems (E4)	SBM-3	§ 16 (a) i	•				Not material
		SBM-3	§ 16 (b)	•				Not material
		SBM-3	§ 16 (c)	•				Not material
E4-2		Sustainable land/agriculture practices or policies § 24 (b)	•				Not material	
E4-2		Sustainable oceans/seas practices or policies § 24 (c)	•				Not material	
E4-2		Policies to address deforestation § 24 (d)	•				Not material	
Resource use & circularity	E5-5	Non-recycled waste § 37 (d)	•				SUS-3.2.6	
	E5-5	Hazardous waste and radioactive waste § 39	•				SUS-3.2.6	

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)	SBM-3	Risk of incidents of forced labor § 14 (f)	•				SUS-4.1.2	
		SBM-3	Risk of incidents of child labor § 14 (g)	•				SUS-4.1.2	
		S1-1	Human rights policy commitments § 20	•				SUS-4.1.3	
		S1-1	Due diligence policies on issues addressed by the fundamental International Labor Organization conventions 1 to 8, § 21			•		SUS-4.1.3	
		S1-1	Processes and measures for preventing trafficking in human beings § 22	•				SUS-4.1.3	
		S1-1	Workplace accident prevention policy or management system § 23	•				SUS-4.1.3	
		S1-3	Grievance/complaints handling mechanisms § 32 (c)	•				SUS-4.1.5	
		S1-14	Number of fatalities and number and rate of work-related accidents § 88 (b) and (c)	•			•	SUS-4.1.13	
		S1-14	Number of days lost to injuries, accidents, fatalities or illness § 88 (e)	•				SUS-4.1.13	
		S1-16	Unadjusted gender pay gap § 97 (a)	•			•	SUS-4.1.14	
		S1-16	Excessive CEO pay ratio § 97 (b)	•				Not applicable	
		S1-17	Incidents of discrimination § 103 (a)	•				SUS-4.1.15	
		S1-17	Non-respect of UNGPs on business and human rights and OECD guidelines § 104 (a)	•			•	Not applicable	
		Workers in the value chain (S2)	SBM-3	Significant risk of child labor or forced labor in the value chain § 11 (b)	•				
	S2-1		Human rights policy commitments § 17	•					SUS-4.2.3
	S2-1		Policies related to value chain workers § 18	•					SUS-4.2.3
	S2-1		Non-respect of UNGPs on business and human rights principles and OECD guidelines § 19	•			•		Not applicable
	S2-1		Due diligence policies on issues addressed by the fundamental International Labor Organization (ILO) conventions 1 to 8, § 19				•		SUS-4.2.3
	S2-4		Human rights issues and incidents connected to its upstream and downstream value chain § 36	•					SUS-4.2.5

Section	ESRS Standard	Datapoint deriving from other EU legislation		SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Section
Social disclosures (continued)	Affected communities (S3)	S3-1	Human rights policy commitments § 16	•				Not material
		S3-1	Non-respect of UNGPs on business and human rights, ILO principles or OECD guidelines § 17	•		•		Not material
		S3-4	Human rights issues and incidents § 36	•				Not material
	Consumers and end-users (S4)	S4-1	Policies related to consumers and end-users § 16	•				SUS-4.3.3
		S4-1	Non-respect of UNGPs on business and human rights and OECD guidelines § 17	•		•		Not applicable
		S4-4	Human rights issues and incidents § 35	•				Not applicable
Governance disclosures	Business conduct (G1)	G1-1	United Nations convention against corruption § 10 (b)	•				SUS-5.1.2
		G1-1	Protection of whistleblowers § 10 (d)	•				SUS-5.1.2
		G1-4	Fines for violation of anti-corruption and anti-bribery laws § 24 (a)	•		•		SUS-5.1.3
		G1-4	Standards of anti-corruption and anti-bribery § 24 (b)	•				SUS-5.1.3

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.

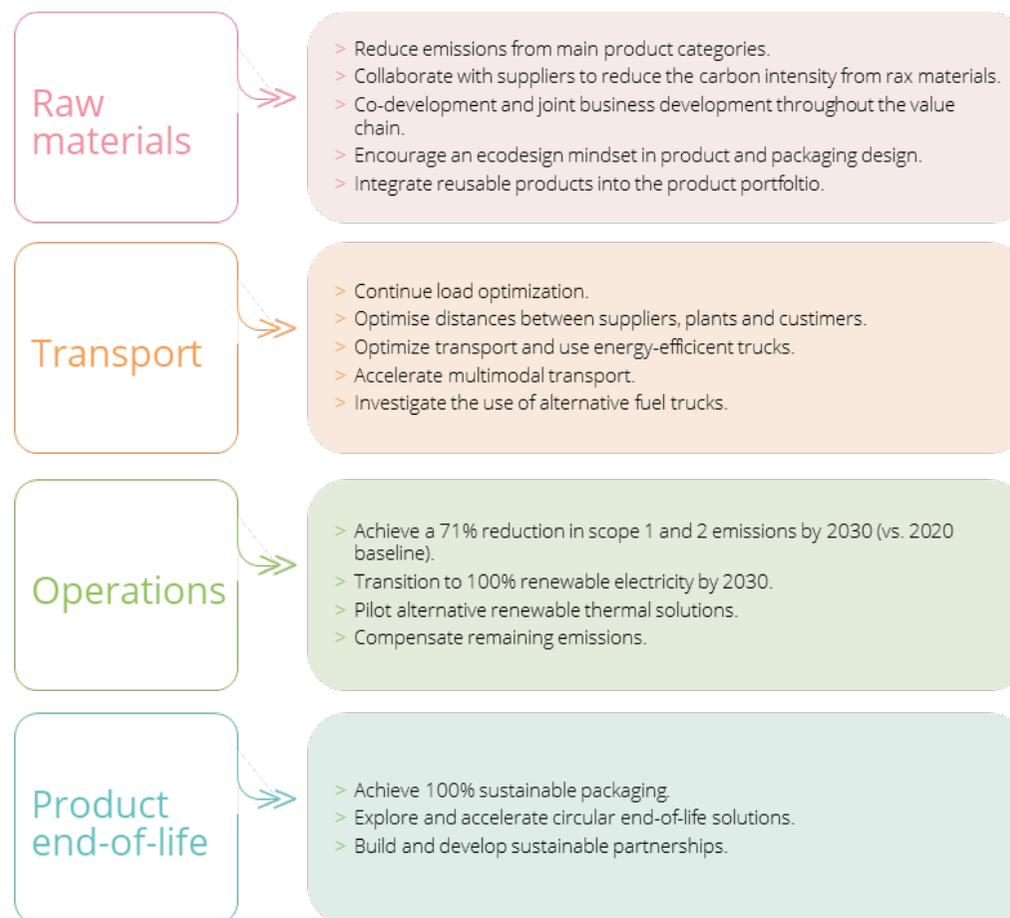
The Company's climate transition plan stems from the Sustainability Strategy which reflects the Company's climate-related ambitions and targets for its own operations and across its value chain by 2030. It is a crucial element of Ontex's strategy and reinforces the Company's resilience by creating long-term value for its stakeholders and contributing to a more sustainable future. The Group Sustainability Team guided the development of the plan, which was approved by Ontex's Executive Committee. The plan has been implemented across the entire Group, including subsidiaries.

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 (for details, see section [SUS-3.1.5](#));
- transitioning to renewable energy, improving production efficiency and developing low-impact, circular products that meet evolving market and customer expectations (for details, see section [SUS-3.1.4](#));
- proactive climate risk assessments and collaborative stakeholder engagement to mitigate physical and transitional risks (for details, see section [SUS-3.1.2](#)).

Ontex's 2030 GHG emission reductions targets have been validated by the Science Based Targets initiative (SBTi) and are consistent with limiting global warming to 1.5°C. They cover Scope 1 and 2, as well as three key categories of Scope 3, as described in section [SUS-3.1.5](#).

The implementation of the transition plan relies on four key levers:



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.

In the consumer goods sector, emissions 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 the Company's infrastructure are limited and primarily stem from energy consumption, which Ontex aims to further decarbonize.

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 due to climate change. To address these challenges and explore growth and innovation opportunities, Ontex revised its physical climate risk assessment in 2025, examining both the 2030 and 2050 time horizons. This analysis focused on identifying vulnerabilities, enhancing preparedness, proactively mitigating the effects of climate change. The key findings are:

Physical risks: Ontex assessed operational disruptions related to extreme weather, with a focus on production sites and supply chain vulnerabilities. Under the IPCC RCP 8.5 (BAU 3.2–4.5)^[41] scenario, climate-related risks were evaluated using several factors, including asset value and potential turnover losses, assuming that certain production sites could be slowed down or temporarily disrupted by specific climate events. The assessment also considered the likelihood of each climate risk at the location of each production site, as well as the mitigation measures already in place to protect facilities against these risks.

By 2050, climate hazards may pose increased risks for Ontex, particularly flooding and severe wind events, which could lead to asset damage and business interruption.

The previous study conducted by Ontex in 2023 analyzed transition risks and opportunities. The key findings are presented below.

Transition risks: Ontex explored risks under the IPCC RCP 2.6^[42] (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 such as 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.

[41] 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

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. The methodology follows a four-step approach to assess climate-related risks and adaptation needs across Ontex's operations and supply chain:

- 1) An exposure analysis identifies the main climate hazards and the most exposed sites, covering both 12 owned production sites and approximately 300 supplier sites. This step prioritizes risks by geography, supplier tier, and value chain importance.
- 2) A vulnerability assessment is conducted for the 12 owned sites to evaluate their sensitivity to identified hazards and to calculate an overall risk score based on asset characteristics, site-specific conditions, and existing protective measures.
- 3) The financial impact of climate risks is quantified for the 12 owned sites by estimating potential asset damage, business interruption, and additional operating costs under different hazard scenarios.
- 4) Adaptation solutions are assessed for each owned site to support adaptation planning, including the identification of potential measures, associated costs, and expected risk reduction benefits.

The risk analysis, which included a vulnerability assessment, identified heatwaves, wildfires, flooding, and severe wind events as potential risks to the Company's 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.

energy demand and GHG emissions in the absence of climate change policies. It also assumes limited new policies or regulatory measures.

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.

Policy	Purpose	ESG topics	Scope
Sustainability policy	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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

[42] 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 mitigation policies, technological advancements (such as carbon capture and storage), lower energy intensity and renewable energy development.

SUS-3.1.4 Taking actions and resources in relation to climate change policies

Ontex's actions to address climate change 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 currently limited, the Company mitigates its impact by implementing local measures which are integrated into 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. Ontex further analyzed the climate risks of its sites, as shown in section [SUS-3.1.4](#), and extended the analysis to its supplier production sites to enhance resilience and adaptation strategies.

Transitioning to renewable energy and enhancing efficiency

In 2025, Ontex continued to prioritize energy efficiency and the reduction of fossil fuel dependency through a combination of strategic initiatives, digitalization of energy management, and targeted investments across its manufacturing footprint. The Company further reduced its energy intensity by upgrading equipment, optimizing processes, and deploying advanced monitoring technologies, reinforcing its commitment to sustained improvement over time.

To support the transition to renewable electricity, Ontex began exploring virtual power purchase agreement (VPPA) opportunities in Europe and joined a cohort with other interested parties to increase scale and impact. In parallel, the Company strengthened its energy data capabilities by launching an energy monitoring system pilot at its Ortona plant. This real-time energy measurement solution improves data accuracy at line and equipment level, supports the deployment of energy performance indicators, and enables the identification and prioritization of energy efficiency opportunities in line with Ontex's Energy & Emissions Strategy.

Across its operations, Ontex implemented a range of site-specific energy efficiency projects:

- Dourges: The replacement of seven legacy fan motors with high-efficiency motors and the detection of compressed air leaks generated significant electricity savings.
- Noginsk: Automatic shutdown systems for warehouse lighting were installed, and analyses of electricity sourced from external power grids were conducted to identify opportunities to reduce associated CO₂ emissions.

- Ortona: Compressed air leak detection initiatives were combined with the deployment of an AI-based compressor optimization tool, which learns from actual operating behavior and subsequently optimizes energy consumption, alongside the implementation of the live energy data tracking project.
- Radomsko: Energy consumption was reduced through chiller optimization and the installation of gas flow reduction valves.
- Segovia: On-site renewable energy generation was expanded through the installation of additional solar panels, covering 8,000 m² and generating approximately 1.3 GWh of renewable electricity annually.
- Tijuana: Compressed air leak detection initiatives were implemented to reduce unnecessary energy losses.

Through these concrete actions, Ontex continued to lower its energy consumption per unit produced while maintaining a strong focus on operational efficiency and long-term decarbonization.

Developing low-impact, circular products

Ontex achieved a 6% reduction in scope 3 emissions compared to 2020. Embedding sustainability into every product remains a core commitment, with carbon reduction being a key driver of value creation, enabling customers to incorporate sustainable features into their offerings seamlessly.

Ontex's emissions reduction journey requires close engagement 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 the sourcing of key raw materials, strengthening accountability, and enabling a more accurate assessment of its environmental impact. As a result, 64% of the Company's raw materials are now covered by supplier-specific data and have been reviewed throughout the year in close collaboration with Ontex's sustainability experts.

A clear understanding of the carbon footprint of raw materials is essential, as it enables the Company to engage constructively with suppliers on targeted actions to further decarbonize the value chain.

Product design is equally critical to meeting customer needs and reducing environmental impact, supported by close collaboration with the Company's customers. As part of the design and development process, Ontex co-designs products alongside its customers and provides a detailed product scorecard that supports informed decision making and offers clear insights into environmental performance. In 2025, the product scorecard was further enhanced to strengthen its value for stakeholders by providing deeper and more actionable insights into the environmental impact of the Group's products.

The Company also introduced new design concepts, such as

- A new flexible closing system which aims to remove the frontal tape from baby diapers, resulting in an estimated ~1% reduction in total carbon footprint and plastic content.
- Introduction of bio-based superabsorbent polymers (bioSAP) in diapers, with an initial rollout in selected products. This new material replaces virgin fossil-based plastic SAP in the core absorbent component, helping lower the carbon footprint of the product while maintaining performance.
- Through the *Dreams Shield* project, Ontex reduced diaper grammage, increasing the number of pieces per pallet and improving transport efficiency while reducing logistics-related emissions per unit.

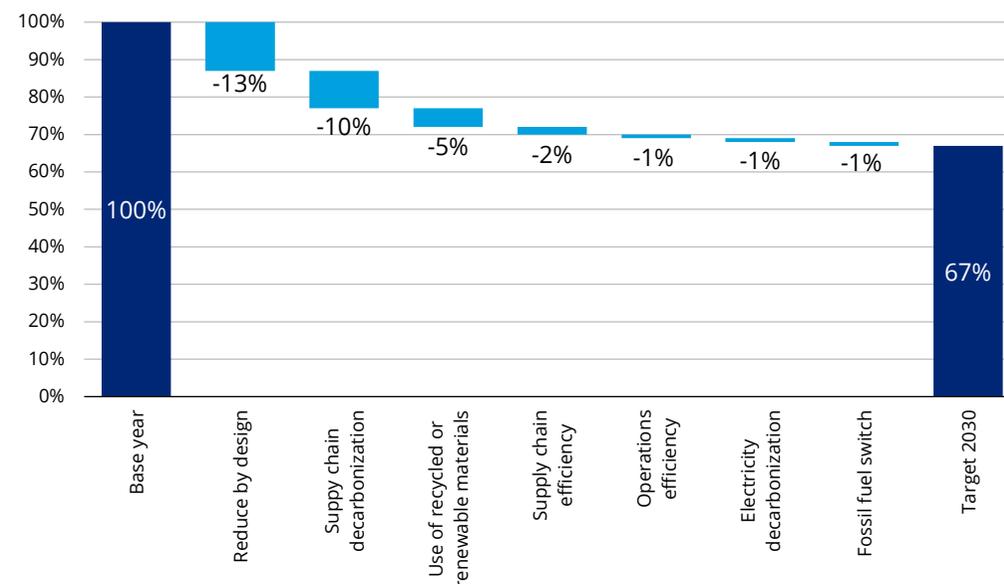
Future focus and resources allocation

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 that follows illustrates the planned emissions reductions by 2030, outlining key actions to reduce emissions and support Ontex's long-term climate goals.

Planned emissions reductions by 2030



Reduce by design initiatives focus on reducing material use, lowering plastic content, and improving product efficiency while maintaining performance. Actions such as lightweighting, component removal, and design innovation directly reduce the carbon footprint embedded in products.

The supply chain decarbonization program focuses on providing transparency and engagement with suppliers to enable a more accurate assessment of raw material emissions. By working closely with key suppliers, Ontex drives the adoption of lower-carbon materials and supports supplier-led decarbonization initiatives across the value chain.

The Company works on supply chain efficiency by optimizing transport routes, increasing load efficiency, and shifting to lower-emission transport modes, contributing to reducing emissions associated with distribution and logistics.

Finally, energy efficiency measures, process optimization, and the transition to lower-carbon energy sources reduce emissions from manufacturing operations. Continuous improvement initiatives ensure that emissions reductions are embedded into day-to-day operations.

The monetary amounts for the required capital expenditures and operational expenditures for the current year to implement these actions are disclosed in section [SUS-3.3](#).

SUS-3.1.5 Metrics and targets

Targets related to climate change mitigation and adaptation



Reducing emissions

**2030 targets
(vs. 2020 baseline)**

Working towards net zero emissions

- > Reducing emissions across our operations (Scope 1-2) by 71%
- > Reducing emissions across our value chain (Scope 3) by 51.6% per € value added
- > Reducing the product carbon intensity between 5-20% for our main product categories
- > 100% Renewable electricity

In 2025, Ontex finalized its strategic refocus on retail and healthcare brands in the core markets of Europe and North America, which included the divestments of the Brazilian and Turkish activities. As a result, the Company decided to re-submit its Science Based Targets initiative (SBTi) targets ensuring continued alignment between the Company's financial and climate ambitions. The 2020 baseline was restated to represent Ontex's new footprint. The updated targets were approved by SBTi in December 2025.

- Now aiming for a 71% reduction by 2030 compared to the revised 2020 baseline, Ontex remains fully committed to reducing its scope 1 and 2 GHG emissions by maintaining the same level of ambition.
- Ontex also changed its scope 3 targets and now aims to reduce scope 3 GHG emissions from purchased goods and services, upstream transportation and distribution, and end-of-life treatment of sold products by 51.6% per euro value added by 2030 with 2020 as the base year. The change from an absolute reduction^[43] to an economic intensity target aligns the climate ambitions with the business ambitions of growth.

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 SBTi. These targets were set with active stakeholder involvement, ensuring broad engagement and transparency across Ontex's governance framework.

In the course of 2025, Ontex continued tracking its absolute Scope 3 GHG emission reduction targets with 2020 as a baseline, achieving 9% compared to 2024 and 6% compared to 2020.

Five years early, in 2025 Ontex achieved its target to source 100% of its electricity from renewable sources and is committed to maintaining it.

To maintain comparability and accurate progress tracking, all figures in this section are presented using the same scope.

Working towards net zero emissions

	Baseline	Targets 2030 (updated)	Progress reporting		
			2023 (restated)	2024 (restated)	2025
Reducing emissions across operations (Scope 1-2)	2020	-71%	-48%	-45%	-66%
Reducing emissions across value chain (Scope 3 key categories)	2020	-51.6% ^[44]	4%	-9%	5%
100% Renewable electricity	-	100%	99%	99%	100%

[43] The previous absolute Scope 3 GHG emission target was a 25% reduction across the value chain by 2030 with 2020 as a baseline.

[44] Per € value added

SUS-3.1.6 Energy consumption and mix

In 2025, Ontex sourced 100% of its electricity from renewable sources, achieving the Company's 2030 goal. Of this electricity, 6% was generated on-site and 94% was purchased via instruments, such as Guarantee of Origins or Renewable Energy Certificates, where 26% is bundled with instruments and 68% comes from unbundled instruments.

This transition has significantly contributed to reducing scope 1 and 2 emissions by 66% 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. Ontex's commitment to source 100% renewable electricity remains, and the Company will keep working to maintain the status of this target.

Efforts to electrify specific equipment that is currently dependent on fossil fuels are being explored to further reduce energy consumption per unit of production.

Energy consumption and mix <i>in MWh</i>	Progress reporting		
	2023 (restated)	2024 (restated)	2025
1) Fuel consumption from coal and coal products	0	0	0
2) Fuel consumption from crude oil and petroleum products	18,723	17,815	14,741
3) Fuel consumption from natural gas	32,681	29,857	32,158
4) Fuel consumption from other fossil sources	184	90	33
5) Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources	1,882	1,884	79
6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	53,470	49,646	47,011
Share of fossil sources in total energy consumption	17%	15%	15%
7) Consumption from nuclear sources	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.)	783	47	0
9) Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources	260,342	283,961	267,444
10) Consumption of self-generated non-fuel renewable energy	16,950	17,583	16,374
11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	278,075	301,591	283,818
Share of renewable sources in total energy consumption	84%	86%	86%
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	331,545	351,237	330,829

Energy intensity per net revenue	Unit	2024 (restated)	2025	2025 /2024
Total energy consumption	MWh	351,237	330,829	-6%
Net revenue from activities in high climate impact sectors used to calculate energy intensity	€ million	1,860.5	1,761.6	-5%
Net revenue (other)	€ million	0	0	0%
Total net revenue	€ million	1,860.5	1,761.6	-5%
Energy intensity per net revenue	MWh/ € million	179.3	178.5	0%

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. 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 (Brazilian and Turkish operations) have been excluded from the 2025 information in this section, and the comparative information has been restated to ensure consistency and comparability across different years^[45].

[45] In the 2024 Sustainability Statements, Ontex reported: total fossil energy consumption 76,382 MWh for 2023 and 70,274 MWh for 2024, total renewable energy consumption 288,089 MWh for 2023 and 308,784 MWh in 2024 and total energy consumption 364,471 MWh for 2023 and 379,058 MWh for 2024.

SUS-3.1.7 Gross scopes 1, 2, 3 and total greenhouse gas emissions

Ontex's scope 1, 2 and 3 greenhouse gas emissions

The table below shows the progress of Ontex's greenhouse gas (GHG) scope 1, 2 and 3 emissions in the past 3 years.

GHG emissions <i>in tCO₂eq</i>	Progress reporting					Targets	
	2020 (restated)	2024 (restated)	2025	2025/2024	2025/2020	2030 (updated)	2050
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions	7,780	11,859	10,620	-10%	-37%		
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	0%	0%	0%				
Biogenic emissions of CO ₂ carbon from the combustion or biodegradation of biomass	0	0	0				
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions	75,290	71,076	68,424	-4%	-9%		
Gross market-based Scope 2 GHG emissions	23,524	5,451	11	-100%	-100%		
Scope 1+2 emissions (market-based)	31,304	17,310	10,631	-39%	-66%	-71%	

GHG emissions <i>in tCO₂eq</i>	Progress reporting					Targets	
	2020 (restated)	2024 (restated)	2025	2025/2024	2025/2020	2030 (updated)	2050
Scope 3 GHG emissions							
1) Purchased goods and services	754,287	881,965	808,916	-8%	7%		
2) Capital goods	71,037	104,866	75,514	-28%	6%		
3) Fuel and energy-related. Activities (not included in scope1 or scope 2)	6,337	8,287	7,625	-8%	20%		
4) Upstream transportation and distribution	213,121	247,602	217,597	-12%	2%		
5) Waste generated in operations	13,637	13,739	16,651	21%	22%		
6) Business traveling	432	888	556	-37%	29%		
7) Employee commuting	Not applicable						
8) Upstream leased assets	Not applicable						
9) Downstream transportation	57,512	39,296	37,206	-5%	-35%		
10) Processing of sold products	Not applicable						
11) Use of sold products	Not applicable						
12) End-of-life treatment of sold products	642,073	510,206	487,495	-4%	-24%		
13) Downstream leased assets	Not applicable						
14) Franchises	Not applicable						
15) Investments	Not applicable						
Total Gross indirect (Scope 3) GHG emissions	1,758,436	1,806,849	1,651,560	-9%	-6%		
Total GHG emissions (location-based)	1,841,506	1,889,784	1,730,604	-8%	-6%		
Total GHG emissions (market-based)	1,789,741	1,824,159	1,662,191	-9%	-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 CO₂-equivalents (tCO₂e). 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 CO₂.

Scope 2 emissions are disclosed according to both market-based^[46] and location-based^[47] methodologies. GHG emissions intensity is calculated by dividing the total market-based scope 1 and scope 2 emissions (in tCO₂e) by Ontex's total revenues (in €):

GHG emissions intensity (tCO₂/€) = (Scope 1 + Scope 2) / Total revenue

Scope 3 GHG emissions

Reported scope 3 emissions follow the Greenhouse Gas Protocol methodology using the operational control approach^[48]. Ontex's scope 3 reporting includes categories such as:

- purchased goods and services
- upstream distribution
- capital goods
- business travel
- fuel and energy related activities^[50]
- 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 64% 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.

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 CO₂ 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.
- The divested plants (Brazilian and Turkish operations) have been excluded from the 2025 information in this section as they have limited impact. Following the strategic refocus and the divestment of these activities, Ontex re-submitted its SBTi targets to align its climate ambitions with its updated footprint. As a result, the 2020 GHG baseline and associated targets were updated, and the comparative information was restated to ensure consistency in the progress reporting^[49].

[46] A market-based method reflects emissions from electricity that companies have purposefully chosen,' GHG Protocol Scope 2 Guidance.

[47] A location-based method reflects the average emissions intensity of grids on which energy consumption occurs,' GHG Protocol Scope 2 Guidance.

[48] 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.

[49] In the 2024 sustainability statements, Ontex reported: Scope 1 GHG emissions 12,376 tCO₂eq for 2023 and 12,748 tCO₂eq for 2024, Scope 2 GHG emissions (market-based) 6,675 tCO₂eq for 2023 and 7,300 tCO₂eq for 2024, Scope 2 GHG emissions (location-based) 74,306 tCO₂eq for 2023 and 79,978 tCO₂eq for 2024, Scope 3 GHG emissions 2,396,666 tCO₂eq for 2023 and 2,437,459 tCO₂eq for 2024.

[50] 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 ^[51] in tCO ₂ eq / € million	2024 (restated)	2025	2025/2024
Total GHG emissions (market-based)	980	944	-3%
Total GHG emissions (location-based)	1,016	982	-3%

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.

[51] Total net revenue is disclosed in section [SUS-3.1.6](#).

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 2026. 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.

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-4.2.2](#).

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-labeling 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 being a member of the board of the responsible organization. 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. In 2025, Ontex achieved another milestone by reaching at least 30% of plastic primary packaging containing recycled or renewable content, reinforcing its

commitment to achieving its targets and advancing the circular economy. The Company aspires to contribute to a more circular and eco-friendly packaging system, aiming to positively impact the entire value chain by increasing the primary plastic packaging containing recycled or renewable content to 75% by 2030. Ontex 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](#).

SUS-3.2.4 Metrics and targets

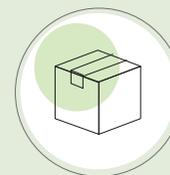
Targets related to resource use and circular economy

Ontex is committed to advancing a more circular economy through a comprehensive and multi-faceted approach and continues to work towards integrating alternative solutions to replace fossil-based materials in packaging. In 2025 the Company achieved its first resource-related target of at least 30% recycled or renewable content in plastic packaging. Moreover, almost 100% of packaging was designed according to recycling guidelines^[52]. Packaging that does not meet the recycling guidelines answers specific customer needs and special application needs like siliconized pouches or released paper. Ontex remains committed to working towards 100% recyclable packaging in collaboration with its customers.

[52] For plastic packaging, Ontex follows CEFLEX Flexible Guidelines. For fiber-based packaging, Ontex follows Evergreen's 'Circularity by design guidelines for fiber-based packaging'.

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 and packaging

2030 targets

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 uses renewable resources, such as pulp and cotton. Recognizing that these renewable materials are high impact commodities, 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). Ontex aims 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.

Remove fossil-based plastics from products and packaging targets	Targets		Progress reporting		
	2025	2030	2023	2024	2025
30% by 2025 and 75% by 2030 of plastic primary packaging contains recycled or renewable content	30%	75%	20%	29%	40%
By 2025, all packaging is designed to be recyclable	100%	100%	98%	98%	100%
All cardboard packaging has 100% recycled content	-	100%	97%	92%	94%

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.

The following tables provide a detailed breakdown of the materials used during the reporting period:

Resource inflows <i>in tons</i>	Progress reporting	
	2024	2025
Materials used (incl. packaging, pulp, polymers and other components)	571,000	452,794
Materials sourced from recycled components ^[53]	46,000	36,298
Materials sourced from biological materials	287,000	235,035
Materials certified by schemes such as FSC, PEFC, ISCC+, REDcert2 and GOTS ^[54]	42%	44%
Share of wood-based raw materials certified by FSC and PEFC ^[54]	94%	93%
Share of cotton-based raw materials certified by GOTS	-	97%

[53] Due to a methodological error in the conversion factors in prior year, the 2024 comparative figure has been refined.

[54] PEFC (PEFC/07-32-261)/FSC® (FSC-C081844)

[55] 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.

Sustainable products ^[55]	Progress reporting			
	2023	2024	2025	2025/2024
Recycled content in product	0%	0%	0%	0pp
Recycled content in plastic packaging ^[56]	10%	13%	18%	+5pp
Plastic primary packaging containing recycled content ^[57]	20%	29%	40%	+11pp
Recycled content in paper and cardboard packaging ^[58]	97%	92%	94%	+2pp

[56] Calculated as the total weight of recycled material / total weight of plastic packaging.

[57] Calculated as the total weight of plastic packaging containing recycled content / total weight of plastic packaging.

[58] 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 the Company's comprehensive management approach, which encompasses its commitment to workers in the value chain, consumers and end-users, and its overall business conduct.

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 reduce the quantity of material used per product by downgauging thickness. The Company also works to ensure that its packaging can be effectively recycled after use. As a consequence, it no longer uses laminated bags. 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 ^[59]	Progress reporting			
	2023	2024	2025	2025/2024
Recyclable content in products	0%	0%	0%	0pp
Recyclable content in products' packaging	98%	98%	100%	+2pp

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, Ontex voluntarily discloses the production waste figures below.

[59] 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 ^[60] <i>in tons</i>	Progress reporting			
	2023 (restated)	2024 (restated)	2025	2025/2024
Hazardous waste diverted from disposal due to preparation for reuse	0	0	0	0%
Hazardous waste diverted from disposal due to recycling	98	118	155	31%
Hazardous waste diverted from disposal due to other recovery operations	0	0	0	0%
Hazardous waste diverted from disposal	98	118	155	31%
Non-hazardous waste diverted from disposal due to preparation for reuse	735	1,340	1,931	44%
Non-hazardous waste diverted from disposal due to recycling	22,089	23,829	22,069	-7%
Non-hazardous waste diverted from disposal due to other recovery operations	0	0	0	0%
Non-hazardous waste diverted from disposal	22,824	25,170	24,000	-5%
Hazardous waste directed to disposal by incineration	7	18	21	17%
Hazardous waste directed to disposal by landfilling	0	1	0	-100%
Hazardous waste directed to disposal by other disposal operations	17	16	15	-6%
Hazardous waste directed to disposal	24	34	36	6%
Non-hazardous waste directed to disposal by incineration	2,439	3,028	8,176	170%
Non-hazardous waste directed to disposal by landfilling	2,513	2,446	739	-70%
Non-hazardous waste directed to disposal by other disposal operations	281	255	213	-16%
Non-hazardous waste directed to disposal	5,234	5,728	9,128	59%
Total waste generated:	28,180	31,049	33,318	7%
Total amount of waste directed to disposal	5,258	5,762	9,163	59%
Non-recycled waste	19%	19%	27%	+ 8 pp
Total amount of waste diverted from disposal	22,922	25,287	24,155	-4%
Total amount of hazardous waste	123	152	190	25%
Total amount of radioactive waste	0	0	0	0%

The divested plants (Brazilian and Turkish operations) have been excluded from the 2025 information in this section, and the comparative information has been restated to ensure

consistency and comparability across different years^[61]. The 2024 comparative information on waste has been updated to include information which was previously unavailable due to

[60] 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.

[61] In the 2024 Sustainability Statements, Ontex reported: Total waste generated 34,873 tons in 2023 and 33,549 tons for 2024, total amount of waste directed to disposal 5,386 tons in 2023 and 5,945 tons in 2024 and total amount of waste diverted from disposal 29,485 tons in 2023 and 27,605 tons in 2024.

delayed third-party reporting. As the data collection relies on ad-hoc pick-up of waste, the missing amount could not have been estimated or anticipated. The figures have been integrated in this report to ensure a comprehensive annual overview.

SUS-3.2.7 Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities

At this stage, 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 2025, 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's assessment of the medium list. Based on Ontex's 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.

Ontex considers its primary business operations, which serve as the main source of its revenue and define its fundamental purpose, as its core activity. The Company generates most of its income through the development, production, and distribution of personal care products. This is considered as its core activity as it is 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 does not have any eligible revenue generated from its core or non-core activities when assessing the current list of eligible activities under the EU Taxonomy. For the other metrics, Ontex has identified three activities eligible for CapEx (7.3, 7.4, 7.5) and four for OpEx (7.3, 7.4, 7.5, 8.2). In 2025, eligible CapEx amounts were reported for two out of the three CapEx activities, while no significant OpEx amounts were identified for the eligible OpEx activities.

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 note [FIN-4.1.12](#).

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 in section [FIN-3.2](#).

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 notes [FIN-4.1.6](#) and [FIN-4.1.7](#).

Ontex's total CapEx can be reconciled with the line item 'Purchases of property, plant and equipment and intangible assets' in section [FIN-4.2.4](#).

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.

Table proportion of taxonomy-eligible economic activities in total turnover (%)

2025	Economic Activities (1)	Code(s) (2)	Turnover (3) € million	Proportion turnover 2025 (4) %	Substantial contribution criteria					DNSH criteria ("Does not significantly harm")							Proportion of Taxonomy-aligned (A.1) or eligible (A.2) turnover, 2024 (18) %	Category enabling activity (19) E	Category transitional activity (20) T
					Climate change mitigation (5) Y; N; EL; N/EL	Climate change adaptation (6) Y; N; EL; N/EL	Water (7) Y; N; EL; N/EL	Pollution (8) Y; N; EL; N/EL	Circular economy (9) Y; N; EL; N/EL	Biodiversity (10) Y; N; EL; N/EL	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular economy (15) Y/N	Biodiversity (16) Y/N			
A Taxonomy eligible activities																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
No economic activities																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1):			-	0%													0%		
Enabling			-	0%													0%		
Transitional			-	0%													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%													0%		
Turnover of Taxonomy-eligible activities (A.1 + A.2)			-	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%		
B Taxonomy non-eligible activities																			
Turnover of Taxonomy-non-eligible activities (B)			1,761.6	100%													100%		
Total (A+B)			1,761.6	100%															

Table proportion of CapEx from products or services associated with taxonomy-aligned economic activities in 2025

2025	Economic Activities (1)	Code(s) (2)	CapEx (3)	Proportion CapEx 2025 (4)	Substantial contribution criteria					DNSH criteria ("Does not significantly harm")						Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) CapEx, 2024 (18)	Category enabling activity (19)	Category transitional activity (20)	
					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)
			€ 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	%	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%																0%
Enabling			-	0%																0%
Transitional			-	0%																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	0.66	0.81%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.87%
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)			CCM 7.4	0.14	0.17%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.004%

Economic Activities (1)	Code(s) (2)	Substantial contribution criteria									DNSH criteria ("Does not significantly harm")												
		CapEx (3)	Proportion CapEx 2025 (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, 2024 (18)	Category enabling activity (19)	Category 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	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL										0.005%			
CapEx of taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.80	0.98%	0,98%	0%	0%	0%	0%	0%											0.88%			
CapEx of Taxonomy-eligible activities (A.1 + A.2)		0.80	0.98%	0,98%	0%	0%	0%	0%	0%											0.88%			
B Taxonomy non-eligible activities																							
CapEx of Taxonomy-non-eligible activities (B)		80.21	99.02%																		99.12%		
Total (A+B)		81	100%																				

Table proportion of OpEx from products or services associated with taxonomy-aligned economic activities

2025	Economic Activities (1)	Code(s) (2)	OpEx (3)	Proportion OpEx 2025 (4)	Substantial contribution criteria					DNSH criteria ("Does not significantly harm")						Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) OpEx, 2024 (18)	Category enabling activity (19)	Category transitional activity (20)
					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)				
			€ 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	%	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):																			
Enabling			-	0%													0%		
Transitional			-	0%													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%													0%		
OpEx of Taxonomy-eligible activities (A.1 + A.2)			-	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	0%		
B Taxonomy non-eligible activities																			
OpEx of Taxonomy-non-eligible activities (B)			115.2	100%															100%
Total (A+B)			115.2	100%															

Nuclear and fossil gas related activities

Ontex does not engage in, fund or have exposure to nuclear energy or gas-related activities as defined in the following tables.

Nuclear and 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 section [SUS-4.1.4](#).

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 the well-being and productivity of Ontex employees. As highlighted in the Company's climate transition plan, these risks are expected to increase in the long term, which underscores the 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.



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 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 Centers– 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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 and accountability. Engagement with rights and stakeholder groups. 	<ul style="list-style-type: none"> 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)	<ul style="list-style-type: none"> Define Ontex's commitment to doing business in an ethical and responsible manner. 	<ul style="list-style-type: none"> Anti-discrimination Anti-harassment Professional conduct Health and Safety Human Rights 	All employees and business partners
Sustainability Policy	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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 Health and Safety 	All employees

Policy	Purpose	ESG topics	Scope
Diversity, Equity, and Inclusion Policy	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Gender equality and equal pay for equal work • 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	<ul style="list-style-type: none"> • Establish global principles for hybrid working practices. • Provide a framework for implementing local hybrid work arrangements. 	<ul style="list-style-type: none"> • Work-life balance. 	All employees
Speak-Up Policy	<ul style="list-style-type: none"> • Enable confidential and anonymous reporting of potential breaches of Ontex's Code of Ethics through a whistleblower mechanism. 	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Health and Safety. 	All employees and non-employee workers in Ontex's workforce

All the mentioned policies are owned by the Company's Executive Committee. They are made available through Ontex's 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 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 12 questions and optional comments, these Pulse Surveys enable employees to provide feedback on engagement, values and working conditions. Approximately 75% of employees participated in the two surveys conducted in 2025, generating over 10,000 comments. The results are shared in detail with the Executive Committee and the Extended Leadership Team (ELT), who act based on the employee feedback, while key highlights are shared with all employees. Pulse Surveys serve as indicators of employee engagement and well-being and provide insights into the views of different employee groups. For instance, an analysis of responses by gender revealed that women reported slightly less favorable experiences. To respect employee 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 works council 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, environment protection and sustainability
 - mergers, acquisitions, joint ventures, divestments, restructuring and closures of plants and legal entities
 - introduction of new work and production methods

Other matters 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 for ensuring 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 works 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 team and one-to-one meetings, 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 (core and/or extended team members)
- Internal Audit members

Additionally, employees can access the Whistleblower/Speak-up channel (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 Whistleblower/Speak-up channel 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 channel 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 on the Company's different sites. The regular and wide use of the Whistleblower/Speak-up channel 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 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

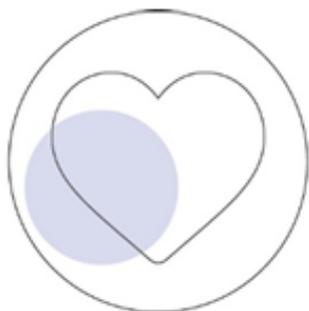
Resource allocation

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 on the next page. 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 Health & Safety 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, the well-being index score and 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.

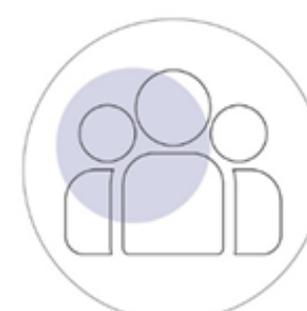
We stand up to protect and respect. We speak up and do the right thing, even in challenging circumstances because trust is at the base of everything we do.



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 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 2025, Ontex continued to further embed these values through mandatory performance objectives for office employees, recognition initiatives, and organizing a Pride Month with initiatives celebrating its diversity and fostering inclusion.

The P.R.I.D.E. Champions Awards, held for the third consecutive year, recognized four individuals and two teams (out of just under 300 peer-to-peer nominations) for embodying Ontex's values. The Company also continued to measure employee perceptions of these values and leadership role-modeling through Pulse Surveys, guiding future improvements to strengthen its culture.

Health & Safety 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; and
- 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

Several initiatives were taken in 2025 to further strengthen Ontex's Extended Leadership Team (ELT). Virtual meetings with the Company's Executive Committee provided leaders with a platform for interaction to develop Ontex's culture and execute its strategy, as well as mobilize their teams to achieve company goal.

The Leadership Summit ensured the ELT's alignment with the Company's strategy, emphasizing the importance of accountability for a successful and accelerated strategy execution. Leaders also continued to engage in smaller peer coaching groups between the formal meetings to encourage mutual learning, share experience and foster relationships built on trust.

Finally, the Ontex Leadership framework was updated to reflect Ontex's current business environment and the skills Ontex leaders will have to develop and demonstrate to drive the Company's transformation forward.

Talent and succession

In 2025, Ontex conducted a comprehensive Company-wide talent review across all locations to assess its 400 highest ranked employees based on both performance and potential, defining

actions needed at both individual and organizational levels to further their development. This initiative reinforced the Company's readiness for future challenges.

People managers were trained to facilitate meaningful career conversations, enabling employees to identify growth opportunities and shape their professional trajectories. Furthermore, successors were identified for all Extended Leadership Team (ELT) positions to minimize risks associated with unforeseen departures. By embedding this approach, Ontex fosters a culture of continuous development, strengthens employee engagement and retention, and secures its long-term success.

Enhancing the learning ecosystem

In 2025, Ontex continued to develop its learning ecosystem, tailoring it to diverse needs and job profiles. The Learning Management System for production employees was deployed to more locations, enabling all employees in these sites – regardless of their role – to access meaningful, job-relevant learning opportunities. By bridging the gap between office-based and operational roles and making learning accessible and relevant for all, the system accelerated onboarding, increased training volume by 40%, improved visibility of employee skills, and enhanced operational efficiency. The success of this project was underpinned by greater adoption of Ontex's digital content creation platform, which empowered the Company's growing community of internal experts to create and share content with their peers. This scalable ecosystem is now being extended to remaining plants, ensuring every major site benefits from structured, relevant development opportunities, supporting Ontex's vision of a future-ready, agile workforce.

The learning environment was also refreshed for office-based employees, featuring a reorganized training catalogue and improved integration with virtual learning solutions, making training opportunities more visible and accessible. In addition, Ontex employees invested 146% more hours than last year in their development on external online learning platforms.

In 2025, the Company also developed and deployed the Win as a Team program, aimed at strengthening teamwork, collaboration, and trust across Ontex. Close to 30 workshops were delivered Company-wide, receiving very positive participant feedback.

These achievements reflect Ontex's commitment to equipping employees with the skills and resources needed to succeed, while supporting the Company's strategic objectives.

Global and local DEI initiatives

In 2025, Ontex strengthened its commitment to Diversity, Equity, and Inclusion (DEI) by becoming a signatory of the United Nations Women's Empowerment Principles. The Company

also refreshed its global strategy, built on three pillars: gender parity in leadership, an inclusive culture, and fair access to opportunities.

At Group level, key actions included introducing a requirement to diversify candidate pipelines for leadership positions, updating interview guides and manager training to address bias, and launching a new LGBTQIA+ employee resource group.

Ontex continued to raise awareness by leveraging key DEI observances. For example, International Women's Day featured awareness sessions across multiple sites; Pride Month included a global photoshoot campaign and local activities supported by a digital toolkit; and Inclusion Month showcased themed posters, lock screens, and authentic employee stories.

Across its sites, Ontex teams brought the global DEI strategy to life through impactful local initiatives.

- UK: Amongst other, the UK hosted an inspirational speaker on women's empowerment, made donations to MindOut (an organization supporting LGBTQ mental health), and ran a men's health awareness campaign. They also delivered a refresher training on unconscious bias to equip employees and managers with tools to recognize and mitigate bias in everyday decisions and updated local policies to ensure equity and inclusivity.
- Italy: At the Ortona plant, an experiential workshop on generational inclusion, fostering dialogue between different age groups, was held to promote mutual understanding.
- Czech Republic: Employees at the Turnov plant participated in an interactive DEI quiz that opened discussions around intergenerational differences, varied viewpoints, and the broader theme of diversity and inclusion.
- US: International Women's Day and Women's History Month were commemorated at the Stokesdale plant with an awareness campaign recognizing women's contributions and a themed breakfast with the Company's CEO and Chief HR and Legal Officer (CHRLO).
- Belgium: At Ontex's Aalst headquarters, local DEI Champions organized a series of lunch-and-learn sessions, including an inspirational women in leadership panel and a menopause awareness session that created a safe space for discussion about navigating this life stage. A communal potluck lunch was also held to celebrate 27 different nationalities represented at the Company's headquarters and share culture through food and conversation.

These initiatives reflect Ontex's commitment to building an inclusive culture that addresses diverse needs and perspectives.

Divestments of Brazilian and Turkish operations

In 2025, Ontex completed the divestments of its Brazilian and Turkish businesses to sharpen the focus on its core retail brands and healthcare businesses in Europe and North America. To mitigate risks and reduce the transactions' potential negative impact on the workforce, several measures were implemented to ensure a smooth transition.

While maximum value was pursued during the auction process, Ontex also applied business and cultural fit criteria 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 plant

On December 19, 2024, Ontex stopped production at its Eeklo site in Belgium. During 2025, the Company provided active support to employees and their families, including financial and psychological assistance as well as career transition support. As at end October 2025, about two third of the former Eeklo employees had found a new employment.

SUS-4.1.7 Metrics and targets

Targets



Being a caring employer

Aiming for zero workplace accidents

> Accident frequency rate of ≤ 1 by 2030

Empowering a resilient & engaged workforce

- > Above the median position vs peers, related to voluntary turnover, absenteeism and learning & development year-on-year
- > Continuous improvement of 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 ≤ 1 by 2030: Ontex is committed to achieving a health and safety performance aligned with world class manufacturing standards 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.

- Following the divestment of the Brazilian and Turkish activities and the conclusion of the strategic refocus of Ontex, the baseline of the accident frequency rate (2020) has been recalculated to represent Ontex's new scope without changing the level of ambition. The comparative information has also been restated to ensure consistency and comparability across the reporting periods. As such, Ontex had a 2.61 accident frequency rate in 2025, achieving another target by remaining below the 3.99 accident frequency rate in 2025 and staying well on track to ensure the 2030 target is fulfilled.
- Empowering a resilient and engaged workforce:
 - Above-median position vs peers for turnover and learning and development (year-on-year): Ontex aims for a 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. In the course of 2026, the composition of the peer group will be reviewed to make sure it continues to be relevant for Ontex's business and that disclosures are available and comparable.
 - Continuous improvement of absenteeism, engagement, and well-being: 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 62 senior leaders called the ELT, selected based on their role scope (job level) or their strategic influence (reporting line). By 2030, the Company aims to achieve 50% gender parity within this team.

Targets	Unit	Targets 2030	Progress reporting		
			2023	2024	2025
Workplace accidents					
Accident frequency rate ^[62]	The number of disabling injuries per one million person-hours worked	≤ 1	3.01 (restated)	3.82 (restated)	2.61
Benchmark targets					
Employee turnover	Number of employee terminations in the current year / Number of active employees at the beginning of the current year (January)		16%	23%	18%
Learning and Development	Average number of training hours per employee		-	14	20
Women			-	13	15
Men			-	14	23
Other genders			-	-	0
Continuous improvement targets					
Absenteeism	Total unplanned hours of absence / Total hours available in the full year	YoY improvement	4	5	5
Employee engagement & well-being survey score		YoY improvement	-	65	57
Gender parity in leadership					
Number of women in top management	FTE (full-time equivalent)		-	14	13
Percentage of women in top management	Number of women in the ELT / Total number of employees in the ELT	50%	25%	20%	22%
Number of men in top management	FTE		-	57	47
Percentage of men in top management	Number of men in the ELT / Total number of employees in the ELT		75%	80%	78%

The average number of training hours presented in the table above do not include the Brazilian and Turkish operations. Ontex notes that, in 2025, the average number of training hours for women and men were 19 and 30 respectively, including the Brazilian and Turkish activities.

[62] The data in the Sustainability Statements differs from the Remuneration Report because Brazilian and Turkish activities were excluded from the former to maintain consistency and comparability across different years. Conversely, the Remuneration Report has not been restated to provide a clear overview of the original targets set for the Short-Term Incentives (STI). For more information, see section [GOV-9.3.2](#).

Methodology

All FTE (full-time equivalent) metrics are based on active employees at the end of the reporting period (December 31, 2025). 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, 2025). Employees from operations divested in 2025 were excluded from this metric.

2025 Turnover rate: $919.98 \text{ (FTEs terminated)} / 5,118.65 \text{ (Active FTEs Jan 2025)} = 17.97\%$

Process for setting and tracking targets

These workforce objectives were established based on input from various stakeholders collected during the double materiality assessment and 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). These targets may be revised periodically based on evolving benchmarks and other internal and external factors.

Performance against targets

Turnover in 2025 decreased significantly compared to 2024, with the 2024 turnover being exceptionally high primarily due to the closure of the Eeklo plant. The 2025 figure is broadly in line with the average turnover rate in previous years with no exceptional redundancies.

The number of training hours per employee is up significantly compared to last year. This is mainly due to the deployment of a capability building program for production workers and an intense campaign to increase awareness of physical and cyber security threats.

The percentage of women in top management and the absenteeism rate have remained flat versus last year. The employee engagement and well-being survey score declined from 65 in 2024 to 57 in 2025. This drop reflects a widespread decline in sentiment caused by disappointing business results, anxiety for job loss, workload perception and adaptation to a tighter hybrid working policy.

Actions to improve performance against set targets

Efforts are underway to enhance performance across all targets. For example, turnover and absenteeism targets have been set and are being monitored monthly in each location, increasing local accountability for achieving them. Training and development opportunities will continue to expand through the Company-wide deployment of the new capability building program 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 and North America. Its diverse workforce includes employees in R&D, production, sales and support functions. The countries with the largest number of employees (>10%) are Belgium, Germany, Spain, Poland, Mexico and Czech Republic.

Employees		Progress reporting		
		Unit	2023	2024
Ontex employees				
Total number of active employees:	Headcount	7,765	6,896	4,908
Number of women	Headcount	2,655	2,544	1,817
Number of men	Headcount	5,108	4,352	3,091
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%)				
Belgium	Headcount	-	-	582
Germany	Headcount	-	-	574
Spain	Headcount	-	-	602
Poland	Headcount	-	-	539
Mexico	Headcount	-	-	494
Czech Republic	Headcount	794	799	753
Employees by contract type				
Unlimited duration (permanent):	FTE	6,189	6,627	4,877
Number of women	FTE	2,220	2,416	1,829
Number of men	FTE	3,698	4,211	3,048
Number of other genders	FTE	-	-	-
Number of employees who did not disclose their gender	FTE	-	-	-

Employees	Unit	Progress reporting		
		2023	2024	2025
Employees by contract type (continued)				
Limited duration (temporary):	FTE	79	215	163
Number of women	FTE	43	87	66
Number of men	FTE	36	129	98
Number of employees who did not disclose their gender	FTE	-	-	-
Number of other genders	FTE	-	-	-
Non-guaranteed hour:	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	1,209	1,780	920

The decrease in the number of FTEs is largely explained by the divestments of Ontex's Brazilian and Turkish operations.

The total number of terminations presented in the table above do not include the Brazilian and Turkish operations. Ontex notes that, 1,022 terminations (FTE) took place in 2025, including the Brazilian and Turkish activities.

Methodology

All FTE (full-time equivalent) and headcount metrics are based on active employees at the end of the reporting period (December 31, 2025). 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 a methodological difference: The financial statements (see note [FIN-4.22](#)) reflect average FTEs over the year, whereas this section reports headcount at the end of the 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		
		2023	2024	2025
Total number of office non-employee workers	Head-count	-	227	516
Average number of operational non-employee workers	Average FTE	-	852	823

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, 2025). 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 2025, 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 countries in EEA with >10% of employment are Belgium, Czech Republic, Germany, Poland and Spain.

Collective bargaining and social dialogue		Progress reporting		
		Unit	2023	2024
Collective bargaining agreements				
Employees covered by collective bargaining agreements	% of employees	73	69	62
Employees covered by collective bargaining agreements in EEA countries with significant employment (>10%)				
Belgium	% of employees	-	-	65
Czech Republic	% of employees	-	100	100
Germany	% of employees	-	-	92
Poland	% of employees	-	-	0
Spain	% of employees	-	-	100
Workers' representatives				
Employees covered by workers' representatives	% of employees	73	88	72
Employees covered by workers' representatives in EEA countries with significant employment (>10%)				
Belgium	% of employees	-	-	100
Czech Republic	% of employees	-	100	100
Germany	% of employees	-	-	100
Poland	% of employees	-	-	100
Spain	% 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		Progress reporting		
		Unit	2023	2024
<30 years	% of employees	16	17	14
30-50 years	% of employees	63	60	59
>50 years	% of employees	21	23	27

SUS-4.1.12 Training and skills development metrics

Training		Progress reporting		
		Unit	2023	2024
Performance and career development reviews	% of employees	-	99	100
Women	% of employees	-	99	100
Men	% of employees	-	100	99
Other genders	% of employees	-	-	-

Performance and career development reviews as standard are only required for the office-based or remote employees. In 2025, Ontex planned and conducted one mandatory performance review per employee.

SUS-4.1.13 Health & Safety metrics

Health & Safety metrics	Progress reporting			Goal 2030
	2023 (restated)	2024 (restated)	2025	
% of Ontex employees covered by H&S management systems based on legal requirements and Ontex standards	87%	88%	92%	100%
Number of fatalities	0	0	0	0
Number of lost work day cases	27	35	23	
Number of lost work days	1,182	2,327	1,339	
Frequency rate (FR) ^[63]	3.01	3.82	2.61	≤ 1
Severity rate (SR)	0.13	0.25	0.15	
Number of cases of recordable work-related ill health	0	0	0	

The Frequency Rate presented in the table above does not include the Brazilian and Turkish operations. Ontex notes that, in 2025, the Frequency Rate was 2.35, including the Brazilian and Turkish activities^[63].

[63] The data in the Sustainability Statements differs from the Remuneration Report because Brazilian and Turkish activities were excluded from the former to maintain consistency and comparability across different years. Conversely, the Remuneration Report has not been restated, to provide a clear overview of the original targets set for the Short-Term Incentives (STI). For more information, see section [GOV-9.3.2](#).

Methodology

Definitions

- Ontex employees: The core workforce directly employed by Ontex, working at various site locations to support daily operations and overall business objectives.
- Lost work day case (LWDC): An occupational injury or illness 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. Fatalities are excluded.
- 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: $FR = \text{Number of LWDC} \times 1,000,000 / \text{Total hours worked}$
- Severity rate (SR): The total number of calendar days lost or charged due to LWDC per one thousand person-hours worked.
Formula: $SR = \text{Number of calendar days lost} \times 1,000 / \text{Total hours worked}$

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.
- The divested plants (Brazilian and Turkish operations) have been excluded from the 2025 information in this section, and the comparative information has been restated to ensure consistency and comparability across different years^[64]. The baseline value against which Frequency Rate targets are set has been restated.

[64] In the 2024 Sustainability Statements, Ontex reported: Frequency rate (FR) 3.52 for 2023 and 3.20 for 2024.

SUS-4.1.14 Compensation metrics (pay gap and total compensation)

Compensation metrics		Progress reporting		
		2023	2024	2025
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%	3.46%
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	125

In 2025, the gender pay gap dropped significantly and is now well below the generally accepted threshold of 5%. The drop in both the gender pay gap and the remuneration ratio is mainly due to the Brazilian and Turkish activities no longer being included in the 2025 workforce.

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, two work-related discrimination incidents were reported through the Ontex Whistleblower/Speak-Up channel, compared to four incidents reported in 2024. There were no severe human rights impacts, similar to prior year.

During the reporting period, 92 complaints, compared to 155 in 2024, 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, 45, compared to 86 in 2024, were either substantiated or partly substantiated.

The reporting figures cover all of Ontex's operations and include incidents from the Brazilian and Turkish entities.

Incidents and complaints were tracked in the Company's 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 imposed on the company 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. In Q4 2025, Ontex launched a new Code of Ethics training and, by 31 December 2025, 64% of its white-collar workforce had completed it. By the end of January 2026, 97% of white-collar workforces had completed the training, keeping the company well on track to achieving its goal, compared to 89% in 2024. In Q1 2026, Ontex will launch the Code of Ethics training for blue-collar employees.

For more information on the Company's Code of Ethics training, see section [SUS-5.1.5](#).

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 section [SUS-2.3.2](#).

Ontex recognizes that the interests, views, and rights of workers throughout its value chain are fundamental to shaping a responsible business model. The Company actively engages with workers through capacity building sessions, ethical surveys, on-site audits, self-assessments, and a dedicated Speak-Up channel, ensuring their voices are heard and respected.

The various ways in which the Company engages with its workforce are outlined in the sections [SUS-4.2.4](#) and [SUS-4.2.5](#).

SUS-4.2.2 Material impacts, risks and opportunities and their interaction with Ontex's strategy and business model

Ontex operates within a complex global value chain, spanning diverse social, economic, and geopolitical contexts. The Company's activities influence people, communities and ecosystems making responsible and ethical sourcing a strategic priority. In 2025, Ontex's focus remained on the upstream raw materials sourced in high-risk countries, complemented by deeper insights into logistics.

Value chain mapping is central to Ontex's strategic approach as it provides a comprehensive view of the Company's impact scope and clarifies its role in impacts – whether causing, contributing to, or being directly linked to them. This strengthens Ontex's commitment to human rights by identifying and prioritizing the most critical human rights issues and affected stakeholders. Ontex's risk-based due diligence framework 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. For 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 such as 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. By adopting the OECD's 6-step due diligence framework^[65], Ontex identifies generalized and systemic risks linked to the countries in which it has influence and 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 high labor-rights risks due to weak regulatory enforcement, economic instability and social inequality, particularly in complex geopolitical contexts or business activities. These conditions can expose workers to risks or adverse impacts related to health and safety, freedom of association, discrimination, working hours and wages. These issues frequently translate into systemic social inequalities, fear of retaliation, and unequal pay while also causing limited opportunities, physical and mental strain and heightened financial insecurity, among others.

Business ethics and governance risks

Moderate risks may arise from gaps in ethical practices and governance. Lack of enforcement or inconsistent implementation of ethical practices may lead to unclear wage policies, subpar working conditions and lack of transparency. These challenges can be exacerbated by perceptions of public sector corruption, which undermine the enforcement of ethical business standards. Consequently, the ability to protect workers' rights and uphold corporate integrity is severely compromised.

Vulnerable workers

Certain workers across Ontex's value chain are more exposed to adverse impacts due to their demographic or geopolitical context. These groups include union members, migrant workers, women and young workers, who may face specific challenges related to limited bargaining power, unfair labor conditions, or restricted access to protection mechanisms.

[65] 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.

High-risk regions

The Company has identified countries and sectors within its value chain with significant risks of child labor and forced labor, using Radar^[66], Sedex's risk assessment tool. More specifically, China, Turkey and Saudi Arabia were identified for forced labor, India for child and forced labor, and Thailand for labor exploitation.

Certain commodities, such as cotton, also pose high risks in regions such as 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 worker groups and specific risks

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.
- **Workers in high-risk geographies:** Production sites in Central Asia and South Asia are exposed to documented labor violations.
- **Women workers:** Gender-specific challenges, including discrimination, unequal pay and lack of maternity protection, affect women in manufacturing and agriculture.

Ontex, as part of its Human Rights Due Diligence Program, implements a range of initiatives to prevent and mitigate the adverse impacts and the human rights risks. These include third-party social audits (SMETA), supplier monitoring systems, compliance measures, as well 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 tools, 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.

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 the Company's 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 on operations and supply chain, through risk assessments, audits at Ontex facilities and its suppliers, and ESG performance review.
- Cease, prevent or mitigate adverse impacts, and or provide for remediation.
- Track implementation results.
- Communicate on how impacts are addressed.

To manage material impacts on Ontex's value chain workers, the following policies have been adopted:

[66] Radar is Sedex's risk assessment tool designed to help businesses identify and manage risks related to labor 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 labor, forced labor, and other human rights concerns, using data from various sources.

Policy and Statements	Purpose	ESG topics	Scope
Supplier Code of Conduct	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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) 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Human and labor rights Environmental responsibility Reputational risk Compliance Supplier relationships Operational resilience 	All suppliers
Global Supplier & Vendor Handbook	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Operational efficiency Supplier engagement and development Regulatory compliance Reputation and competitive advantage 	All suppliers
Modern Slavery Statement	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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 the Company's Human Rights Policy and Supplier Code of Conduct. These documents are available in section [SUS-4.2.3](#).

These policies are also 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 section [SUS-2.3.2](#).

More information about how senior management is responsible for ensuring supplier engagement can be found in section [SUS-2.6.1](#).

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^[67] and proactive stakeholder engagement, inform and refine Ontex's policies.

Ontex prioritizes continuous dialogue with business partners 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. The following steps ensure the implementation of the Company's human rights due diligence process:

- **Approval of new suppliers and production sites:** At this stage, suppliers complete a questionnaire covering quality and ESG-related aspects, enabling Ontex to assess how they manage environmental, social and ethical impacts. Virtual meetings are held once during

onboarding to clarify ethical and sustainable sourcing expectations, with additional meetings scheduled as specific needs or issues arise.

- **Ongoing supplier engagement:** Regular activities include annual supplier webinars, ESG data collection via questionnaires, participation in sustainability forums, ESG presentations by key suppliers, grievance mechanisms, social audits, direct feedback during supplier evaluations and partnerships with industry organizations.
- **Manufacturing sites 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. While formal Global Framework Agreements with union federations are not yet in place, Ontex fosters transparent dialogue with workers across its value chain.

Engagement responsibilities

The Ontex Compliance Team holds operational responsibility for assessing complaints received through Ontex's Whistleblower/Speak-Up channel, 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

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.

[67] Ontex has limitations in directly approaching customer and supplier-specific data for its Russian entity, stemming from European sanctions, however the disclosures in the CSR report, including the Russian

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.

To support value chain workers, Ontex provides a Whistleblower/Speak-Up channel. This confidential platform managed by an external organization 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 channel through the Supplier Code of Conduct and are required to cascade this information to 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.

More information on how the Whistleblower/Speak-up channel can be accessed by value chain workers and how it ensures accessibility and confidentiality can be found in section [SUS-4.1.5](#).

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 Sustainability Strategy. In 2025, the Company kept allocating 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 Modern Slavery Statement and Child Remediation Policy.
 - **Ethical and sustainable purchasing practices:** Prioritizing organic cotton suppliers and monitoring for child and forced labor.
 - **Capacity-building and supplier transparency:** Partnering with suppliers who comply with Ontex's ethical sourcing principles 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 ESG 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.
- Updating policies: The Modern Slavery Statement is reviewed and updated annually.
- 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 such as 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 2025, through the application of the established human rights due diligence methodology, the Company identified a breach of its Human Rights Policy through its first case of zero tolerance related to forced labor within a raw material supplier located in the Middle East. To address this unprecedented situation, Ontex engaged closely with the supplier to identify the root cause, understand the circumstances leading to the breach, and discuss appropriate remediation mechanisms along with third-party verification for closure. As part of the corrective pathway and risk mitigation plan, the supplier has committed to undergoing a SMETA audit to independently verify the current situation on site and to validate the effective implementation of corrective actions.

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
- > 100% of high-risk suppliers' direct spend 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 reflected in the targets it has set.

The first target was already achieved in 2023 with 100% of the Company's raw material suppliers signing the Supplier Code of Conduct. Ontex remains committed to maintaining this target at 100%, reinforcing its dedication to ensuring that the supply chain operates responsibly, aligns with Ontex's values, and meets internationally recognized standards.

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.

Metrics and Targets ^[68] ^[69]	Unit	2023	2024	2025	2025/2024
Supply chain due diligence					
% of high-risk suppliers covered by a valid sustainability assessment via EcoVadis ^[70]	%	50	83.33	68	-15.33
Monitoring adverse impacts in human rights					
% of suppliers signed the Supplier Code of Conduct by 2030	%	100	100	100	0
% of new suppliers screened using social criteria	%	100	100	100	0
Suppliers located in high-risk countries	N.	61	30	25	-5
Percentage of high-risk suppliers covered by a valid social audit report	%	39	60	80	+20

Process for setting, tracking and improving targets

These targets were set based on input from various stakeholders collected during the double materiality assessment and they were validated with employee representatives during the regular European Works Council (EWC) meeting. The targets were developed using a risk-based due diligence framework aligned with international human rights standards, incorporating input from the risk assessment outcomes. Targets related to privacy, adequate housing and water and sanitation fall outside the framework.

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. These targets may be revised periodically based on evolving benchmarks and other internal and external factors.

[68] 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

[69] 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 its comprehensive management approach, which encompasses its commitment to workers in the value chain, consumers and end-users, and its overall business conduct.

[70] 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 section [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 experienced 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 and 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 address 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 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 such as 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.

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 section [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 in the reporting period. 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 underscores 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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'.

Policy	Purpose	ESG topics	Scope
Regulatory Compliance Requirements	<ul style="list-style-type: none"> Outline the safety regulations and standards that products must meet to ensure regulatory compliance and safe consumer use. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Specify substances of concern to safeguard product safety and protect employees and consumers from potential health risks. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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
General Data Protection Regulation	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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.
Supplier Code of Conduct	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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 channel: 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 integrates product safety, chemical management and regulatory affairs throughout the entire product lifecycle, structured on three complementary pillars:

- Regulatory intelligence & first assessment: Ontex monitors, analyses and interprets global regulations affecting absorbent hygiene products, cosmetics, chemicals and packaging. Domain experts (EU, US, chemicals, tampons, medical devices, packaging) assess new requirements and evaluate risks early, ensuring that safety and chemical constraints are fully understood before products reach the market.

- Regulatory advocacy: Through active participation in industry associations such as EDANA, BAHP, AHPMA and Group'Hygiène, Ontex helps shape emerging legislation, clarifies technical requirements and ensures early visibility of regulatory changes. This supports both product safety and long-term compliance planning.
- Regulatory implementation & compliance: This pillar translates regulatory obligations into internal processes, ensuring safe, compliant and transparent products. Activities include chemical safety reviews, toxicological assessments, RMIF verification, traceability, Good Manufacturing Practices (GMP) alignment, formulations/packaging conformity, artwork and labeling compliance, and coordination with Quality Assurance, Regulatory Affairs, Research & Development, Operations, and Procurement.

In 2025, Ontex's approach to consumer and end-user protection was shaped by regulatory changes in Europe. The General Product Safety Regulation (EU) 2023/988 (GPSR), fully applicable as of December 2024, strengthened requirements for producer responsibility, technical documentation, traceability and recall communication. Ontex integrated GPSR obligations into its safety assessment, risk management and post-market surveillance processes to ensure compliance for all products not covered by sectoral regulations such as the Medical Device Regulation or the Cosmetics Regulation.

Packaging-related obligations were driven by the newly adopted Packaging and Packaging Waste Regulation (PPWR – EU 2025/40), which introduced stricter rules on packaging safety, compostability, recyclability, chemical composition and extended producer responsibility. Although full enforcement will occur progressively until 2030, Ontex is already preparing the required data, documentation and internal systems. In parallel, existing frameworks such as the Single-Use Plastics Directive (EU 2019/904), REACH, CLP, and the EU Microplastics Restriction continue to govern chemical safety, material restrictions and environmental communication.

Environmental claims and consumer information are increasingly regulated under the EmpCo Directive (EU) 2024/825, which requires substantiated, verifiable and transparent environmental statements. Ontex is committed to providing reliable, evidence-based information to consumers.

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 through a conformity declaration process focusing primarily on their chemical composition. Effectiveness is assessed through compliance rates, independent testing and consumer safety monitoring. Biocompatibility assessments are conducted on all materials in contact with the skin, demonstrating a commitment to consumer health. This

ensures that the Company's products are safe for both people and the environment, reinforcing its dedication to responsible and sustainable operations.

Ontex's 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 such as 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: 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^[71] to monitor its progress in consumer safety, quality, and sustainability:



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 2025, Ontex achieved a 56% reduction in consumer quality complaints (Ppm) compared to 2024. This improvement highlights the Company's commitment to enhancing consumer satisfaction and maintaining ambitious standards of quality assurance.

Consumer complaints reduction	2024/2023	2025/2024
Consumer complaints (ppm reduction)	-6.5%	-56%

[71] 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

Methodology and assumptions

A 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:

$$Ppm\ Reduction\ (\%) = \left(1 - \frac{Ppm\ current\ year}{Ppm\ last\ year}\right) \times 100$$

$$Ppm = \frac{Total\ complaints\ received}{Total\ parts\ produced} \times 1,000,000$$

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 six certificates (five main and one satellite), compared to 8 in 2024, encompassing 2,597 products—a 272% increase in certified products compared to 2024.
- The number of certified brands has risen by 25%, covering 74 brands in total, compared to 60 in 2024.

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.

based on the Company's comprehensive management approach, which encompasses its commitment to workers in the value chain, consumers and end-users, and its overall business conduct.

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.

Regulatory compliance monitoring includes periodic reviews of new obligations under GPSR, PPWR, SUPD, REACH, CLP and other applicable frameworks. As regulatory requirements evolve, Ontex updates internal standards, supplier expectations and documentation processes to ensure continuous compliance and transparency for end-users.

[72] This table compares the 2024 global figures with the 2023 EMEA figures. If the comparison were limited to EMEA, the actual percentage increase would be higher. Notably, 2024 was the first year Ontex included data

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 ^[72]	2023 (EMEA)	2024 (Global)	2025 (Global)	2025/2024
% of active compounds covered by a completed RMIF (Raw Material Information Form)	39%	43%	54%	+11 pp

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).

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.

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 ESRG G1: Governance and 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 maintaining and integrating best practices on 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 Ontex's 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](#).

SUS-5.1.2 Corporate culture and business conduct policies

Ontex's corporate culture is founded on its P.R.I.D.E. values (see section [SUS-4.1.6](#)) 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, reporting directly to the General Counsel 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. These plans are reviewed and approved by the Executive Committee and the Audit and Risk Committee of the Board. Regular updates on progress, incidents, and actions for mitigation are provided to the Executive 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 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 on an ad-hoc basis depending on employee roles, tracked through individual acknowledgments in their personnel files.

The mechanisms for reporting and investigating potential violations of the Code of Ethics and related policies include the Whistleblower/Speak-Up channel (see section [SUS-4.1.5](#)), 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 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. For more information, see section [SUS-4.1.15](#).

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 towards 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.

Policy	Purpose	ESG topics	Scope
Code of Ethics	<ul style="list-style-type: none"> • Define Ontex's commitment to doing business in an ethical and responsible manner. 	<ul style="list-style-type: none"> • Anti-discrimination • Anti-harassment • Professional conduct • Health and safety • Human rights 	All employees and business partners
Supplier Code of Conduct	<ul style="list-style-type: none"> • The purpose of Ontex's Supplier Code of Conduct is to ensure that its suppliers share its 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. 	<ul style="list-style-type: none"> • 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 and targets (see section [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, 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 ESG 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 and complete a Self-Assessment Questionnaire (SAQ) in Sedex.
 - 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 such as EcoVadis and Sedex, 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 section [SUS-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;
- 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 confidentially concerns.

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 Company's Executive Committee and the Audit and Risk Committee of the Board of Directors.

Ontex periodically reviews 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 [SUS-4.1.5](#), 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, similar as 2024.

As outlined in section [SUS-5.1.4](#) measures to prevent corruption and bribery are continuously reviewed against real-life incidents in order to ensure the compliance program remains effective.

Code of Ethics trainings



Practicing business ethics

Conducting our global operations in a compliant & ethical way.

2030 targets

> 100% of employees regularly trained on Code of Ethics

As already outlined, 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. As described in section [SUS-4.1.15](#), in Q4 2025, Ontex launched a new Code of Ethics training and, by 31 December 2025, 64% of its white-collar workforce had completed it. By the end of January 2026, 97% of white-collar workforces had completed the training, keeping the company well on track to achieving its goal. In Q1 2026, Ontex will launch the Code of Ethics training for blue-collar employees

To improve until the next reporting period and based on the Company's constant learnings, Ontex has established a plan to be followed until 2030 that includes:

- 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^[73]

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.

[73] 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 the Company's comprehensive management approach, which encompasses its commitment to workers in the value chain, consumers and end-users, and its overall business conduct.

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); and
- 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 2025 is 106, compared to 105 in 2024. The higher DPO at year-end is impacted by the timing of the payment run that occurs just after year-end.

As of December 31, 2025, 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 December 31, 2025 / (Cost of Sales + Distribution Expense for 2025) x 365

Auditor reports

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AUD-1 Statutory auditor's report to the general shareholders' meeting of Ontex Group NV on the consolidated accounts for the year ended December 31, 2025

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 12 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 2025, 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 2,164.9 million and a loss for the period of EUR 173.5 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 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with IFRS Accounting Standards 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) Impairment of goodwill

Description of the key audit matter

Ontex carries a significant value of goodwill on the balance sheet amounting to EUR 792.9 million at

31 December 2025 as detailed in disclosure FIN-4.9.1. In accordance with IFRS Accounting Standards as adopted by the European Union, the Group 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 obtained an understanding of the internal controls related to the impairment testing of goodwill.

We assessed whether the goodwill impairment test was performed at the lowest CGU level at which goodwill is monitored. In addition, we critically evaluated the cash flow projections used and the underlying assumptions, including their consistency with the budgets approved by the board of directors and the strategic plan as presented to the board of directors. We also assessed the historical accuracy of prior forecasts by comparing them with the Group's actual results. For cash flows beyond 2026, we tested the long-term growth assumptions by comparing them with industry-specific forecasts and historical growth rates.

We evaluated the WACC applied and the related calculation methodology by comparing it with the cost of capital and debt of the Group and with those of comparable companies, taking into account territory specific factors. Furthermore, we compared the operating margin, working capital and investment ratios with historical results. We evaluated management's sensitivity analysis and determined the extent to which key assumptions would need to change before an impairment would arise, and discussed this with management. Our internal valuation specialists were involved in performing these procedures. Finally, we assessed the adequacy of the disclosures in the financial statements (FIN-4.9.1 and FIN-4.4.4).

We believe that the outcomes of management's assessment of the impairment of goodwill are reasonable, in light of the inherent uncertainties as disclosed in the consolidated financial statements.

2) 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 30.7 million at 31 December 2025, 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 138 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.

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 Accounting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated 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 intends 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 or business units 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.

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 consolidated sustainability information. This section does not concern the assurance on the consolidated sustainability information included in the directors' 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 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 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 2025 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, March 16, 2026

The statutory auditor

PwC Bedrijfsrevisoren BV/PwC Réviseurs d'Entreprises SRL

Represented by

Lien Winne ^[74]

Bedrijfsrevisor/Réviser d'entreprises

PwC Bedrijfsrevisoren BV - PwC Réviseurs d'Entreprises SRL - Financial Assurance Services

Maatschappelijke zetel/Siège social: Culliganlaan 5, B-1831 Diegem

Vestigingseenheid/Unité d'établissement: Sluisweg 1 bus 8, B-9000 Gent

T: +32 (0)9 268 82 11, F: +32 (0)9 268 82 99, www.pwc.com

BTW/TVA BE 0429.501.944 / RPR Brussel - RPM Bruxelles / ING BE43 3101 3811 9501 - BIC

BBRUBEBB / BELFIUS BE92 0689 0408 8123 - BIC GKCC BEBB

[74] Acting on behalf of Lien Winne BV

AUD-2 Limited assurance report of the statutory auditor to the general shareholders' meeting on the consolidated sustainability statement Ontex Group NV for the accounting year ended December 31, 2025

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 2025" on 31 December 2025 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 2 consecutive years.

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, as disclosed in note "SUS-2.4 Material impacts, risks and opportunities, and their interaction with strategy and business model" of the consolidated sustainability statement, to identify the information reported in the consolidated sustainability statement on the basis of ESRS;

- 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 "Responsibilities of the statutory auditor on the limited assurance engagement on 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 comparative consolidated sustainability information of the Group as at 31 December 2023 and for the year then ended was not subject to a limited assurance engagement. Our conclusion is not modified in respect of this matter.

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 interaction 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 interaction with strategy and business model" of the consolidated sustainability statement.

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 interaction with strategy and business model" of the consolidated sustainability statement.

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 auditor on the limited assurance engagement on 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 Group in the course of our mandate.

Ghent, March 16, 2026

The statutory auditor

PwC Bedrijfsrevisoren BV/PwC Réviseurs d'Entreprises SRL

Represented by

Lien Winne ^[74]

Bedrijfsrevisor/Réviser d'entreprises

PwC Bedrijfsrevisoren BV - PwC Réviseurs d'Entreprises SRL - Financial Assurance Services

Maatschappelijke zetel/Siège social: Culliganlaan 5, B-1831 Diegem

Vestigingseenheid/Unité d'établissement: Sluisweg 1 bus 8, B-9000 Gent

T: +32 (0)9 268 82 11, F: +32 (0)9 268 82 99, www.pwc.com

BTW/TVA BE 0429.501.944 / RPR Brussel - RPM Bruxelles / ING BE43 3101 3811 9501 - BIC

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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	<p>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:</p> <p>acquisition- and divestment-related expenses;</p> <ul style="list-style-type: none"> • 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. <p>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:</p> <ul style="list-style-type: none"> • income/(expenses) related to changes to Group structure; and • income/(expenses) related to impairments and major litigations.
Free cash flow (FCF)	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 by the end of the period.
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.

Financial calendar

Date	Event
April 29, 2026	Publication of the results of the 1 st quarter of 2026
May 5, 2026	Annual general meeting of shareholders
July 30, 2026	Publication of the results of the 2 nd quarter and 1 st half year of 2026
October 28, 2026	Publication of the results of the 3 rd quarter of 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 17, 2026. This report contains financial and non-financial information for the period January 1, 2025, to December 31, 2025, 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.

The company reports its sustainability information for the reporting year ended 31 December 2025, 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

This report may include forward-looking statements. Forward-looking statements are statements regarding or based upon our management's current intentions, beliefs or expectations relating to, among other things, Ontex's future results of operations, financial condition, liquidity, prospects, growth, strategies or developments in the industry in which we operate. By their nature, forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results or future events to differ materially from those expressed or implied thereby. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. Forward-looking statements contained in this report regarding trends or current activities should not be taken as a report that such trends or activities will continue in the future.

Contact details

Investors

Geoffroy Raskin
+32 53 333 730
investor.relations@ontexglobal.com

Press

Catherine Weyne
+ 32 53 333 622
corporate.communications@ontexglobal.com

Sustainability

Elise Barbé
+32 53 333 756
sustainability@ontexglobal.com

Send us your feedback

www.ontex.com/contact

Ontex Group NV

Korte Kepepestraat 21, 9320 Aalst, Belgium
www.ontex.com

