

Building tomorrow, today

2024
Annual
Report

About this report

This third combined annual report marks another step towards an integrated report, equally emphasising our economic, social, and environmental footprint and performance. It outlines our value chain and illustrates how our strategic drivers enable us to make a positive impact. This year, the non-financial reporting aims at aligning with the European Sustainability Reporting Standards (ESRS), in preparation for the Corporate Sustainability Reporting Directive (CSRD), see the [Sustainability content](#) chapter for more information.

Disclaimers

Etex NV is a private company and its securities are not traded on a regulated market. It is headquartered in Zaventem, Belgium (company registration number RPM: 0400.454.404). The financial reporting under this 2024 Annual Report has been audited by the statutory auditor PwC Reviseurs d'Entreprises SRL/ PwC Bedrijfsrevisoren BV. It may contain forward-looking statements. Such statements reflect the current views of the management regarding future events and involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Etex is providing the information in this report as of this date and does not undertake any obligation to update any forward-looking statements contained in this report in the light of new information, future events or otherwise. Etex disclaims any liability for statements made or published by third parties and does not undertake any obligation to correct inaccurate data, information, conclusions or opinions published by third parties in relation to this or any other report or press release issued by Etex.

Contents



04

Etex in 2024



10

About Etex



14

Strategy



39

Activity report



50

Governance



54

Directors' report



96

Sustainability content

2024 was a year of solid performance, in line with our expectations and forecasts. Despite a challenging environment, we took decisive steps to position ourselves for future growth across key dimensions, including financial performance, customer focus, manufacturing, sustainability, safety and teammate engagement.

Etex in 2024

Preparing Etex's future growth

- › Message to stakeholders
- › Key performance indicators
- › Key financial results
- › Highlights

Message to stakeholders

2024 was a year where we prepared Etex for future growth while delivering a strong performance in a challenging environment.

As we write these lines, we have two main highlights: pride in the accomplishments of 2024 and reasonable optimism for what lies ahead for Etex.

The construction and renovation markets are facing strong headwinds in many countries, following the rise of costs and interest rates. Demand dropped significantly, falling by as much as 30 to 40% in the last two years in some European markets.

Yet, despite these challenges and thanks to the efforts of our teammates across the world, Etex's performance remained strong, in line with our forecasts for the year.

Revenue reached EUR 3,777 million (-0.8% compared to 2023) and the REBITDA stood at EUR 695 million (-2.4% against 2023). Impacted by negative impact from currency translations and hyperinflation accounting, the net profit (Group share) reached EUR 166 million, lower than in 2023 where it was positively impacted by the one-off gain on reselling an interest rates' hedging contract.

Given this challenging context, our teammates can be proud of the results achieved.

Financial success through close management of costs and focus on our customers

Our financial success stems from a very proactive and professional cost management approach. We acted on all domains, including energy consumption and purchasing optimisation.

Our solid performance also originated in additional efforts regarding customer orientation across our businesses. We strengthened our relationships with customers, gained deeper insights into their needs and, in turn, this allowed us to enhance our products, services and margins. Our improved customer satisfaction is also reflected in higher Net Promoter Scores.

Fit for growth despite market challenges

In this challenging context, we took significant steps to position Etex for future growth. We want to be ready when market demand will pick up again.

We launched our new plasterboard plant in Bristol, UK, our biggest capital expenditure ever and our most efficient plasterboard production line. This long-term investment portrays the company's strong



WE HAVE TWO MAIN HIGHLIGHTS: PRIDE IN THE ACCOMPLISHMENTS OF 2024 AND REASONABLE OPTIMISM FOR WHAT LIES AHEAD FOR ETEX.



Hans Van Bylen
Chairman of the
Board of Directors

**Bernard
Delvaux**
CEO

Chairman since 2021, Johan Van Biesbroeck stepped down of his role on 1 January 2025. He passed the role to fellow Board member Hans Van Bylen and remains a member of the Etex Board of Directors. We warmly thank Johan Van Biesbroeck for his leadership over the past years, taking Etex to new heights and continued growth.



IN THIS CHALLENGING CONTEXT, WE TOOK SIGNIFICANT STEPS TO POSITION ETEX FOR FUTURE GROWTH. WE WANT TO BE READY WHEN MARKET DEMAND WILL PICK UP AGAIN. WE ARE BUILDING TOMORROW, TODAY.

commitment to the gypsum industry. Next to this, we continued to invest significantly, more than EUR 260 million, across our other factories to further optimise operations.

We also successfully completed the acquisition of BGC, Australian player in plasterboard and fibre cement, at the beginning of 2024, which delivered particularly strong results during the whole year.

Teammates and safety first

Our teammates showed impressive commitment throughout the year, and employee engagement reached a very high level.

Regarding safety, Etex's number one priority, we significantly reduced the number of accidents, with no fatalities, bringing us closer to our ambitious safety targets.

Sustainability as key differentiator

On the sustainability front, we made solid progress towards our long-term goals. We advanced in key areas, including decarbonisation, recycling, and waste sent to landfill.

Next to our specific targets, we further structured and deepened our sustainability approach. This year we have completed our Double Materiality Assessment and have started aligning our reporting practices with the European Sustainability Reporting Standards (ESRS), demonstrating our proactive approach to enhancing transparency. We also committed to the Science Based Targets initiative (SBTi), aiming to set near- and long-term company-wide emission reduction targets.

Emerging stronger for 2025

We went through 2024 with strong results, we are prudent for 2025, and optimistic for the following years, as of 2026.

Even if not all difficulties have disappeared, our expectation is that the lowest point in volume has been reached. We can already see encouraging signs in several countries, in Europe and in Latin America.

The demand for qualitative housing and living spaces remains extremely high - including for environmental and social reasons - and Etex is uniquely positioned to play an important role in providing sustainable and innovative construction solutions with our complementary products.

We are building tomorrow, today.

Hans Van Bylen

Chairman of the Board of Directors

Bernard Delvaux

CEO



Bristol, UK, new Etex plasterboard plant commissioned in 2024

Key performance indicators

Financial

Revenue

EUR 3,777 million

(-0.8% vs. 2023, -2.7% like-for-like)

Recurring operating cash flow
(REBITDA)

EUR 695 million

(-2.4% vs. 2023, -5.1% like-for-like)

Net recurring profit (Group share)

EUR 264 million

(-2.9% vs. 2023)

Capital expenditure

EUR 264 million

Net financial debt

EUR 1,109 million

Non-financial



GHG emission intensity
(Scopes 1 and 2)

0.132

(-1.6% vs. 2023)

› **2030 goal:**
Reduce greenhouse gas
emissions intensity (m³/t
of sellable goods produced)
by 35%



Recycled input

8.6%

(+10% vs. 2023)

› **2030 goal:**
Use >20% of circular input as
raw materials



Waste to landfill

-17%

vs. 2023 in absolute value

› **2030 goal:**
Zero waste to landfill



Water withdrawal
intensity

0.79

(+0.8% vs. 2023)

› **2030 goal:**
Reduce water withdrawal
intensity (m³/t of sellable goods
produced) by 20%



Safety intensity

1.98

(+10% vs. 2023)

› Average number of safety
activities per employee per
month

Sustainable
engagement score

84%

(+3% vs. manufacturing norm)

› Intensity of teammates'
connection to the company

Key financial results

EUR million	2020	2021	2022	2023	2024	% Var. 2024 vs. 2023
Revenue	2,616	2,972	3,714	3,808	3,777	-0.8%
Recurring operating income (REBIT)	311	398	431	466	422	-9.4%
Recurring operating cash flow (REBITDA)	484	570	645	712	695	-2.4%
% of revenue	18.5%	19.2%	17.4%	18.7%	18.4%	-
Non-recurring items	-39	-83	-70	-67	-88	-
Operating cash flow (EBITDA)	468	522	592	657	619	-5.8%
Operating income (EBIT)	272	315	361	399	334	-16.3%
% of revenue	10.4%	10.6%	9.7%	10.5%	8.8%	-
Net profit (Group share)	194	194	210	267	166	-37.8%
Net recurring profit (Group share) ⁽³⁾	203	278	285	272	264	-2.9%
Capital expenditure	112	199	302	371	264	-28.8%
Net financial debt	15	214	1,031	1,039	1,109	6.7%
Working capital ⁽¹⁾	137	193	268	182	202	11.0%
Capital employed ⁽¹⁾	1,868	2,266	3,289	3,530	3,655	3.5%
Return on capital employed (ROCE) ⁽¹⁾	13.4%	15.2%	13.0%	11.7%	9.3%	

EUR per share	2020	2021	2022	2023	2024	% Var. 2024 vs. 2023
Net recurring profit (Group share)	2.59	3.56	3.65	3.48	3.38	-2.9%
Net profit (Group share)	2.48	2.48	2.69	3.41	2.12	-37.8%
Gross dividend	0.70	0.84	0.93	1.03	1.03 ⁽²⁾	0.0%
Growth rate of dividend	20.7%	20.0%	10.7%	10.8%	0.0%	
Recurring distribution rate	27.0%	23.6%	25.5%	29.6%	30.5%	

Personnel	2020	2021	2022	2023	2024	% Var. 2024 vs. 2023
Personnel	11,387	12,214	13,712	13,553	13,432	

NB: Definitions of the alternative performance measures are included in the glossary.
(1) These values are expressed excluding the favourable impact of the non recourse factoring programme (note 16 disclose details on non recourse factoring); 2017 ROCE value exclude Pladur.
(2) Subject to the approval of the General Shareholders' meeting of 28 May 2025
(3) To go from net profit (Group share) to net recurring profit (Group share), the following adjustments are made:
- Non-recurring income and charges, net of tax impacts;
- For 2023 specifically, the one-off gain realised on selling an interest rates hedging contract, adjusted net of taxes;
- Beginning in 2024, adjustments are made for the impact of monetary losses in financial charges resulting from the hyperinflationary accounting indexation of equity and non-monetary assets and liabilities (currently applicable only in Argentina);
- To offset these monetary losses and to protect cash from devaluation under hyperinflationary accounting condition, the implemented foreign currency investments strategy generates financial result, which also needs to be adjusted.
Hyperinflation related adjustments are applied starting in 2024 and retroactively restated for prior years.



Manizales, Colombia, Etex teammate

Highlights



ENGAGED PEOPLE

Connected teammates

In our Me&Etex engagement survey, we achieved a teammate sustainable engagement score of 84%, three points higher than the manufacturing norm. This score measures the intensity of employees' connection to their organisation. [Read more here.](#)

Preparing the next generation of leaders

We expanded the future talent programme, aimed at preparing the next generation of leaders. The programme recruits a dozen young engineering graduates annually and provides them with multiple engaging assignments across divisions and countries. [Read more here.](#)



CUSTOMER ORIENTATION

Expanding in Asia-Pacific

We completed the acquisition of Australian construction materials company BGC's plasterboard and fibre cement businesses, which already delivered strong results in 2024. [Read more here.](#)

Enhanced customer satisfaction

We improved our Net Promoter Score (NPS) - reflecting customers' experiences with Etex and their likelihood of recommending us - in our largest division, Building Performance, by five points compared to 2023. [Read more here.](#)



OPERATIONAL EXCELLENCE

State-of-the-art Bristol plasterboard plant

We commissioned Etex's largest-ever factory investment, amounting to over EUR 200 million, successfully ramping up our state-of-the-art plasterboard plant in Bristol, UK. It is also Etex's most efficient plasterboard production line in Europe when considering its size, speed and complexity. [Read more here.](#)

Safety is our first priority

86% of our sites achieved zero lost-time accidents, including all sites in Latin America. We reduced total recordable accidents by nearly 5% in 2024 versus 2023 and had zero fatalities. [Read more here.](#)

Improving the factory of tomorrow

We focused on continuous improvement across our factories. Next to better safety performance, this translated into reduced carbon intensity and manufacturing costs, less scrap and improved inventory management. [Read more here.](#)



SUSTAINABILITY AND INNOVATION

EcoVadis Silver medal

For the third consecutive year, we were awarded an EcoVadis Silver medal, placing us in the top 15% of companies assessed globally for our commitment to sustainability and responsible business practices. [Read more here.](#)

Advancing our decarbonisation efforts

We have committed to the Science Based Targets initiative (SBTi), which aims to set near- and long-term company-wide emission reduction targets. While targets have yet to be submitted, we made progress on our Scope 3 goals, which covers 70% of our greenhouse gas emissions. [Read more here.](#)

Expanding sustainability targets with biodiversity

Our Double Materiality Assessment (DMA) confirmed biodiversity as a material topic, leading to the approval of company-wide targets now embedded in our Road to Sustainability 2030. [Read more here.](#)

About Etex

Who we are

Since 1905, we are global pioneer in lightweight construction, inspiring people to build safe, sustainable, smart, and beautiful buildings solutions.

- › Profile
- › Our activities at a glance
- › Lightweight construction solutions

Profile

Who we are

We are a forward-thinking and sustainable building materials company, leading the way in lightweight construction. Our close to 13,500 teammates operate across more than 160 sites and seven Innovation Technology Centres (ITCs) in 45 countries worldwide.

Our values



CONNECT AND CARE

We focus on developing our people and fostering meaningful relationships.



PASSION FOR EXCELLENCE

We are committed to doing the right thing and achieving outstanding performance.



PIONEER TO LEAD

We drive valuable change and innovation.

Purpose

Our teammates are united around a clear purpose: **Inspiring ways of living.** Our purpose directs our strategy, which is to widen our scope as the most innovative and sustainable global lightweight building materials manufacturer.



OUR PURPOSE

We want to inspire people around the world to build living spaces that are ever safer, more sustainable, smart and beautiful.



OUR HOW

We work as one, fostering a collaborative and caring culture, a pioneering spirit and a passion to always do better for our customers.



OUR WHAT

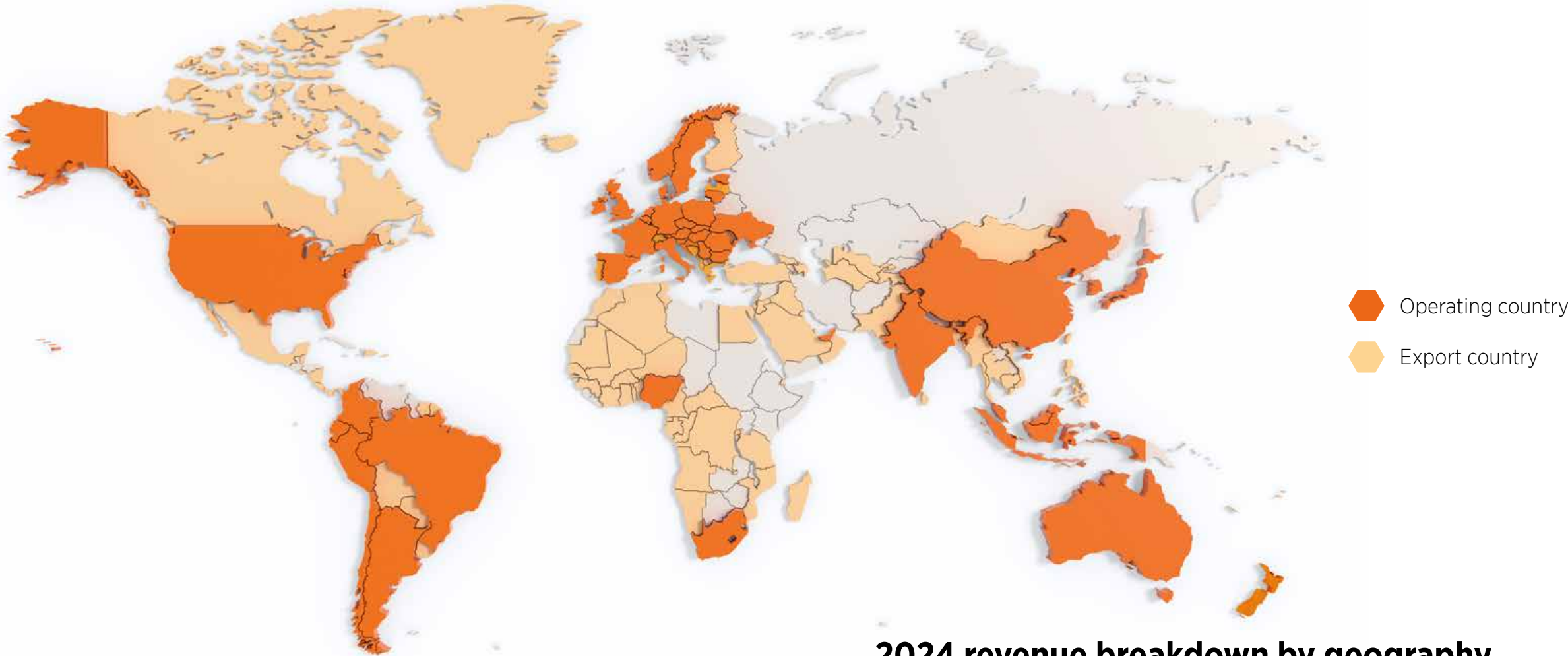
Building on our experience and global market needs, we strive to improve our customers' quality of life with ever more effective lightweight solutions.



▶ Roodekop, South Africa, Etex teammates

Our activities at a glance

Etex around the world



~13,500

Teammates

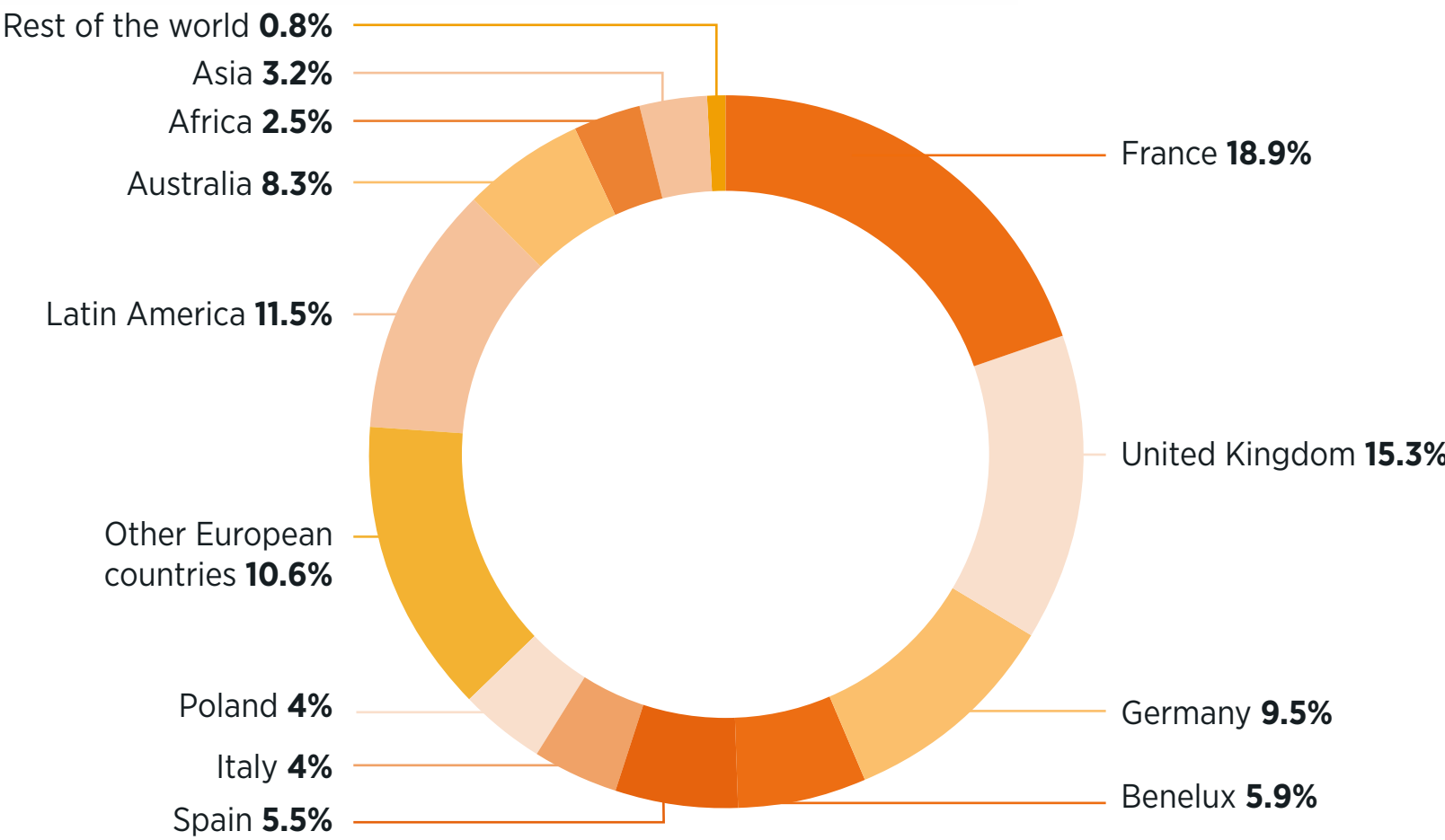
>160 sites

Plants, quarries, offices

7

Innovation Technology
Centres (ITCs)

2024 revenue breakdown by geography



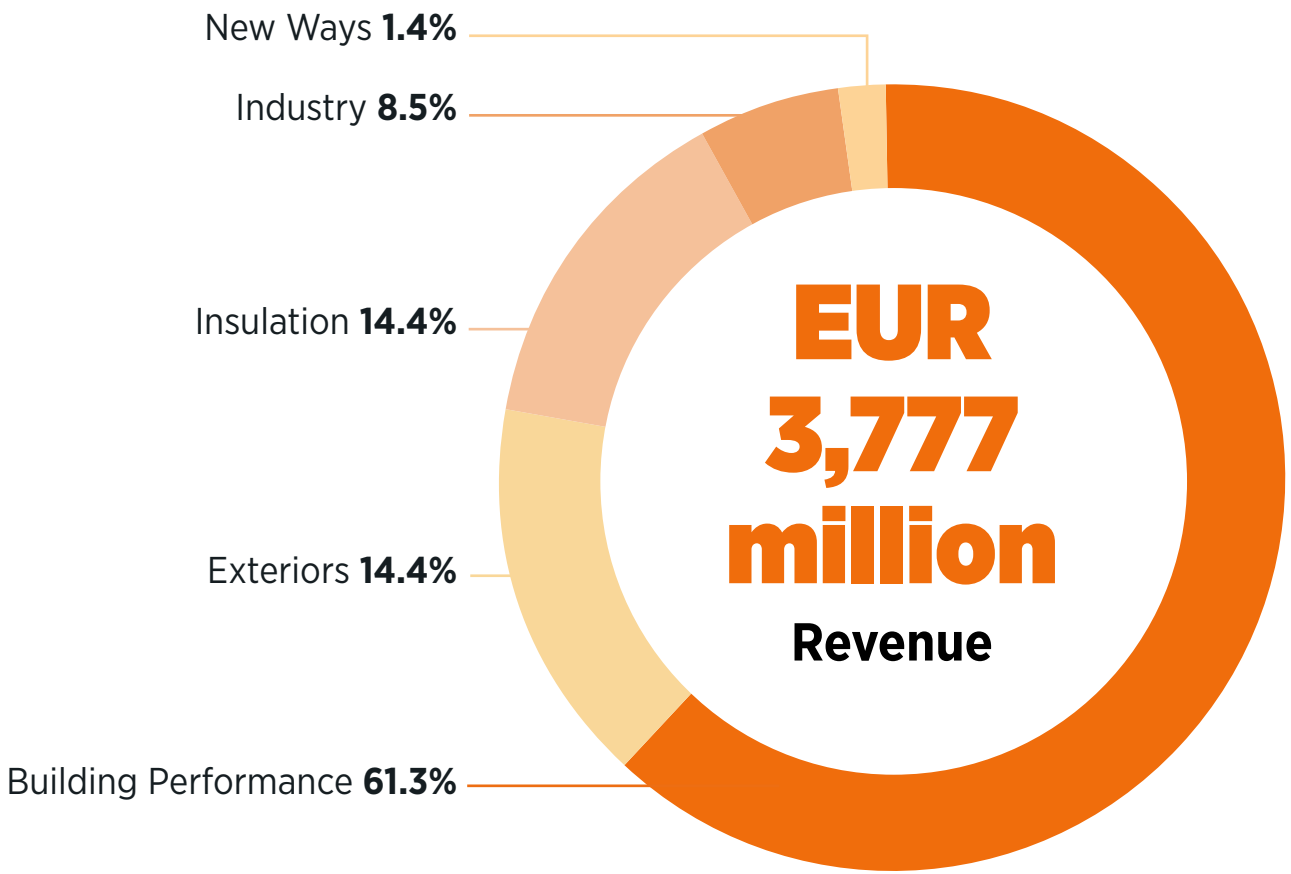
Etex businesses

Our divisions serve the market globally with our leading commercial brands, supported and challenged by four platforms.

- Building Performance
- Exteriors
- Industry
- Insulation
- New Ways¹

Read more about our divisions in our [Activity report chapter](#).

2024 revenue breakdown by division



¹As of 1 January 2025, the New Ways division was incorporated into the Building Performance division. Read more on [page 40](#).

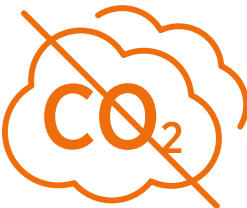
Lightweight construction solutions

Advancing towards net-zero with our products

At Etex, we go further than manufacturing innovative and high-performing building materials. Our lightweight solutions provide modular building options, allowing faster, more affordable construction while meeting the highest quality standards.

Light on the environment and heavy on efficiency, our solutions have a smaller ecological footprint, saving water, energy and raw materials in production, transportation and application.

Lightweight constructions solutions are:



~15-45%

less emission-intensive
to produce



~7x better

insulated than traditional
materials



Two times

faster to build



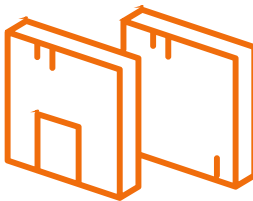
Fire safety

fire safety improved



Recyclable

more recyclable: for example,
gypsum is indefinitely
recyclable



Flexible

more flexible and adaptable,
increasing the useful life
of existing buildings and
reducing waste

Strategy

How we create value

We inspire ways of living, as we enable people to build living spaces that are ever safer, more sustainable, smart and beautiful.

We are committed to deliver a best-in-class experience to our customers through four technology platforms that provide lightweight, innovative and sustainable solutions.

- › Trends in the construction sector
- › Risk assessment
- › Our strategy
- › Value creation
- › Value chain
- › Stakeholders

- › Double Materiality Assessment
- › Engaged people
- › Operational excellence
- › Customer orientation
- › Sustainability and Innovation
- › Social engagement

Trends in the construction sector



Rapid urbanisation

The rapid growth of cities is driving higher demand for housing and commercial spaces, especially in emerging economies.

Our lightweight solutions make it possible to build or renovate structures more quickly, cost-effectively and sustainably than traditional construction methods.



Productivity lag and skill gap

The construction sector's productivity lags due to slow technology adoption and a skill gap, causing inefficiencies and higher project costs.

We address this challenge by developing our workforce, offering or supporting training programmes, partnering with technical institutions to attract and develop the next generation of skilled professionals, and introducing new products and solutions to drive progress.



Technological disruption

Productivity in the construction sector is hindered by slow technology adoption, labour intensity, and limited standardisation, resulting in inefficiencies and higher project costs.

To address these challenges, we embrace technological and digital innovations, such as modular construction, along with a systems and solutions-based approach to scale operations effectively.



Housing shortage

There is an urgent need for qualitative and cost-efficient housing and buildings which requires acceleration from the building sector and facilitation from governments.

We believe that house building is in need of an overhaul. Our products and solutions facilitate and accelerate the building process. They are easy to carry, cut, assemble and handle. These inherent advantages support a future-proof economy.



Changing regulations

Governments worldwide are accelerating energy and resource efficiency through increasingly stringent regulations, demanding high energy performance in both renovations and new builds, as well as materials circularity.

We provide global access to our lightweight construction materials and solutions, which are designed with built-in circularity and sustainability. We comply with regulations and continuously enhance our portfolio to meet the latest building performance standards.



Climate change and resource scarcity

Population growth and increased resource consumption contribute to climate change and resource scarcity worldwide.

We focus on clear targets, innovation and collaboration to enhance our products and solutions, reducing material, water and energy usage while recovering resources throughout the value chain. Our goal is to maximise recyclability, minimise waste and reduce our impact on biodiversity and the climate.



Ageing infrastructure

There is a critical need to renovate and modernise ageing living spaces, buildings and infrastructure to meet contemporary demands for sustainability, safety and capacity.

Our lightweight approach helps address this challenge by offering innovative, sustainable, durable and efficient products and solutions, enabling faster and more resource-efficient renovations.

Risk assessment

Our company has implemented on a recurring basis a risk management and control system identifying and mitigating critical risks.

Our risk management process, together with our internal control framework, is designed to determine risks in relation to business objectives and to develop appropriate risks responses.

Risks are analysed through a combined evaluation and scoring of impact and vulnerability, based on scenarios designed to assess their financial consequences.

The Risk and Audit Committee assists the Board of Directors with the oversight of risks to which Etex is exposed, and in the monitoring and review of the risk management cycle and processes.

Main risks

Etex's business, financial results, operations or reputation could be materially and adversely affected by one or more of the risks listed below.

Name	Definition
Risks related to mounting geopolitical instability	Exposure to geopolitical instability due to presence in countries/regions prone to insecurity, social unrest, political uncertainty. Increasing risk of trade wars resulting in import tariffs or barriers to free trade.
Cyber security related risks	Threats in relation to cyber security are including the following scenarios: large-scale cyber-attacks or malware penetration, outage of critical infrastructure (including third party services) and malicious use of sensitive/personal information.
Risks in relation to a slowing global economy and lasting volume decline	Steadiness in EU construction market impacting industrial capacity output, with adverse financial consequences.
Sustainability related risks	Achieving Etex's sustainability ambitions, more especially emissions reductions targets, may be hampered by shifting assumptions with respect to costs, governmental or societal support.
Risks related to strategic production plants	Continuity of Etex's manufacturing operations jeopardised due to accidental disruption of activities at its strategic production plants. Production interruption scenarios cover the usual industrial losses and are extended to physical risks in relation to climate change.
Raw materials, water and energy sourcing	Adverse price fluctuation and volatility in the supply of raw materials and commodities; high dependency on unique suppliers for some raw materials.
Asbestos legacy	Demands in relation to the consequences of past use of asbestos in manufacturing process.



Our strategy

Our purpose is “Inspiring ways of living” and we bring this vision to life through our strategic framework that guides our actions and helps build a more sustainable future.

We are committed to deliver a best-in-class experience to our customers through four technology platforms that provide lightweight, innovative and sustainable solutions. We enable this strategy by nurturing internal talents, fostering innovation and acquiring companies that share our vision.

Sustainability is at the core of our strategic framework and our “Road to Sustainability 2030” is our commitment to society to have the most positive, meaningful and lasting social and environmental impact in everything we do.

Four platforms



Fibre cement



Gypsum

Systems and Solutions

Role of platforms

- Provide direction
- Articulate growth strategy organically and inorganically
- Drive go-to-market, including pricing strategy
- Accelerate innovation and develop solutions
- Develop a sustainability and innovation roadmap



Insulation



Passive fire protection and High-performance insulation

Four strategic drivers



Engaged people: Our teammates are the starting point of everything we do, guided daily by shared values. We encourage them to develop their full potential and we welcome new talent. We create a safe environment where all teammates feel included.



Operational excellence: We are manufacturers in heart and soul. We focus on continuous improvement and safety and ensure that our factories are future-proof to meet the needs of the world with high-quality solutions.



Customer orientation: We are deeply committed to our customers and build strong ties with partners. We improve our business effectiveness by aligning models and enhancing digital solutions across all markets.



Sustainability and Innovation: Our lightweight solutions are designed to be sustainable at their core. We take responsibility to innovate while reducing our footprint and integrating circularity wherever we can.

Road to Sustainability 2030

These are the workstreams for which we have dedicated goals.



Circularity



Customer engagement



Decarbonisation



Diversity, Equity and Inclusion



Health, Safety and Well-being



Water and Biodiversity

Value creation

Resources (upstream)

Teammates

~13,500 across 45 countries

Operations

>160 sites: plants, quarries, offices
Capital expenditure: EUR 264 million

Suppliers

30,000 active vendors

Natural resources

Raw materials (paper and fibres, gypsum and minerals, cement, steel, others) account for 30% of Etex's total purchasing spend

Financial resources

Equity:
EUR 2,030 million

Business model

Purpose

Inspiring ways of living

Strategy

Leading in four platforms supported by four strategic drivers to deliver customer-centric sustainable solutions

Platforms

- Gypsum
- Fibre cement
- Passive fire protection and High-performance insulation
- Insulation
- Systems and Solutions¹

Divisions

- Building Performance
- Exteriors
- Industry
- Insulation
- New Ways¹

Road to Sustainability 2030

Impacts (downstream)

Engaged people

Teammates

- 84% sustainable engagement
- DE&I policy for all teammates

Operational excellence

Operations

- 86% sites achieved zero lost-time accidents, including all sites in Latin America
- Zero fatalities
- Advanced safety standards

Suppliers

- New Sustainable Procurement policy for suppliers
- 1,269 suppliers assessed by EcoVadis, representing 50% of purchasing spend

Society

- Effective tax rate: 32.6%
- Engage with local communities through local and global partnerships



Customer orientation

Customers

- Higher customer satisfaction (improved Net Promoter Score)
- 74% European turnover covered by Environmental Product Declarations (EPDs)

Sustainability and Innovation

Environment

- -1.6% GHG emission intensity vs. 2023
- +10% recycled input vs. 2023
- -24% virgin plastic usage vs. 2022 baseline
- -17% waste to landfill vs. 2023 (absolute value)
- +0.8% water withdrawal intensity vs. 2023

Financial results

- Revenue: EUR 3,777 million
- REBITDA: EUR 695 million

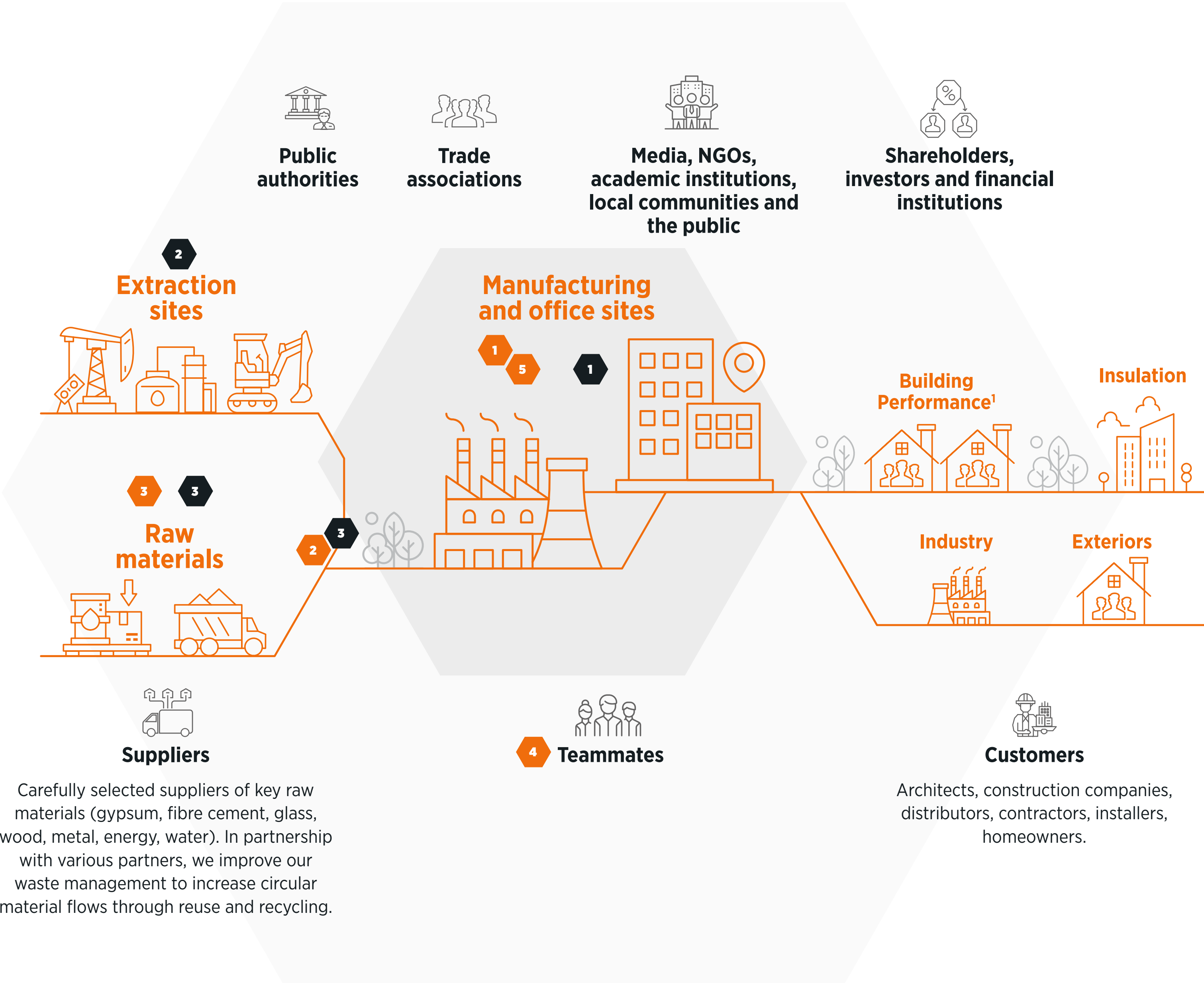


¹As of 1 January 2025, New Ways became part of the Building Performance division and the gypsum platform. Read more on [page 40](#).

Value chain

As part of the construction and building sector value chain, we recognise our responsibilities towards people and the planet. By its nature, the industry relies on raw materials, energy, water and other ecosystem services, resulting in a significant environmental footprint.

We anticipate a growing market focus on the sustainability features of our solutions. In line with our strong commitment to the future and our customer-oriented approach, we assess how our products and solutions can help our customers achieve their own sustainability goals. Collaboration is essential to tackling social and environmental sustainability challenges. As illustrated by various examples, sustainability opportunities and challenges exist throughout the entire value chain. Etex adheres to leading global initiatives, including the UN Global Compact and its related Business Principles and Sustainability Development Goals (SDGs).



Positive impacts





- 1 Decarbonisation of own operations
- 2 Responsible supply chain management
- 3 Responsible use of raw materials
- 4 Skilled and trained workforce
- 5 Safe workplace




Negative impacts

- 1 Generation of CO₂ emissions
- 2 Irreversible impact on land management
- 3 Impact of own raw materials on environment

¹As of 1 January 2025, the New Ways division was incorporated into the Building Performance division.

Stakeholders

	Why do we interact with each stakeholder?	How do we create value?
<div> Teammates</div>	<p>To maximise safety, promote engagement, maintain transparency on key business decisions, encourage co-creation and cooperation, share information and best practices, and offer training to facilitate personal and professional development.</p>	<ul style="list-style-type: none">• By engaging with teammates via Viva Engage and our Etex Core platform, which contains events, webinars and communication campaigns; we hold team meetings and information sessions to support personal and professional development.• By hosting live events called Etex Team Talks for all teammates, where we celebrate team achievements, share results, update them on company developments, and discuss plans and prospects.• By enabling everyone to share their stories, which are published online as Teammate Stories. These stories of success and experience inspire others in their work and personal lives.• By having 800 managers share information and updates on Etex Insights and 125 senior leaders participate in the annual Etex Global Summit, focusing on innovation, sustainability, growth and customer orientation.
<div> Suppliers</div>	<p>To acquire goods and services from our suppliers and collaborate with them to ensure efficient production and service, as well as sustainable solutions.</p>	<ul style="list-style-type: none">• By actively engaging with suppliers in commercial, technical, innovation and sustainability discussions to enhance our products and services for customers.• By collaborating with our suppliers, we continuously improve their offerings and products to support long-term success.• By working with active vendors aligned with our sustainability ambitions; we assess them through EcoVadis.
<div> Customers</div>	<p>To proactively meet customers' evolving needs, address their requests, and deliver high-quality, sustainable products and services.</p>	<ul style="list-style-type: none">• By reaching out to customers with tailored information on products, solutions and services; they increasingly seek not only proof of technical performance and guarantees, but also sustainability credentials.• By continuously enhancing our offering and striving to provide higher-performing products and systems that are both technically advanced and sustainable, we can adapt our solutions to customers' evolving needs.• By educating customers on market trends, new regulatory requirements, and the technical features of our products through training courses and seminars.
<div> Public authorities</div>	<p>To comply with applicable regulations in the countries where we operate (e.g. permits, taxation, exploitation licences, etc.); and go beyond compliance and achieve best practices, where possible.</p>	<ul style="list-style-type: none">• By pro-actively engaging with public authorities of the countries where we operate, at national, regional and municipal levels.• By ensuring transparency and accountability through our website and public reports, including half-year and full-year financial and non-financial reports.

Why do we interact with each stakeholder?		How do we create value?
 Trade associations	To support these associations in conveying industry positions on public policies affecting the construction sector.	<ul style="list-style-type: none">• By participating in trade associations to make sure the industry’s voice is heard, enabling them to hold constructive dialogues with authorities on various regulatory topics ranging from product performance standards to sustainability challenges facing the construction sector.• Etex is directly and indirectly active in various national and EU trade associations such as the Construction Products Europe, Efficient Buildings Europe, Eurogypsum, Eurima (European Insulation Manufacturers Association), European Federation of Fibre Cement Manufacturers (EFFCM), Exiba (European Extruded Polystyrene Insulation Board Association) and Fire Safe Europe.• By engaging in the framework of the European Committee for Standardisation (CEN) in Europe and of the International Organisation for Standardisation (ISO) globally.• By sending a demand signal for sustainable cement, as member of the First Movers Coalition Cement and Concrete, thereby boosting sustainability developments in this crucial sector.
 Media, non-governmental organisations, academic institutions, local communities and the public	To facilitate the exchange of information on our products’ strengths and their benefits for people and the planet; to raise awareness of our key systems and solutions.	<ul style="list-style-type: none">• By using digital engagement tools to interact with external stakeholders.• By building stronger press relationships locally and globally.• By partnering with the private foundation Selavip and its global network, which supports housing projects for underprivileged people; we donate to the charity Habitat for Humanity to help families build and improve their homes; we also take multiple other local initiatives in the countries where we operate.• By being a signatory of the UN Global Compact since 2019 and reporting our contributions to the Sustainable Development Goals (SDGs).
 Shareholders, investors and financial institutions	To balance sustainable growth with transparent communication on performance and outlook.	<ul style="list-style-type: none">• By informing them about strategic developments through half-year and full-year reports, press releases, online publications, and annual meetings.

Double Materiality Assessment

In 2024, we completed our Double Materiality Assessment (DMA) and have started aligning our reporting practices with the European Sustainability Reporting Standards (ESRS). This demonstrates our proactive approach to enhancing transparency and preparing for the Corporate Sustainability Reporting Directive (CSRD), which, based on the latest regulatory proposal of the European Commission, is set to take effect in 2028. Our methodology was developed in line with the principles outlined in the ESRS and other available guidelines. However, our DMA results remain subject to potential revisions pending our annual updates and the completion of the auditors' assurance process.

A DMA in sustainability reporting evaluates both the financial risks and opportunities posed by sustainability issues and a company's impact on the environment and society. It identifies how external sustainability factors affect business performance (outside-in) and how the company's operations affect stakeholders and the planet (inside-out). This dual perspective is crucial for comprehensive sustainability reporting, as required by frameworks such as the EU's CSRD.

For our own operations, we identified and assessed impacts on people and the environment, as well as potential risks and opportunities to our business(es), focusing on our four platforms – Gypsum (including Systems and Solutions), Fibre cement, Fire Protection and Insulation. Similarly, we assessed our value chain impacts, risks and opportunities for most topics, focusing primarily on our upstream and downstream activities.

In our impact assessment, we considered both positive and negative impacts, as well as actual and potential sustainability-related matters. In our financial assessment, we assessed potential sustainability-related risks and opportunities that could result in financial impacts on our business. To evaluate risks and

opportunities, we assessed the potential magnitude of financial effects on EBITDA, capital and operational expenditures, and the likelihood of occurrence.

As part of our DMA process, we engaged with internal stakeholders and collaborated with external stakeholders, including board members, business associations, customers, suppliers and financial institutions. In addition to interviewing external stakeholders, we also analysed publicly available information such as annual reports and websites from industry peers and competitors.

The following table lists the material topics identified through the DMA process, highlighting where the corresponding impacts are most relevant at different points in the value chain.

These following pages of this chapter are structured around our four drivers: Engaged people, Operational excellence, Customer orientation, and Sustainability and Innovation. Dedicated non-financial reporting topics, aligned with our Road to Sustainability 2030 and DMA, have been distributed accordingly within this framework.

Material topics	Primary impact scope		
	Upstream	Own operations	Downstream
Health and safety	●	●	
Climate change	●	●	●
Circularity	●	●	●
Customer engagement			●
Supply chain management	●		
Business practices	●	●	●
Diversity, Equity and Inclusion		●	
Water	●	●	
Biodiversity	●	●	
Training skills and development		●	



Bristol, UK, Etex teammates

Engaged people

In 2024, under our "Engaged people" driver, we focused on creating an inclusive work environment, strengthening teammate engagement and fostering a culture of recognition.

All teammates are covered by both external and internal policies. Externally, the [DE&I policy](#) and the [Code of Conduct](#) 'The Etex Way' set key standards. Internally, policies such as SpeakUp (for reporting inappropriate behaviour), global recruitment, internal mobility and international assignments provide additional guidance. These policies cover working hours, discrimination, harassment, forced labour and child labour, while the Code of Conduct reinforces rights related to association and non-discrimination.

We have a global SpeakUp policy and collaborate with an external party and an ethics committee, which meets quarterly. In addition, we work with local internal and external trust representatives and adhere to local grievance policies. These mechanisms ensure teammates have multiple reporting channels (emails, call, etc.) to maintain a safe and ethical work environment.

Concerns raised through the global SpeakUp policy are investigated, discussed and resolved by the global ethics committee, in collaboration with local entities where applicable. HR assesses local issues on a case-by-case basis, implementing plans to prevent recurrence. When necessary, a third party is involved to ensure impartiality.

Highlights

- **Achieved a teammate sustainable engagement score of 84%, three points higher than the manufacturing norm. This score measures the intensity of employees' connection to their organisation.**
- **Expanded the successful future talent programme, offering graduates a structured rotational programme in manufacturing.**
- **Gave a total of 3,653 awards, including the 2024 CEO Award who went to the Italian team of the Building Performance division.**
- **Launched a business acumen and coaching programme.**
- **Reconnected to our Etex values by associating them with clear behaviours.**



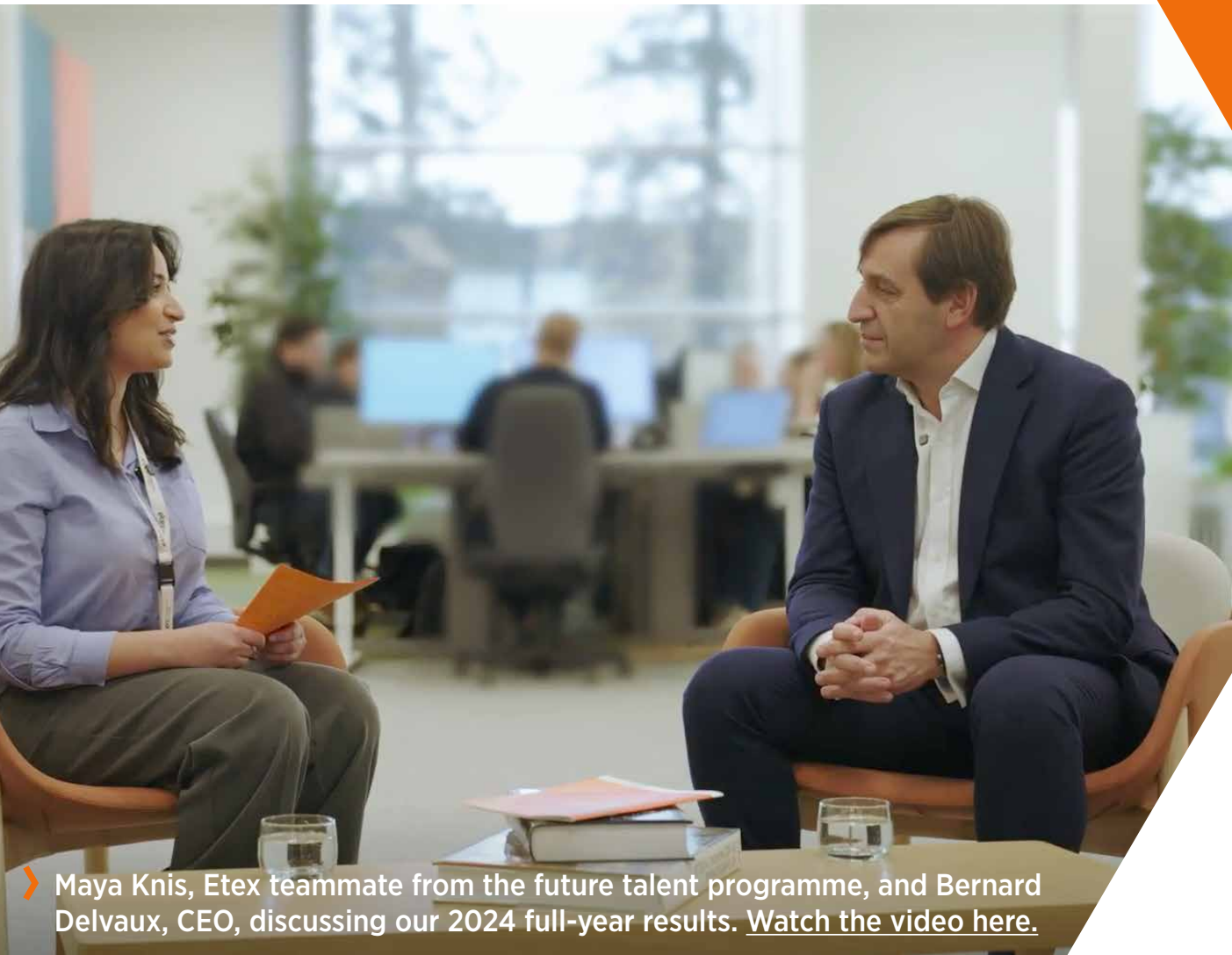
ENGAGING PEOPLE IS NOT ABOUT IMPOSING IDEAS BUT ABOUT INSPIRING A SENSE OF OWNERSHIP, CULTIVATING A COLLABORATIVE SPIRIT AND EMPOWERING INDIVIDUALS TO CONTRIBUTE THEIR UNIQUE STRENGTHS TO A SHARED VISION.

Louise Cail
Chief Human Resources Officer

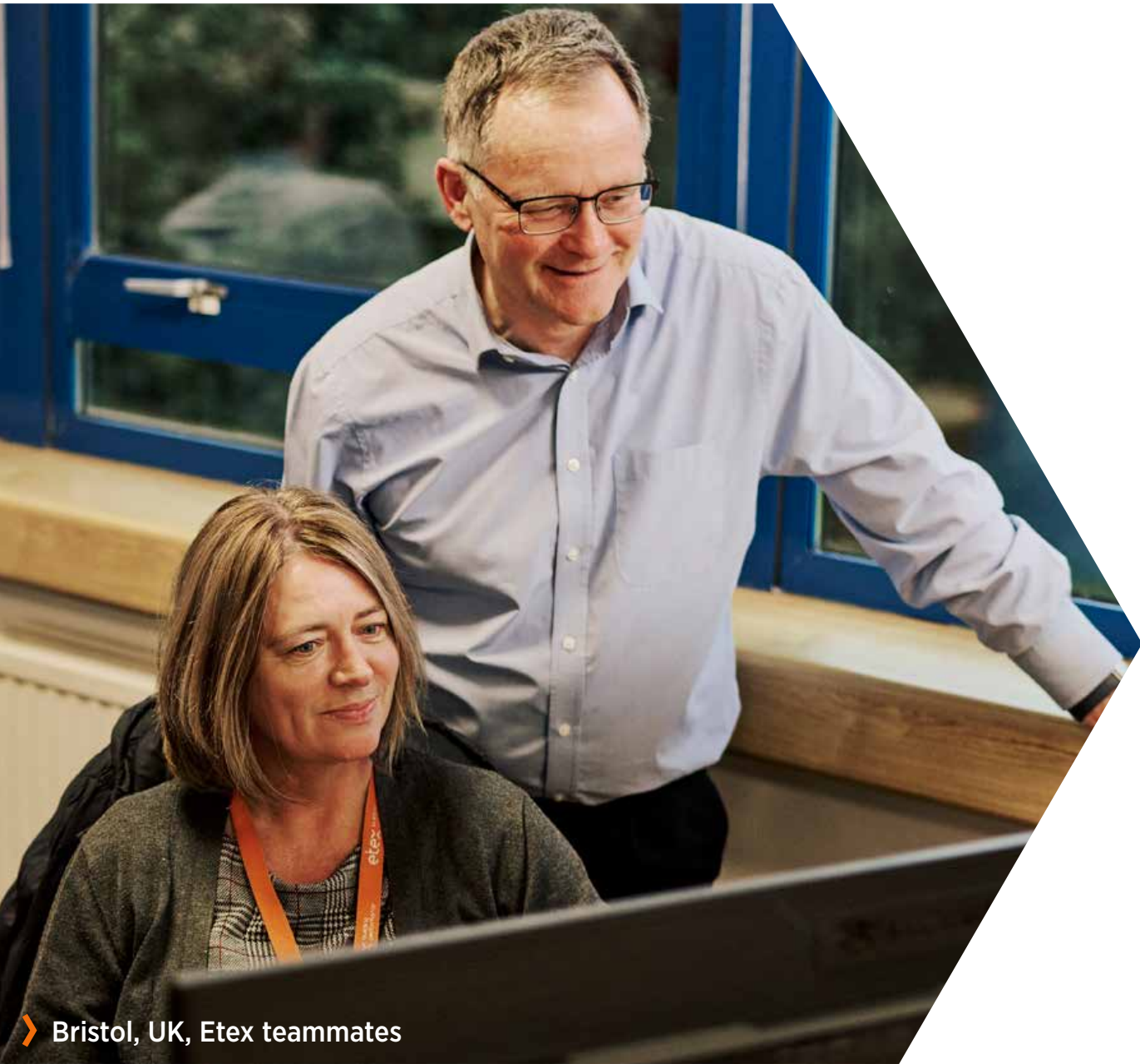


Preparing the next generation of leaders

In 2024, we expanded the successful future talent programme, aimed at preparing the next generation of leaders. This initiative was launched in 2023 to address the shortage of skilled engineers in the job market. The programme focuses on recruiting a dozen young engineering graduates annually and providing them with multiple engaging assignments across divisions and countries. This approach builds their experience and networks, creating a strong internal pipeline of talent for the future.



Maya Knis, Etex teammate from the future talent programme, and Bernard Delvaux, CEO, discussing our 2024 full-year results. [Watch the video here.](#)



Bristol, UK, Etex teammates

Diversity, Equity and Inclusion (DE&I)

We are convinced that by harnessing the strengths of our global organisation and leveraging the full potential of our diverse teammates, thoughts, and ideas – within an inclusive environment with equal opportunities for all – we can create a competitive edge that will drive sustainable business growth, maximise performance and innovation and establish Etex as an employer of choice.

Etex's efforts in 2023 and 2024 had a positive impact, leading to a 5% increase in the Me&Etex engagement survey's question regarding management supporting diversity and inclusion in the company. This improvement was largely due to the introduction of a DE&I policy available in 19 languages and a strong focus on building, empowering and activating a global network of over 100 DE&I ambassadors.



Advancing inclusive local policies

In the Asia-Pacific region, we continue making progress towards more inclusive policies by listening to teammates and understanding local needs. In Malaysia, we enhanced our sick leave policy to support teammates by extending coverage to their children and parents, exceeding local regulations. In Singapore, we introduced two additional days of parent care leave, enabling teammates to better care for their elderly parents. These improvements benefited 30% of our teammates in 2024, reinforcing our commitment to local support while also advancing our global DE&I goals under the Road to Sustainability 2030.



Malaysia, Etex teammates

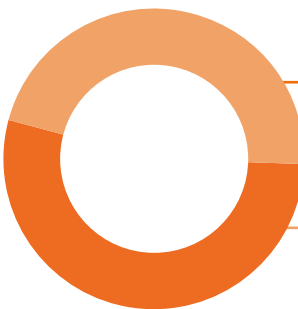
Progress on our Road to Sustainability 2030

2025 goals	2024 status
Cover all teammates by DE&I policies, procedures and practices	<ul style="list-style-type: none">This goal has been achieved, ensuring full DE&I policy coverage for all teammates.Building on this, our DE&I ambassadors raised awareness within their locations and teams on topics relevant to them, including employee resource groups and factory worker engagement, such as DE&I fairs in Latin America reaching 250 teammates.
Train all teammates on DE&I	<ul style="list-style-type: none">Conducted awareness training across various locations.Developed an e-learning module for hiring managers, with a specific focus on DE&I.Extended training and empowerment beyond our company. In France, our female teammates partnered with the 'Capital Filles' association to mentor secondary school girls, inspiring them to explore careers in engineering and operations.
Ensure pay equality	Pay equality begins with structured job frameworks and grading, which we finalised throughout 2024. In November 2024, we ensured full transparency by communicating these grading details to all office-based teammates.

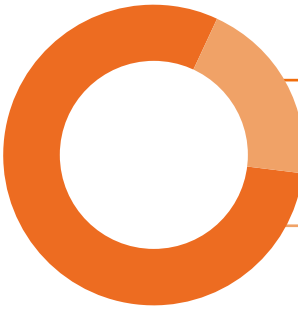
~13,500
Teammates

1,471
New teammates

103
Nationalities



Office workers 47%
Factory workers 53%



Female 19%
Male 81%

Operational excellence

As manufacturers in heart and soul, we focus on reinforcing safety, health and well-being, as well as continuous improvement. We aim to create a company culture that allows for autonomy among our teammates, to manufacture valuable products for our customers and to achieve long-term sustainable growth.

Highlights

- Significant progress in health and safety - our first priority - with zero fatalities.
- Reduced our carbon intensity, meeting our 2024 sustainability ambitions.
- Reduced our manufacturing costs through technical projects and a growing culture of continuous improvement.

Manufacturing

2024 was a milestone year for manufacturing. We lowered energy intensity across all Etex technologies while adapting our production capacity and costs to challenging market conditions. Our efforts across all plants contributed to over EUR 60 million in manufacturing cost improvements.

Additionally, we successfully opened our newest plasterboard factory in Bristol, UK. In terms of people, we further improved teammate engagement in our plants – scoring above the manufacturing norm – and strengthened our managers' leadership skills.



Building the factory of tomorrow in Bristol

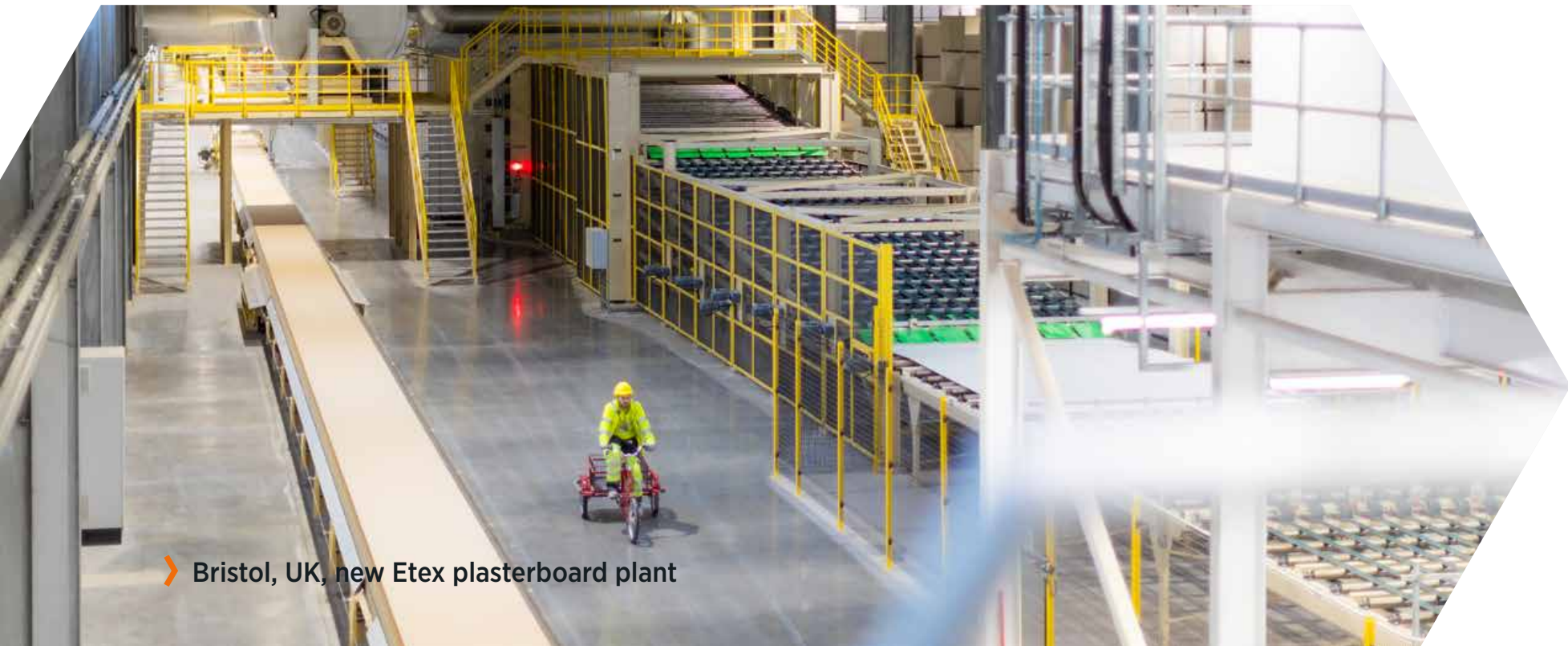
In 2024, we commissioned Etex's largest-ever factory investment - for more than EUR 200 million - successfully ramping up our state-of-the-art plasterboard plant in Bristol, UK. The new factory has been running at full capacity since October 2024, with 30% recycled content and a 20% reduction in carbon intensity. It enables the local production of 98% of products sold by Siniat in the British market. The 400-metre line is Etex's most efficient plasterboard production line in Europe in terms of its size, speed and complexity.

Read more about our efforts on Decarbonisation, Circularity, Water and Biodiversity in the [Sustainability and Innovation chapter](#).



THE YEAR WAS MARKED BY PROGRESS IN SAFETY PERFORMANCE AND CULTURE, INCREASED AGILITY IN OUR FACTORIES TO ADAPT TO MARKET CONDITIONS, SUSTAINABILITY SUCCESSES AND HIGHLY ENGAGED TEAMMATES.

Christophe David
Chief Manufacturing Officer



Bristol, UK, new Etex plasterboard plant

19%

reduction in net scrap for fibre cement; 7% reduction for plasterboard

2.6%

decrease in energy intensity vs. 2023 across all technologies

EUR 60 million

in cost improvements across factories

Safety, Health and Well-being

Safety is our top priority. As part of our Road to Sustainability 2030, we are committed to achieving zero fatalities and zero harm. To support this, we have made significant investments in tools and training while recognising our responsibility to safeguard both the physical and mental well-being of our teammates.

Progress on our Road to Sustainability 2030

Daily goals	2024 status	2024 KPIs
Zero fatalities	<ul style="list-style-type: none">Launched a three-year investment programme to improve machinery safety in piling, depiling, and forming drum equipment.Advanced the implementation of critical standards.	0 fatalities
Zero harm	<ul style="list-style-type: none">86% of our operational and non-operational sites achieved zero lost-time accidents, including all sites in Latin America.Reduced total recordable accidents by nearly 5% in 2024 versus 2023.Conducted over 80,000 safety observations and conversations.Completed 26 safety audits.	<p>Safety intensity¹: 1.98 (+10% vs. 2023)</p> <p>Total accident frequency rate²: 3.28 (+11% vs. 2023)</p> <p>Frequency rate of lost-time accidents³: 2.03</p> <p>Gravity rate of accidents: 0.12</p>
Zero burnouts	<ul style="list-style-type: none">Delivered 27 webinars to teammates globally and regionally on well-being topics.Published monthly global communications with resources and reflections on both personal and professional topics such as giving feedback, improving sleep, relaxation techniques, unplugging, dealing with loss, and maintaining energy levels.In addition to our employee assistance programme, we implemented new initiatives addressing mental health and well-being.	N/A



Achieving zero lost-time accidents across Latin America

In 2024, our relentless focus on safety led to an important milestone: zero lost-time accidents across all of our more than 20 Latin American sites. This achievement was the result of multiple initiatives. We reinforced our safety campaigns across all sites, placing particular emphasis on enhancing risk perception. Every teammate completed a dedicated safety training programme (SafeStart), while first line managers received specialised coaching. We also upgraded our factories by automating certain tasks, modifying processes, installing new machinery, setting up additional protective fencing and improving pathways to avoid interaction with mobile equipment. As a result, we met our safety intensity target, further building a safer and more resilient workplace for all.



Lima, Peru, Etex teammate

88

Number of recordable work-related accidents in our workforce

3.8

Rate of recordable work-related accidents in our workforce
(per million man-hours worked)

3

Number of recorded cases of work-related ill health among teammates

¹Average number of safety activities per employee per month.
²Frequency of lost-time and medical aid accidents per one million hours worked.
³Number of lost-time accidents per one million worked hours.

Supply chain

Engaging upstream

- We evaluated Tier 1 suppliers through an EcoVadis sustainability review to assess their environmental and social performance. In 2024, 1,269 suppliers (+10% vs. 2023) scored 59.6% (+5% vs. 2023), representing 50% of our annual purchasing spend.
- Since 2022, our internal Purchasing policy and Supplier Code of Conduct have guided our purchasing processes. In 2024, we introduced the Sustainable Procurement policy, setting clear expectations for suppliers to improve environmental, social, compliance, and transparency practices. This policy aims to reduce Environmental, Social, Governance (ESG) risks, embed sustainability in purchasing decisions and track progress in implementing this strategy.
- We are also developing tools to define and monitor critical and strategic suppliers while laying the foundations for supplier qualification and selection. By the end of 2025, we aim to establish governance, launch pilot programmes and dedicate a team to these efforts.

Engaging downstream

- We optimised the Etex supply chain to ensure that we are future-ready. While managing a major system upgrade, we piloted inventory planning through sales and operations planning (S&OP) to meet our cash target without compromising supply.
- At the same time, we invested in process and technology to enhance planning, transitioning to Integrated Business Planning, with a fibre cement pilot set for full deployment in 2025.
- We also leveraged technology by implementing a state-of-the-art warehouse management system (WMS) in one of our main plants, enabling automation for a better customer experience.
- Additionally, we accelerated our sustainability roadmap in packaging, reducing virgin plastic content, particularly for our URSA and Promat brands.



Streamlining procurement to reduce costs and carbon footprint

In 2024, the indirect purchasing and IT teams launched a request for proposal for workplace personal computers. This effort resulted in a 20% cost reduction, saving EUR 2.5 million in capital expenditure over the computers' lifecycle. It also centralised procurement, reduced logistics costs and lowered our carbon footprint through a local-to-local approach.



▶ Auneuil, France, truck loaded with plasterboard plates in the warehouse.

Carefully managing our asbestos past

Asbestos is part of our past and we continue to manage our history with the material carefully. Our group-wide policy enforces this commitment.

Asbestos through the years

In the past, some of our companies used asbestos as a raw material in production.

Preventive measures

- Starting in the 1970s, Etex companies took measures to reduce asbestos concentration levels in the air in their factories. These included:
- Masks and other protective gear;
 - Dust extraction equipment;
 - Shift from dry to wet production;
 - Automation of production processes;
 - Exploration of alternative materials;
 - Ban of blue, brown and later white asbestos.

These measures were aligned with the legislation and based on scientific knowledge available at the time and were considered effective ways to prevent health risks. However, scientific and medical knowledge evolved further, indicating later that this was not sufficient and that some risks persisted. Asbestos-related diseases such as mesothelioma can take an average of 50 years between the start of exposure and the development of the disease. It is the most cause-specific asbestos-related disease. This long average latency period has slowed down or influenced the progression of scientific understanding of these diseases.



Stringent regulations

Throughout the 1980s and 1990s, the use of asbestos was more strictly regulated and in 2005, the European Union (EU) completely prohibited its use. Etex banned asbestos entirely from the production processes of all its companies in 2002, i.e. prior to the EU ban.

The global picture

The name Eternit is used to patent the technology, which was sold worldwide to multiple companies, several of which adopted and retained the name for their company as well as it being the name of the product. Consequently, some companies today bear and/or sell products under the name Eternit although they are not part of Etex.

It should also be noted that although the use of asbestos is prohibited in the EU, in many countries around the world it can still be legally used and sold.

Health provisions

Since asbestos-related diseases have a long latency period, Etex companies may still receive claims related to former asbestos exposure. As part of our commitment to compensate victims, our company provides settlement costs for past and future claims.

Several variables affect how compensation is calculated, and these may change over time. We therefore regularly review our approach to take into consideration any new information that may become available.

Group-wide policy

We cannot undo the past and we deeply regret that people became and still become seriously ill due to asbestos exposure. To put adequate support systems in place, we established a mandatory policy that enables our companies to manage their past vigilantly. The policy is based on a three-way approach: compensate victims, prevent exposure and support research.

Compensate victims
Etex companies have to ensure that those who become seriously ill due to being exposed to asbestos in their factories receive fair financial compensation.

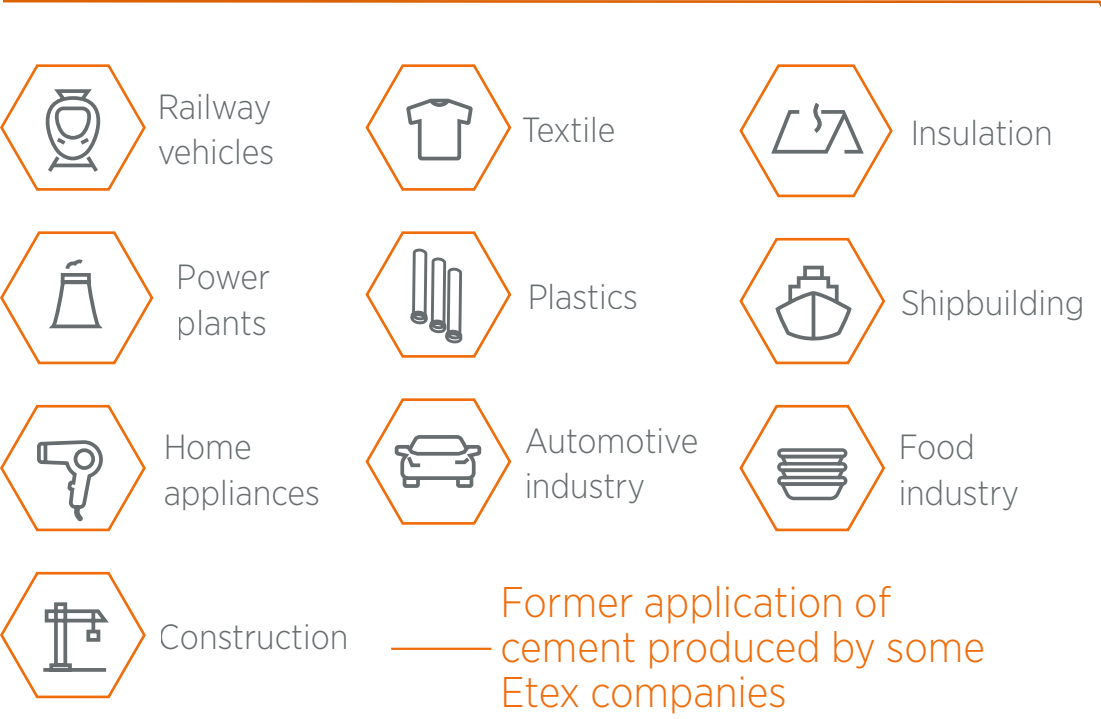
Prevent exposure
Etex companies constantly monitor the presence of airborne fibres and safely manage all buildings and landfills. In 2020, we started asbestos awareness training involving 150 Site Managers, EHS Managers and Project Managers from all over the world. The training focuses on our asbestos policy, the potential risk of exposure, preventive health and safety measures, air monitoring, project management and communication. In the course of ongoing initiatives to upgrade sites and buildings, including sites from acquisitions, we also inventory and remove asbestos-containing materials.

EUR 14 million
in donations to the **Belgian Foundation Against Cancer** between 2012 and 2028

Support research
Etex supports medical and scientific research. We started to support the Belgian Foundation Against Cancer in 2012 and we are committed to support their research work until 2028, making a total donation of EUR 14 million over this period. It is our sincerest hope that treatment for asbestos-related illnesses will benefit from medical and scientific research in the future.

About asbestos

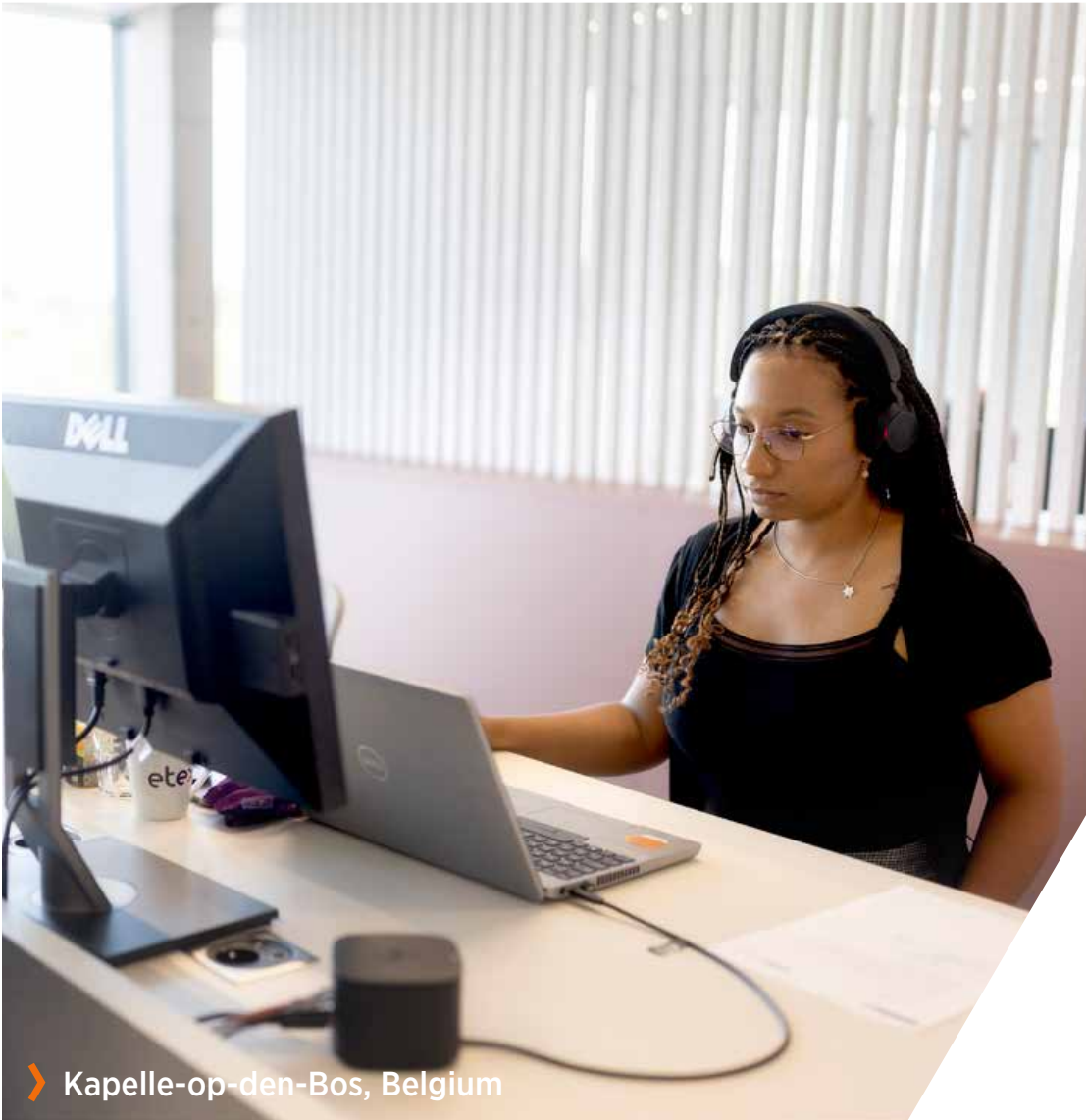
Since its discovery and mainly since industrialisation, this naturally occurring silicate mineral has been used and is still used worldwide in many sectors due to its technical characteristics. Asbestos is highly heat and chemical resistant, electrically non-conductive and rot-proof. It became the norm to use asbestos in many industrial processes such as textile, plastic, food, automotive, railway, insulation, construction and building industries. However, all the health implications of inhaling asbestos fibres were not yet known. Unfortunately, it has taken the world decades to fully understand the risks associated with asbestos exposure.



Customer orientation

We are deeply committed to our customers and foster strong ties with partners. We continuously strive to enhance the customer experience at every touchpoint. This is reflected in our improving indicators.

At Etex, we engage locally with costumers, addressing their needs and concerns through customer service, digital platforms and other regional solutions while also managing impacts and risks through tailored local actions specific to technologies and products. In terms of our sustainability impact, we raise awareness through Environmental Product Declarations (EPDs) to communicate carbon footprints and circular content declarations for material transparency, which our commercial teams integrate into sales pitches.



Kapelle-op-den-Bos, Belgium

Achievements in 2024

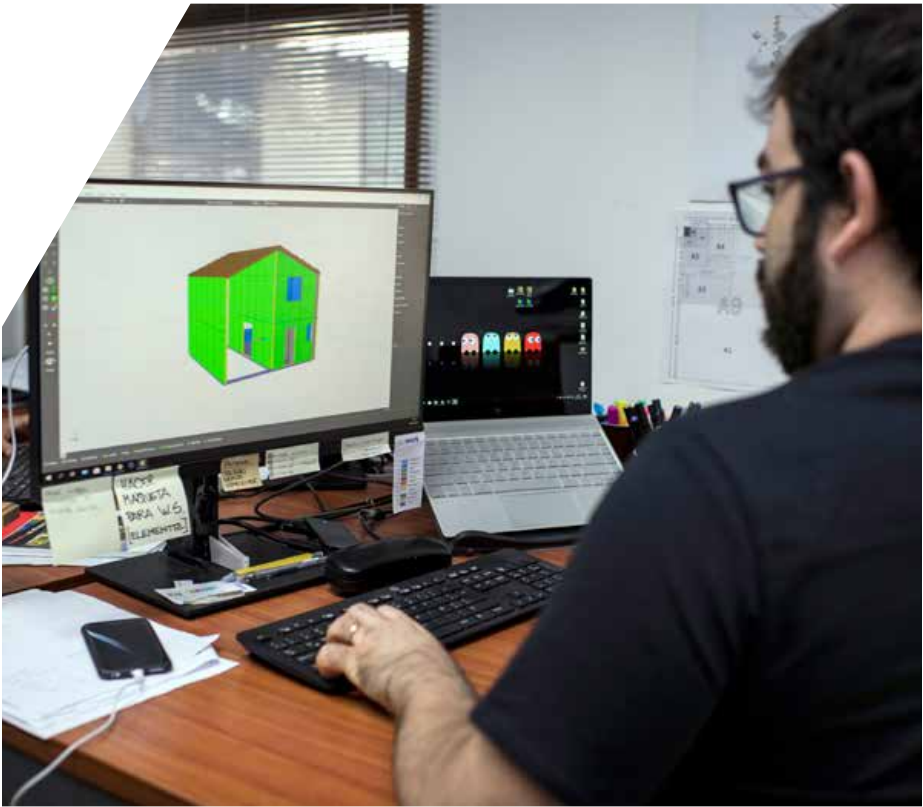
Digitalisation and automation

Digitalisation is an important aspect of improving our customers' experience and satisfaction. We are investing heavily in digital capabilities to support our human touch with digital tools.

- To guide dealers through their orders, they can access My Etex, our online customer portal. They can find key information about their orders, deliveries and much more in one place, 24/7. In 2024, 37 countries were using this solution. The number of My Etex users increased by 27% overall compared to 2023, and by as much as 76% in some countries.
- By using e-ordering, optical character recognition (OCR) and electronic data interchange (EDI) technologies, we achieved a 12% increase in digital orders overall.
- We continued to innovate by expanding the use of automation and artificial intelligence (AI) to improve customer satisfaction. We launched SiniChat, an AI-powered virtual assistant that acts as a first line of service for customers, answering commercial and technical questions about our Siniat gypsum solutions. This tool offers customers high added value, with instant and easy access and immediate answers to their questions, which can then be followed up by our teams.

Improving customer satisfaction

- In 2024, we saw a growing impact from the platforms launched in 2022 to support our divisions, including through additional hires and improved structure. These platforms act as forward-looking growth drivers, allowing us to focus on the medium- and long-term growth opportunities for each of our technologies. We also continued our quarterly strategic discussions with each platform, helping teams improve the customer journey in local markets.
- In line with our aim to improve the customer experience and facilitate business interactions, we measure and track our own performance. An annual Net Promotor Score (NPS) in our largest division, Building Performance, assesses customer satisfaction, their overall experience with Etex and whether they would recommend us to others. In 2024, our NPS score rose by five points based on customer feedback across Europe, Latin America, Asia-Pacific and Africa.
- In addition to NPS, in 2024 we introduced an online customer satisfaction (CSAT) tool to track customer sentiment in real time, gather insights and respond more swiftly. The results show a score above 4/5 for our top five brands
- The various customer feedback channels inform actionable improvement plans with clear targets and KPIs, monitored at the individual business level.



+27%

My Etex customer portal users vs. 2023

+5

Net Promotor Score (NPS) points for the Building Performance division vs. 2023

74%

European sales covered by Environmental Product Declarations (EPDs)

Customer engagement

The construction sector accounts for 37% of global greenhouse gas emissions and 98% of materials used in the industry either end up in landfill or are repurposed for low-value applications at the end of their life cycle. With our lightweight construction solutions, we help drive change by working with our customers to provide them with solutions which are sustainable, efficient, safe and beautiful.



Etex first mover in industry to offer circular content declarations

At Etex, we see waste as a valuable resource to be repurposed, not discarded. As an industry first-mover, we offer Circular Content Declarations, demonstrating our leadership in transparency and sustainability. In 2024, we expanded these declarations across our platforms, providing customers and stakeholders with clear, accessible information on our products' environmental impact. This circular content refers to the proportion of materials in a product derived from recycled or repurposed sources, reducing reliance on virgin materials. We initially launched it with Promat fire protection boards, publishing over 30 declarations, and have since expanded to include EQUITONE, Cedral and Siniat products across multiple countries. This initiative strengthens our commitment to minimising the use of virgin and non-renewable materials as part of our broader circularity goals.

Progress on our Road to Sustainability 2030

2025 goals	2024 status
Build sustainable product roadmap per technology platform	<ul style="list-style-type: none">Achieved joint product certification in Italy, France and Spain under Eurofins Indoor Air Comfort Gold, meeting all European volatile organic compounds (VOCs) standards for 155 plasterboard references.Our brand URSA expanded its returnable pallet system in Poland, France, Benelux and Germany. In 2024, we introduced the system in Germany for fibre cement solutions under Eternit, Cedral and EQUITONE, with Promat adopting it in early 2025.Obtained Cradle to Cradle Certified® Bronze certificates for many of our lightweight solutions, including EQUITONE fibre cement façade solutions (version 3.1) and over 150 gypsum references for Siniat and Promat in France, Italy and the Netherlands (version 4.0).
Ensure that our European turnover is covered by EPDs	<ul style="list-style-type: none">74% of our European turnover is covered by EDPs, with over 650 in our portfolio— a significant figure for our sector. Of these, 58% comply with the latest EN 15804+A2 standard, including end-of-life and biogenic carbon calculations, up from 34% in 2023.Broadened our Life Cycle Assessment (LCA) and EPDs to cover Siniat metal studs and the Promat fire-stopping range.Expanded our geographical coverage to Latin America, issuing the first third-party verified EPD in Colombia, covering over 80% of our Gyplac and Superboard portfolio, including gypsum and fibre cement boards.
Raise sustainability awareness for our customers	<p>Internally:</p> <ul style="list-style-type: none">Launched online and in-person training for our European commercial and technical teams, and delivered EPD and LCA training in Colombia, Argentina and Chile.Launched the Sustainability Champions programme in the UK, equipping our team and sales force with the tools to engage customers on our sustainability roadmap through ten workshops. <p>Externally, our brands:</p> <ul style="list-style-type: none">Promat introduced 'ClearChange', a visually impactful approach based on six priorities to strengthen the sustainability messaging of our products to customers.All brands issued EPD summaries to communicate the key sustainability findings of our products, making it easier for customers to access and understand relevant environmental information. Siniat also improved access to EPDs for its plasterboard range through the MySiniat portal, which now features a CPD-certified e-learning module.Eternit and Euronit launched the 'Taking steps that matter' campaign, aimed at farmers, as a first step in raising awareness of the sustainability credits of our materials.Remagin introduced its first material passport for load-bearing exterior wall panels, assessing the sustainability performance of the entire system, including resource use, embedded carbon, recycled content, waste, recyclability and reusability.
2030 goals	2024 status
Offer a take-back service for our product portfolio in 80% of our European countries	<ul style="list-style-type: none">URSA established an XPS take-back service agreement with an industrial customer in France.Siniat introduced a plasterboard take-back service in the Netherlands. In addition, Italy's 'PregyGreenService' was expanded by training nine retailers and releasing a brochure for installers.



Portillo, Spain, Etex teammates

Sustainability and Innovation

Sustainability and Innovation are integral to everything we do: our value chain, our strategy and the way we transform our business. We want to make a difference with lightweight construction solutions that support a low-carbon and green future. We also want to improve our direct and indirect environmental impacts.

Our lightweight solutions are designed to be sustainable at their core. Through our innovation-driven approach, we continuously improve the performance of our products and systems to meet the evolving needs of our customers.

Highlights

- Completed our DMA and started aligning our reporting practices with the ESRS. This demonstrates our proactive approach to enhancing transparency and preparing for the CSRD.
- Committed to the Science Based Targets initiative (SBTi), aiming to set near- and long-term company-wide emission reduction targets.
- Progressed on our Scope 3, which accounts for 70% of emissions, and set 2030 goals.
- Increased our target to reduce the use of virgin plastics by 30%, up from 20% previously.
- Added biodiversity targets for 2027 and 2030 to our Road to Sustainability ambitions.
- For the third consecutive year, we earned an EcoVadis Silver medal, ranking in the top 15% of companies assessed globally for our commitment to sustainability and responsible business practices.



SUSTAINABILITY IS AT THE HEART OF ETEX, DRIVING BOTH GROWTH AND SOCIETAL PROGRESS. THROUGH LIGHTWEIGHT SYSTEMS AND SOLUTIONS, WE REDUCE EMISSIONS, IMPROVE LIVES AND CREATE A BETTER FUTURE FOR ALL. SUSTAINABILITY IS NOT ONLY OUR GOAL, IT IS OUR RESPONSIBILITY.

Patrick Balemans
Chief Sustainability and CSR Officer

Our 2024 impacts in absolute value

GHG Scopes 1, 2, and 3
-2.7% vs. 2023
Equivalent of 12,000 homes' annual energy use

Waste
30 sites
sent zero waste to landfill

Water
-10% vs. 2022 baseline
Equivalent of 2,120 households' annual use

Recycled input
>590,000 tonnes
recycled waste, primarily gypsum, glass and XPS

Circularity

Raw materials are essential to our operations, and addressing the challenges of raw material use and waste generation is a priority. Our circularity roadmap – tailored to each platform – tackles these issues through circular content in design, zero waste to landfill, take-back and reuse initiatives, reduction of virgin plastic and innovation.

We have an [Environmental policy](#) and a [Sustainable Procurement policy](#) which outline our resource use and circular economy principles. Internally, we have waste management standards implemented across our platforms.

Progress on our Road to Sustainability 2030

2030 goals	2024 status	2024 KPIs
Use >20% of circular input as raw materials	<ul style="list-style-type: none">Recycled over 590,000 tonnes of waste material, primarily gypsum, glass and XPS.Use 34% more recycled gypsum compared to our 2018 baseline. This confirms our position as a global leader in large-scale recycled gypsum usage for high-performance plasterboard, with some plants achieving recycled gypsum ratios above 35%.Achieved 81% recycled glass usage and 45% recycled polystyrene. Our plant in Dabrowa, Poland, received external recycled content certification for using more than 70% of external recycled glass in glass mineral wool. Moreover, URSA Italia launched XPS ECO, a new range of extruded polystyrene (XPS) insulating panels containing 70% recycled content in the finished product.	Recycled input: 8.6% (+10% vs. 2023)
Reduce virgin plastic packaging by 30% and use recyclable plastic only	<ul style="list-style-type: none">Aligned with the European Union action plan on recycled plastic, we began monitoring the usage of recycled plastic and upgraded our 2030 ambition to reduce virgin plastic consumption by 30% versus 20% previously.In all our factories, we challenged and reduced plastic packaging use where possible, while innovative projects were initiated to replace plastic in specific product ranges.	Virgin plastic usage: -24%vs. 2022 baseline
Offer a take-back service for our product portfolio in 80% of our European countries	<ul style="list-style-type: none">URSA established an XPS take-back service agreement with an industrial customer in France.Siniat introduced a plasterboard take-back service in the Netherlands. In addition, Italy's 'PregyGreenService' was expanded by training nine retailers and releasing a brochure for installers.	N/A
Zero waste sent to landfill	<ul style="list-style-type: none">30 sites sent zero waste to landfill.	Waste to landfill in absolute values: -17% vs. 2023, -40% vs. 2018 baseline
Invest 50% of our innovation resources in sustainability	<ul style="list-style-type: none">Dedicated 56% of our resources to sustainability, focusing on the continuous substitution of virgin materials with recycled-based alternatives and reducing our CO₂ footprint.In addition to replacing our core raw materials (gypsum, glass, cement, XPS), we also worked on replacing virgin fibres with recycled ones.<ul style="list-style-type: none">14% of new patents are related to circularity.Expanded our external collaboration network with starts-ups and large industrial players, evaluating 135 companies and establishing active partnerships with 51% of them in the field of circularity.	N/A



Innovating with recycled content plasterboard in the UK

In 2024, the Siniat UK team re-introduced the innovative Siniat Universal Board™—a single-layer system designed for common healthcare and education applications with a third-party certified level for recycled content. It offers a balanced combination of:

- **performance, meeting impact, acoustic and fire performance requirements;**
- **durability, ensuring long-lasting strength; and**
- **sustainability, as it now contains at least 27% post-consumer recycled gypsum making it the first plasterboard in the UK with certified recycled content.**

This achievement marks a key milestone in our Road to Sustainability 2030, supporting our goal to consistently integrate over 20% circular raw materials globally. Its single-layer design simplifies specifications and quality assurance by reducing wall types on-site, while delivering on performance and technical requirements. Certified by Annex B partition testing, it also includes an EPD, thereby contributing to the environmental credentials of our customers' projects.



Universal Board™, Siniat

Decarbonisation

At Etex, we are committed to climate change mitigation through short-term energy efficiency projects and long-term carbon excellence initiatives.

To drive progress, we have set 2030 goals to reduce greenhouse gas (GHG) emission intensity for Scopes 1 and 2, and launched a corporate decarbonisation programme. This dedicated team oversees emissions baselines, activities, and results while coordinating efforts across all platforms and teams.

We have an internal carbon price policy that guides investment decisions to support emission reductions. Primarily applied to long-term projects, this policy helps improve economic performance by incorporating internal carbon pricing into decarbonisation initiatives.

In April 2024, we committed to the SBTi to establish near- and long-term company-wide emission reduction targets aligned with scientific research and the Paris Agreement's goal of limiting global warming to 1.5°C above pre-industrial levels. While targets are under development, Etex has made progress on Scope 3 emissions, which account for 70% of our total footprint. 70% of this is from purchased goods and services. By 2030, we aim to reduce emissions from purchasing goods, services and transport by 25%.

Aligned with the SBTi, which does not initially include carbon credits as reduction measures, Etex has chosen to engage with carbon credits selectively, driven primarily by market demand, customer expectations, or potential competitive advantages.

Scope 1

2030 goal: Reduce greenhouse gas emissions intensity by 35% (Scopes 1 and 2)

Energy efficiency

All platforms have worked diligently and achieved progress. We have identified over 700 decarbonisation measures relating to carbon excellence and technological upgrades as well as innovation and breakthroughs. This is expected to reduce 450 kt CO₂ per year, covering 40% of Scopes 1 and 2 emissions. These measures were prioritised based on capital expenditure, operating expenses savings, and carbon abatement costs and are part of our decarbonisation roadmap.

Design low-carbon products

We launched an ambitious plan to reduce the CO₂ impact of the cement utilised in our European fibre cement factories. We aim to achieve a reduction of more than 30% in Europe by 2030. In 2024, progress was made in implementing lower-carbon cements and secondary raw materials, with an initial phase planned for 2025 in plants across France, Spain, the Netherlands and Lithuania.

Scope 2

Renewable electricity

We aim to reach 100% certified renewable electricity where feasible by 2030.

We secured a long-term power purchasing agreement (PPA) in France. The PPA volume will cover up to 15% of Etex's electricity use in France for the next 15 years.

By 2024, we have equipped 12 sites with photovoltaics (PV) installations, including Matraville, Australia. This generates 17 MWp of solar power. We have strengthened our PV governance, targeting more sites, with over 22 projects underway. Our goal is to achieve an additional 44 MWp of solar power. These installations should reduce our emissions by 15,000t CO₂ per year in the coming years (location-based).

Natural gas decarbonisation

As a natural gas-intensive company, we are exploring ways to decarbonise our natural gas consumption, including the potential use of biomethane. While the biomethane market is still emerging with limited availability, entering early will help us navigate market mechanics, address regulatory constraints under the UK and EU Emissions Trading System (ETS) schemes, and establish a foothold in this evolving sector.

Scope 3

2030 goal: Reduce emissions from purchasing goods, services and transport by 25%

We evaluated Tier 1 suppliers through an EcoVadis sustainability review to assess their environmental and social performance. In 2024, 1,269 suppliers (+10% vs. 2023) scored 59.6% (+5% vs. 2023), representing 50% of our annual spend. Along with our partner, Emitwise, we have launched the Carbonwise programme to encourage our key carbon-emitting suppliers to disclose their specific data on their carbon emissions (corporate carbon footprint and product carbon footprint) in order to refine our Scope 3 calculation.



Leading carbon intensity reduction with CarbonShift

Decarbonising operations requires action, and in 2024, our Building Performance division took a major step forward with CarbonShift. This initiative is reshaping the way we manage Scopes 1 and 2 CO₂ emissions, supporting our goal of a 35% carbon intensity reduction by 2030. Built on breakthrough innovations, existing technologies, continuous improvement and low-carbon energy, we reduced energy intensity by 2.2% and allocated EUR 14 million in capital expenditure for further improvements since the launch. To ensure long-term impact, we organised multilingual training sessions, empowering teams to champion energy efficiency every day.



Auneuil, France, new plasterboard dryer

Energy consumption and mix		2024
1	Fuel consumption from coal and coal products (MWh)	-
2	Fuel consumption from crude oil and petroleum products (MWh)	200,211.31
3	Fuel consumption from natural gas (MWh)	4,108,524.37
4	Fuel consumption from other fossil sources (MWh)	-
5	Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	372,097.51
6	Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	4,680,833.2
Share of fossil sources in total energy consumption (%)		89%
7	Consumption from nuclear sources (MWh)	-
Share of consumption from nuclear sources in total energy consumption (%)		-
8	Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	-
9	Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	555,871.34
10	Consumption of self-generated non-fuel renewable energy (MWh)	11,771.82
11	Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	567,643.16
Share of renewable sources in total energy consumption (%)		11%
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)		5,248,476.4

¹The 2024 figures differ from the ones reported in the 2023 Annual Report due to data refinement.

GHG emissions		Retrospective		
		2023	Current Year (2024)	% Change
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions (tCO ₂ eq)		870,446	792,872	-8.9%
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)		222,396	216,170	-2.8%
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)		148,471	144,892	-2.4%
Scope 1 and 2 (incl. Scope 2 location-based) per tonnes of sellable finished goods produced		0.144	0.142	-1.3%
Scope 1 and 2 (incl. Scope 2 market-based) per tonnes of sellable finished goods produced		0.135 ¹	0.132	-1.6%
Scope 3 GHG emissions				
Total Gross indirect (Scope 3) GHG emissions (tCO ₂ eq)		2,658,550	2,641,592.67	-0.6%
1	Purchased goods and services	1,885,914	1,937,324.90	2.7%
2	Capital goods	70,000	4,070.77	-94.2%
3	Fuel and energy-related services	208,678	196,174.61	-6%
4	Upstream transportation and distribution	379,325	423,415.72	11.6%
5	Waste generated	46,094	27,699.85	-39.9%
6	Business travel	7,260	3,381.18	-53.4%
7	Employee commuting	6,661	6,494.48	-2.5%
8	Upstream leased assets	4,327	-	
9	Downstream transportation and distribution	36,339	30,964.26	-14.8%
11	Use of sold products	-968	-762.60	-21.2%
12	End-of-life treatment of sold products	14,920	12,829.49	-14%
Total GHG emissions				
Total GHG emissions location-based (tCO ₂ eq)		3,751,392	3,650,634.7	-2.7%
Total GHG emissions market-based (tCO ₂ eq)		3,677,467	3,579,356.7	-2.7%



Tisselt, Belgium

Water

At Etex, water is used as an input material in the manufacturing processes of our fibre cement, gypsum, calcium silicate and insulation products.

We have a [Water policy](#) which outlines our commitment to water stewardship by reducing consumption, optimising usage, and ensuring that the water used in our operations safely returns to the environment.

At Etex, responsible water management is essential for both environmental sustainability and long-term business resilience. While water remains an affordable resource, its availability - particularly in water-stressed

regions or where usage is restricted - can impact operations. To proactively address these risks, we use databases like Aqueduct and the World Wildlife Fund (WWF) to assess vulnerabilities and guide mitigation efforts.

In 2024, we strengthened our strategy by setting water targets for 2027 and 2030, appointing a Water Programme Manager and defining a roadmap aligned with these goals. While water withdrawal intensity increased 0.8% due to the product mix, we achieved 10% reduction in absolute values compared to our baseline.

Progress on our Road to Sustainability 2030

2027 goals	2024 status	2024 KPIs
Ensure 100% of our sites have water management plans	<p>A water management roadmap has been established to achieve these targets, with a structured implementation plan:</p> <ul style="list-style-type: none">Water management plans were developed for four pilot plants (one for each platform), with specific actions identified to reduce the water withdrawal intensity.18 plants in high and extremely high water stress areas were selected to develop plans in 2025, while the remaining plants will finalise their plans in 2026 and 2027.	N/A
2030 goals	2024 status	2024 KPIs
Reduce our water withdrawal intensity by 20%	<ul style="list-style-type: none">A catalogue of over 25 initiatives has been created, based on pilot plant plans, best practices and network activities, to help reduce water withdrawal intensity.Webinars have been held to align plant management teams with the water workstream's goals and raise awareness.	<p>Total water withdrawal intensity¹: 0.79 (+0.8% vs. 2023)</p> <p>Total water withdrawal in absolute values: 5,593 megalitres (-10% vs. 2022 baseline)</p>



Circular water management in Chile

At the Maipú plant in Chile, we are implementing a circular approach to water management, focusing on reusing and recycling water in our industrial processes. By replacing freshwater with process water in our fibre cement operations, we reduced Maipú's water withdrawal intensity by 18% in 2024, contributing to our broader company water targets. In 2025, these efforts are projected to save over 4,100m³ of freshwater per month in this plant, equivalent to more than one and a half Olympic swimming pools. With ongoing monitoring, we aim to reduce freshwater consumption by 37% compared to 2024, and ultimately, by 50% compared to 2023.



Maipú, Chile, water process at fibre cement plant

Water withdrawal by source in absolute value

Third-party water

2,199 megalitres
(-8% vs. 2022 baseline)

Ground water

1,344 megalitres
(-8% vs. 2022 baseline)

Surface water²

2,056 megalitres
(-13% vs. 2022 baseline)

¹m³ per tonnes of sellable finished goods produced.
²This includes rainwater. At Etex, we aim to increase the rainwater use ratio and track the volumes of rainwater collected and used at our plants around the world more efficiently.

Biodiversity

At Etex, we recognise the impact that our quarries and manufacturing sites have, or can have, on living ecosystems and biological diversity.

In 2024, we accelerated our efforts by integrating Water and Biodiversity into our sustainability roadmap. During the Double Materiality Assessment conducted in 2024, we confirmed biodiversity as a material topic for Etex. Prioritising it enhances our resilience and positive impact while also supporting business continuity, permit processes, greenfield acquisitions and stakeholder confidence.

We have a [Biodiversity policy](#) which outlines our commitment to preserving and promoting biodiversity through risk assessments at manufacturing sites, management plans for quarries and supplier engagement on biodiversity considerations. To further strengthen this commitment, we have approved group-wide biodiversity targets, which are now embedded in our Road to Sustainability 2030.

2027 goals:

- Cover 100% of manufacturing sites within key biodiversity areas (KBAs) with biodiversity assessments and management plans.
- Cover 100% of Etex-operated quarries with biodiversity management plans.

2030 goals:

- Cover 100% of manufacturing sites within or near (<5km) KBAs with biodiversity assessments and management plans.
- Ensure 85% of key raw material suppliers with nature-related impacts (land-use, habitat destruction, deforestation) have biodiversity remediation and restoration plans in place.

To further advance on these goals:

- We are committed to developing third-party validated biodiversity assessments and managements plans. We are partnering with leading biodiversity specialists to create practical, location-specific solutions.
- We are integrating biodiversity into every strategic investment in raw material extraction and procurement. Beyond standard quarry environmental regulations, our Supplier Code of Conduct ensures biodiversity is central to supplier selection and evaluations.



Proximity study for better biodiversity management planning

In 2024, we conducted a proximity study to better plan our actions. Using the globally recognised International Union for Conservation of Nature (IUCN) interactive map, we identified 31 manufacturing sites within or close to key biodiversity areas (KBAs) and protected zones. While our biodiversity targets cover all quarries, this study helps us organise our efforts where they matter the most, maximising the impact of our actions on nature preservation.



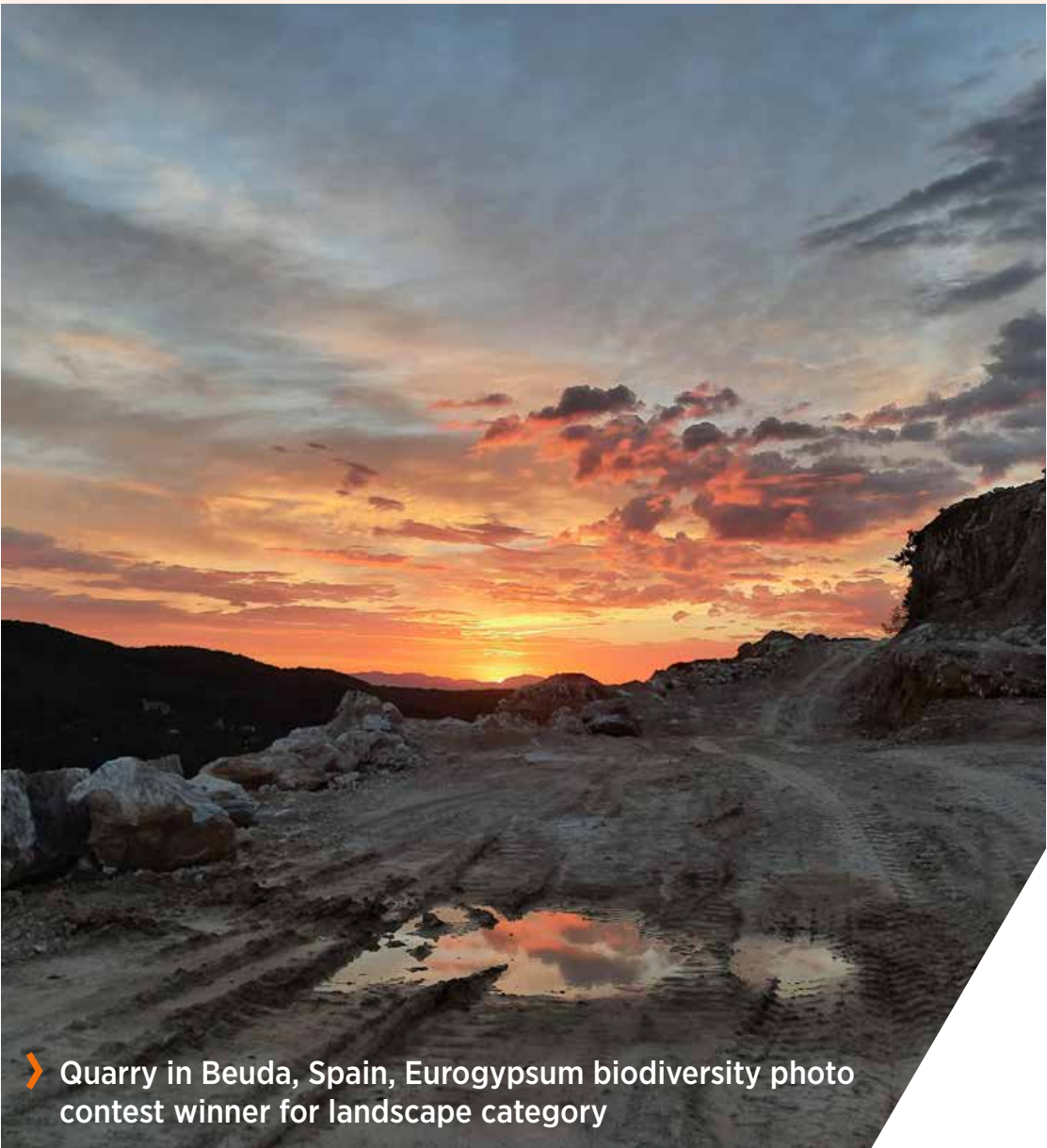
Quarry in Alameda de la Sagra, Spain, lesser kestrel (falco naumanni)

31

operational sites owned, leased, or managed in or near key biodiversity areas

12

active quarries in or near protected areas or key biodiversity areas



Quarry in Beuda, Spain, Eurogypsum biodiversity photo contest winner for landscape category

Innovation

Innovation is an essential lever for business growth. We innovate in line with our customers' needs and evolving market demands, constantly prioritising sustainability. We focus our innovation efforts on four key pillars: circularity, decarbonisation, industrial excellence and portfolio leadership.

We work with more than 160 teammates across seven Innovation Technology Centres (ITCs), supporting our four global divisions.

Each of our research and development projects undergoes a rigorous sustainability impact assessment conducted by a team of experts. In 2024, we implemented eco-design principles across our organisation, and all R&D teammates received comprehensive training in this area.

We actively support external collaboration and are involved in two EU-funded collaborative projects. We also continuously engage with external innovators and partners through our open innovation platform.

Highlights

- Invested more than EUR 25 million in R&D and innovation.
- Dedicated 56% of our resources to sustainability, focusing on the continuous substitution of virgin materials with recycled-based alternatives and reducing our CO₂ footprint.
- Expanded our network of external collaborations, working with both start-ups and large industrial players. A total of 135 opportunities were evaluated, with 21 still being actively pursued.

Achievements in 2024

- In France, we partnered with Leroy Merlin to launch ResiClip, a revolutionary plasterboard system that makes DIY ("do it yourself", or building by oneself) partitioning faster and more accessible to non-specialists.
- We extended the EQUITONE range with new architectural façade boards produced in Poland, including coated and printed options for limitless design possibilities.
- We launched PROMATECT XS 2G in Central and Eastern Europe (CEE), Switzerland and Australia and PROMATECT 100X in Spain and the CEE region. These new products are advanced fire protection boards that combine thinner profiles and lighter weight with improved performance.
- In Italy, we launched the new Siniat Easy 13® plasterboard, designed to streamline installation with its lightweight composition of just 7.5 kg/m², making it 11.8% lighter than most standard plasterboards. This innovation not only reduces the workload for installers on-site but has also received excellent market feedback for its quality, despite its lower weight. With high-performance technical characteristics, it is suitable for a wide range of applications and contains up to 35% recycled content.



COLLABORATION AND INNOVATION ARE AT THE HEART OF OUR SUSTAINABILITY JOURNEY. BY WORKING TOGETHER AND LEVERAGING CUTTING-EDGE SOLUTIONS, WE AIM TO REDUCE OUR FOOTPRINT, DEVELOP CIRCULAR MATERIALS AND CREATE PROCESSES THAT MINIMISE ENVIRONMENTAL IMPACT – PAVING THE WAY TO A TRULY SUSTAINABLE FUTURE.

Eric Bertrand
Chief Innovation Officer



Leading innovation in hydrogen storage with EcoHydro¹

In 2024, our ITC in Tisselt, Belgium, and Promat took a leading role in EcoHydro, a Horizon Europe programme dedicated to the development of sustainable, durable and safe hydrogen storage tanks. Supported by EUR 9.6 million in EU funding, the four-year project involves 15 academic and industrial partners working to advance hydrogen as a key energy source.



The project focuses on designing storage solutions for transport and stationary power units, ensuring they withstand high dynamic pressures while maintaining superior safety, insulation and fire protection. Our ITC and Promat teams are contributing their expertise in microporous insulation and fire protection, actively participating in the insulation and fire protection workgroup. Other partners specialise in resin development, transport design and testing. Supported by the Clean Hydrogen Partnership, this initiative reinforces Etex's commitment to pioneering sustainable technologies for the future energy sector.



¹Disclaimer: Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or Clean Hydrogen Partnership. Neither the European Union nor the granting authority can be held responsible for them.

Social engagement

At Etex, we channel our commitment to the communities in which we operate into tangible actions and contributions. By partnering with non-profit organisations and their affiliates, we help build homes, shelters and educational spaces for families and communities in need.

We are proud of the numerous projects and initiatives undertaken around the world. Below are some of the communities and lives we supported in 2024.



Raseiniai, Lithuania

Around 9,500 people benefited from our donation of 150m² of corrugated sheets, which helped to restore the roof of a Red Cross building serving the local community.



Shah Alam, Malaysia

To support a national school in Shah Alam facing growing student numbers, we donated materials and 22 local teammates volunteered their time to create additional classrooms, ensuring more space for education.



Madrid, Spain

We donated 630 m² of materials for Casa Avintia, a facility offering housing to families with relatives in Madrid Health Service hospitals. This supports the construction of two new modules, adding 20 rooms to the existing ten and benefiting over 100 families.



Garbuzin, Ukraine

We helped a family with five children expand their home to adopt five more, meeting government requirements. In the midst of war, we renovated their space and empowered locals with construction skills, creating a safe, loving environment for all.



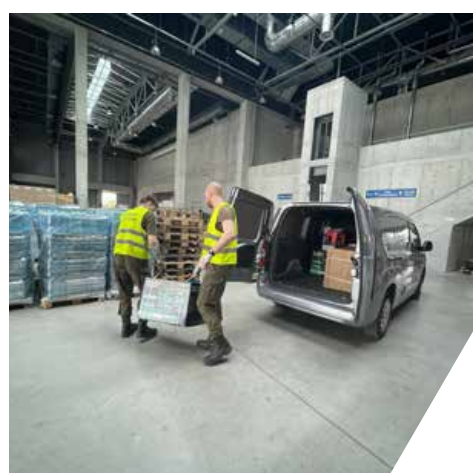
Sebokeng, South Africa

We supported the construction of learning environments by providing training and materials for a crèche in partnership with TVET College Sebokeng, impacting 500 children, and donating ceilings to upgrade an art classroom for 200 students.



Santa Rosa, Chile

In collaboration with the Simón de Cirore Corporation, we launched an ideas incubator programme “Construyamos comunidad, impulsa tu idea”, impacting 200 people by strengthening community ties and supporting local economic development through training, financing and project support.



Poland

In solidarity with our URSA and Skamol teammates, we supported flood-affected communities in September 2024. URSA Polska partnered with Równe Babki to aid Lower Silesia, while Skamol teams helped Lewin Brzeski, donating essential supplies and equipment.



Maumere, Indonesia

In partnership with the Selavip Foundation and local Yayasan Tukelakang Entete Foundation, we supported 46 families by providing Etex materials to help build their homes.

Activity report

How we performed

Our five divisions experienced different levels of success and performance in 2024. While it was a challenging year marked by a significant drop in demand globally, all divisions made clear progress to prepare for future growth.

- Building Performance
- Exteriors
- Industry
- Insulation
- New Ways

Building Performance

Global reference in plasterboard and fibre cement solutions, and in fire protection for residential and commercial segments.

Category breakdown

- Plasterboards and fibre cement solutions for internal and external applications.
- Passive fire protection systems.

Market drivers

- New build markets and interest rates.
- Renovation and modernisation.
- Growth in sustainable construction.

Industry trends

- Compliance with sustainability and fire safety regulations.
- Customer-focused value and services.
- Increased digitalisation.

Highlights

- Acquisition of BGC's plasterboard and fibre cement business in Australia and New Zealand.
- Commissioning of Etex's newest plasterboard plant in Bristol, UK.
- Achieved a European industry benchmark at Ferrybridge, UK, with 40% gypsum recycling.



THE DIVISION'S RAPID PROGRESS STEMS FROM STRONG LEADERSHIP AT ALL LEVELS, COMBINING LOCAL AGILITY WITH GLOBAL BEST PRACTICES TO ENHANCE CUSTOMER AND COST PERFORMANCE.

Jochen Friedrichs
Head of Division Building Performance



Sabaneta, Colombia, Gyplac plasterboard, Centro Idiomas EAFIT University



Revenue

The Building Performance division registered a like-for-like revenue decrease of 4.0% like to reach EUR 2,315 million.

Trends, insights and performance

The Building Performance division experienced a weaker than expected European market but achieved growth outside Europe in Latin America, Australia and South Africa. Despite weak demand across several geographies, the division took significant steps to adapt its capacities to market demand and optimise pricing strategies.

This economic context required a strong focus on cost efficiency. The division launched a programme to systematically identify and develop bottom-up cost-saving measures across areas such as manufacturing, supply chain, sales and procurement.

The division strengthened its commercial strategy, with all countries now implementing segment-specific go-to-market strategies and clear milestones to

improve the way they connect with their customers. Customer satisfaction again reached new heights, with an increase of five Net Promotor Score (NPS) points compared to 2023.

Local strategies also included a strong emphasis on innovation, with dedicated workshops identifying potential innovations and setting priorities for each segment to ensure a customer-focused approach driven by market needs. This shift marks a transition from R&D-led to customer-led innovation. As part of these efforts, the division launched the RESICLIP solution, which simplifies partition installation by removing unnecessary steps, making it twice as fast to install. Additionally, the commissioning of Etex's newest EUR 200 million plasterboard factory in Bristol, UK, is expected to deliver cost and energy savings.

Finally, the acquisition of BGC in Australia complements Etex's gypsum footprint in the region and secures a top-three position in the fibre cement market.

+5

Net Promoter Score (NPS) points vs. 2023, reflecting increased customer satisfaction

40%

gypsum recycling share in Ferrybridge, UK

Leading the way for gypsum recycling

Gypsum, the core material for plasterboard, is highly valuable in its recycled form and helps customers achieve their sustainability targets.

2024 was another successful year for Etex's gypsum recycling. The Building Performance division increased its gypsum recycling share through 20 long-term and innovative partnerships at local level, further strengthening Etex's position as Europe's leading gypsum recycler.

For instance, in Italy, the PregyGreenService, provided by the brand Siniat, helped installers and contractors to efficiently dispose of 25,000 tonnes of plasterboard waste in 2024 – a 25% increase compared to 2023 – while addressing compliance challenges and environmental criteria. This service includes pick-up, transportation, and recycling, along with additional support for retailers in waste collection management.

In addition, the Building Performance division made progress in pioneering gypsum recycling schemes in countries in Latin America, where such initiatives are not yet established, further reinforcing Etex's sustainability leadership.

Exteriors

Provider of innovative, durable, high-performance and aesthetic fibre cement exterior and interior materials for architectural, residential and agricultural projects.

Category breakdown

- Ventilated façade solutions for residential and commercial buildings.
- Roofing materials for agricultural and residential applications.
- Interior solutions for residential and non-residential buildings.

Market drivers

- Decline in new residential construction in several European countries.
- Increasing use of ventilated façades in medium to large architectural projects in mature markets.
- Strong demand for low-cost housing in emerging markets.
- Stricter European regulations on fire resistance for commercial buildings.

Industry trends

- Increased demand for transparent and verified information on environmental impact.
- Customer-focused, value-added solutions and services.
- Increased digitalisation.
- Lightweight and easy-to-install building solutions.

Highlights

- The Exteriors business resisted despite a slowdown in the global construction market.
- Increased demand for corrugated sheet products in Europe.
- Expanded product portfolio through the integration of SCALAMID.



WE HAVE BEGUN TO TURN THE CURVE WITH SEVERAL STRATEGIC INITIATIVES THAT WILL TRANSFORM OUR FIBRE CEMENT ORGANISATION.

Hans Van Der Steen
Head of Division Exteriors



Revenue

The Exteriors division increased by 1.8% like-for-like year-on-year to EUR 545 million.

Trends, insights and performance

The Exteriors division remained resilient despite the continued downturn in the construction market and lower capacity utilisation. Corrugated sheet sales growth, driven by agricultural roof renovations, contributed to this stability. Inflation, particularly in high inflation markets such as Nigeria, was mitigated by effective pricing strategies.

With a new head of division, Exteriors began its transformation into a more market-focused organisation, with an emphasis on façade, roofing, and interior fibre cement applications. The division also broadened its scope, moving away from material supply to offering solutions that reduce the total cost for customers.

Investments were made in product management capabilities to drive growth. The division also advanced its sustainability roadmap, reinforcing its differentiation strategy and strengthening its portfolio of sustainable fibre cement solutions.

The acquisition of SCALAMID, which was completed at the end of 2023 and integrated during 2024, expanded the Exteriors division's product portfolio and facilitated entry into new market segments.

-19%

scrap rates in fibre cement

Near double-digit

sales growth in export markets

Offering limitless design possibilities with innovative façade boards

In 2024, Etex extended the range of the EQUITONE architectural façade boards in fibre cement with two new innovative options: [inspira] and [coloura].

For EQUITONE [inspira], which is inspired by nature, the panels undergo a digital printing stage, where realistic patterns, such as woodgrain, rust, or concrete, are applied. Moreover, the range also offers fully customised printed façades options.

EQUITONE [coloura] is a high-density fibre cement panel with a coloured acrylic coating. It is available in more than 35 different colours.

These innovative boards are produced in the Exteriors' division new plant in Sobota, Poland and add to the versatile solutions offered by EQUITONE and other fibre cement boards for different architectural needs. They can be customised to any size, shape and layout.

Like all EQUITONE façades, the boards are lightweight, 100% recyclable, fireproof and offer a lifespan over 50 years with low maintenance, mechanical and weather resistance.

Industry

Advancing the future of high-performance temperature insulation and passive fire protection in the industrial, transportation, construction and energy sectors.

Category breakdown

- Calcium silicates.
- Microporous materials.
- Intumescent and fire-stopping materials.
- Serving construction and industrial customers with passive fire protection and high-performance insulation.

Market drivers

- Transparent and verified information on environmental impact.
- Customer-focused, value-added and technical service.

Industry trends

- Regulatory safety standards.
- Increased personnel and process safety.
- Sustainability and net zero target.

Highlights

- Improved revenue and profitability versus 2023 despite challenging economic context.
- New organisation set up generating positive results with further growth potential.



IN 2024, WE CONTINUED TO LAY THE FOUNDATIONS FOR OUR GROWTH, REFINING THE FUNDAMENTALS TO DRIVE OUR AMBITIONS AND ENSURE FUTURE SUCCESS.

Tanguy Vanderborght
Head of Division Industry

Revenue

The revenue of the Industry division increased by 3.0% like-for-like compared to 2023, reaching EUR 320 million.

Trends, insights and performance

Despite the challenging economic context, Industry's performance was strong in Europe, and even stronger outside Europe, particularly in the United States, in line with Etex's and the division's objective to expand in high-growth markets in the Americas and Asia-Pacific. The Industry division's broad range of customers, including heavy industry, transportation and equipment manufacturers in Europe, reduced its activities in 2024. However, the division managed to achieve improved results thanks to three key factors.

The first was the creation of a global marketing and product management structure. This enabled the division to focus on specific global segments and implement targeted strategies. It also included the introduction of a new world-class lead generation tool, which streamlined the commercial opportunities of all campaigns worldwide and delivered significant results in 2024.

-5.9%
energy intensity across the division vs. 2023

Secondly, the division intensified its focus on specific segments such as energy, transportation and fire protection by establishing a dedicated segment for high-temperature insulation in steel and glass production, as well as another for indoor climate control and stoves under the Skamol brand.

Thirdly, the division prioritised sustainability and innovation. A substantial portion of Industry's capital expenditure was allocated to decarbonisation activities, including projects at the plants in Branden, Denmark, and Tisselt, Belgium. Just as the division is working to decarbonise, many of its customers are also engaged in decarbonisation efforts. Commercially, the division's success is increasingly driven by green energy projects, with a significant proportion of sales linked to the segments of gas, fuel cells and solar energy.

On the innovation front, the division launched several new products and solutions in 2024, including a new intumescent-based fire-stopping solution.

Promat's added value in sustainable tunnel construction

Tunnels are an everyday part of many people's lives. As a sector, the tunnel industry is also seeking to overcome environmental and sustainability challenges.

Tunnels offer several key benefits, including cost efficiency, reduced disruption and lower risk in high-altitude areas. When compared to concrete-based fire protection, the brand Promat's fire boards could offer a solution that has up to 2.3 times lower global warming potential, based on recent comparative assertion calculations¹.

Sustainability has become a key differentiator in tunnel projects, with policies targeting climate impacts and demands from customers and governments. Promat's comprehensive sustainability strategy covers product design, decarbonisation, optimised packaging, energy-efficient site practices and recyclability. Together, these contribute to more sustainable tunnel construction in many countries.

For example, in the Netherlands – where projects are assessed using a CO₂ performance ladder – the Industry division has successfully delivered two major tunnel projects. Both of these have included jobsite scrap take-back and recycling.

¹This comparative assertion is based on tunnel solutions for a project in Saudi Arabia, comparing polypropylene fibre mixed screed with Promat boards, providing 120 minutes of fire protection to 1 m² of tunnel substrate. Promat has been investing in comparative assertions of products in key segments in order to offer solutions to the market with transparency around the carbon impact of different technologies and aligned with the requirements of the Green Claims Directive. Comparative assertion studies have been performed in compliance with the international guidelines set forth in ISO 14044:2006, which included a review by an expert panel. They serve to underpin sustainability claims with auditable, rigorous data based on approved standards, and bring transparency to stakeholders in the construction sector.

Insulation

Key provider in Europe of insulation materials, glass mineral wool and extruded polystyrene (XPS), for residential and non-residential buildings.

Category breakdown

- Glass mineral wool.
- Extruded polystyrene (XPS).

Market drivers

- Energy efficiency and decarbonisation roadmaps.
- Noise as a health issue that can be addressed with acoustic insulation.
- Renovation of ageing buildings.

Industry trends

- Increased demand for green and premium products.
- Heavily regulated construction industry.
- More collaboration across the value chain.

Highlights

- Improved innovation process.
- Continued focus on customer proximity through a new commercial excellence community.
- Refreshed brand (re)positioning for URSA and Superglass.



THE INSULATION DIVISION FOCUSED EVEN MORE ON MARKET ORIENTATION THROUGH INNOVATION, INCREASED CUSTOMER PROXIMITY AND A NEW BRAND POSITIONING.

Efrén Del Pino
Head of Division Insulation

Revenue

The sales of the Insulation division were down by 3.8% like-for-like versus last year to EUR 542 million.

Trends, insights and performance

Eastern Europe continued to recover in 2024, while the UK and Spain stabilised. However, France and Germany, the division's largest markets, continued to face challenges, particularly in the construction of new single-family homes. The main challenge was the gap between the demand for new housing and energy efficiency and the lack of government initiatives in most European markets to address these topics. Despite these difficulties, the division slightly outperformed the overall market.

The division's innovation process has been transformed through the creation of a market-driven community with representatives from all markets participating in meeting cycles. This community collaborates on new products, solutions and services (such as pallet return), supported by market and

strategic committees to drive innovation with a structured process and KPI focus. In addition, the customer management tool has been further developed, improving alignment and collaboration within Etex. A new project-driven go-to-market approach was introduced, targeting new audiences such as architects, specifiers and installers.

Insulation exceeded its sustainability KPIs with higher levels of recycled content, further waste reduction and reduced landfill.

The URSA and Superglass brands worked on repositioning, strengthening their roles in the market and increasing their visibility, leading to stronger perception and competitiveness. The integration of Superglass into the division was also successfully completed.

Additionally, the decision was formalised to make a significant investment in the Dąbrowa Górnicza plant in Poland in order to increase its blowing wool capacity in the near future.

6%

innovation rate, twice as much as in 2020.

I.e. percentage of sales in one year from products and solutions launched in the past five years

85%

recycled content - The new URSA UPTEx bio-sourced insulation is made from 85% recycled mattresses and textiles

Meeting customer expectations with bio-sourced products in France

With five million poorly insulated homes, France is a country where URSA's products and solutions can make a big difference.

In response to both customer demand and regulatory pressure, URSA launched two new bio-sourced products in 2024: URSA UPTEx and URSA UPWOOD.

The first is made from 85% recycled mattresses and textiles, helping to reduce waste while providing high-quality thermal and acoustic insulation, while the second uses 91% bio-sourced wood fibres. The French market share for bio-sourced insulation solutions is growing at an average rate of five to ten percent per year.

To facilitate uptake, URSA offers bespoke logistics that enables distributors and construction companies to order quantities tailored to their needs, with the flexibility to combine several different types of insulation in one order. This optimised stock management approach helps to reduce distribution costs while facilitating access to new thermal and acoustic insulation solutions, including bio-based options.

New Ways

High-tech, lightweight, factory-assembled panelised building solutions based on steel framing.

Category breakdown

- 2D systems and solutions (offsite construction based on steel gauge framing).

Market drivers

- Housing shortages.
- Shortage of labour and skills in traditional construction.
- Risk management – tested and certified full solutions from one supplier.
- Faster construction process.

Industry trends

- Increased legislation on building safety and sustainability.
- Growth in sustainable infrastructure.

Highlights

- Expanding sales pipeline in continental Europe.
- Manufacturing investments to increase automated production.
- Significant improvement in safety performance.



DESPITE A CHALLENGING YEAR, WE MADE SIGNIFICANT PROGRESS IN SHAPING A MORE EFFICIENT, FLEXIBLE AND INDUSTRIALISED BUSINESS WITH REMAGIN, POSITIONING OURSELVES FOR FUTURE GROWTH AND SUCCESS.

Patrick Balemans

Head of Division New Ways¹

¹As of 1 January 2025, Patrick Balemans took on the role of Chief Sustainability and CSR Officer.

Revenue

The revenue of the New Ways division was down by 8.5% like-for-like, to EUR 55 million.

Trends, insights and performance

The weak construction markets in the key countries of UK and Ireland, coupled with uncertainty surrounding the UK election, impacted the division's top-line performance, requiring cost-reduction measures.

Despite these challenges, New Ways continued preparing for future growth. This included investments in its manufacturing plants to increase automated production of value-added panels, such as windows, doors, insulation and external cladding. In the UK and Ireland, activities were consolidated into single legal entities under one management structure and the strong Remagin brand, which was quickly established to ensure rapid progress.

The division also pushed forward with innovative-driven solutions, integrating doors, windows,

insulation, cavity trays and barriers, to deliver higher-quality products and shorter construction times. With this approach, Etex now offers full solutions by integrating products from other divisions like EQUITONE and Cedral fibre cement products, Superglass insulation, Siniat plasterboards and Promat fire protection.

In 2024, Remagin recorded its first sales in continental Europe, supported by a growing sales pipeline. Several projects launched and delivered in Spain demonstrate Etex's commitment to innovation and rapid execution for customers.

Safety performance significantly improved, with an increase in safety activities and a decrease in lost-time accidents.

As of 1 January 2025, New Ways became part of Etex's largest division, Building Performance, enabling further growth and efficiency by leveraging the division's strong structure and networks.

Tripling

project quotations in continental Europe vs. 2023

>165,000 m²

of modular panels assembled in 2024

Remagin expands into continental Europe

Launched in the summer of 2023, Remagin has rapidly gained traction in continental Europe. What started as a new brand just months ago has already achieved significant results and is poised for further growth.

The journey began with early successes in Spain and Belgium. In Spain, Remagin completed a school building in Estepona in just 12 weeks and extended a leisure centre in Don Benito in only two weeks. These projects generated widespread interest, and the company is now working on approximately 80 projects across multiple European countries.

To build on this success, a dedicated business development team was established to drive expansion across Europe.

Experienced professionals from other Etex companies joined the team, leading growth in key markets such as Belgium, Luxembourg, France, the Netherlands, Poland and Italy.

Remagin's rapid rise reflects its vision and ability to meet the growing demand for innovative solutions across Europe.

Governance

How we manage

Etex is committed to the principles of corporate governance and takes a robust approach to managing and steering the company in line with our strategic drivers and the best interests of both internal and external stakeholders. For us, governance is fundamental to achieving superior performance.

- › Etex's governance framework
- › Board of Directors
- › Executive Committee

Etex's governance universe



Board of Directors

as of publication date

- In 2024, the Board of Directors said goodbye to the following directors: Christian Simonard, Guillaume Voortman (permanent representative of GUVO SRL) and Thierry Vanlancker (permanent representative of Tee & Tee BV).
- The Board of Directors welcomed Fabrice Le Garrec (permanent representative of OSICS BV) and Gabriel de l'Escaille (permanent representative of FFGP Holding BV) as new directors.
- Effective 1 January 2025, Hans Van Bylen (permanent representative of ViaBylity BV) took over from Johan Van Biesbroeck as Chairman of the Board of Directors. Johan Van Biesbroeck (permanent representative of JoVB BV) remains a director at the Board.



ViaBylity BV, permanent representative:
Hans Van Bylen
Chairman of the Board as of 1 January 2025
Strategy Committee, Sustainability Committee, People Committee, Risk and Audit Committee



Ines Kolmsee
Director
Chairwoman of the Sustainability Committee



JoVB BV, permanent representative:
Johan Van Biesbroeck
Chairman of the Board until 31 December 2024
Director
Strategy Committee, Chairman of the Risk and Audit Committee, Chairman of the People Committee



OSICS BV, permanent representative:
Fabrice Le Garrec
Director
Sustainability Committee



BCCONSEIL SRL, permanent representative:
Bernard Delvaux
Director and CEO
Strategy Committee, Sustainability Committee



Bernadette Spinoy
Director
Sustainability Committee



Much BV, permanent representative:
Muriel De Lathouwer
Director
Chairwoman of the Strategy Committee



CT Impact BV, permanent representative:
Caroline Thijssen
Director
People Committee, Sustainability Committee



FFGP Holding BV, permanent representative:
Gabriel de l'Escaille
Director
Risk and Audit Committee



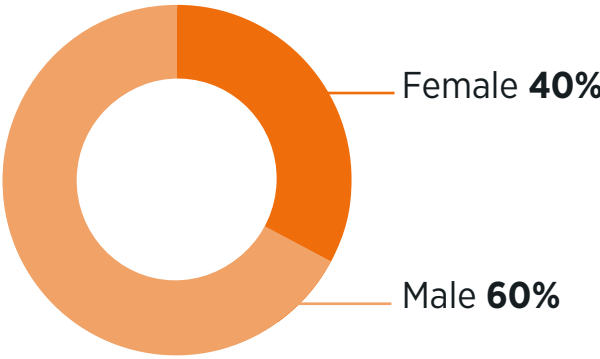
ARGALI CAPITAL BV, permanent representative:
Pascal Emsens
Director
Strategy Committee



Diversity by age



Diversity by gender



Executive Committee

as of publication date

Etex's Executive Committee members are entrusted by the Board of Directors with managing day-to-day business operations.

Their comprehensive knowledge, diverse experience and hands-on leadership approach ensure a strong operational focus on Etex's values and strategic framework.



Bernard Delvaux
Chief Executive Officer

Joined Etex in 2021



➤ [FULL CV](#)



Patrick Balemans
Chief Sustainability and CSR Officer

Joined Etex in 2005



➤ [FULL CV](#)



Louise Cail
Chief Human Resources Officer

Joined Etex in 2018



➤ [FULL CV](#)



Christophe David
Chief Manufacturing Officer

Joined Etex in 2000



➤ [FULL CV](#)



Efrén Del Pino
Head of Division Insulation

Joined Etex in 2022



➤ [FULL CV](#)



Mel de Vogue
Chief Financial Officer

Joined Etex in 2015



➤ [FULL CV](#)



Jochen Friedrichs
Head of Division Building Performance

Joined Etex in 2022



➤ [FULL CV](#)



Virginie Lietaer
Chief Legal Officer

Joined Etex in 2020



➤ [FULL CV](#)



Carla Sinanian
Chief Strategy Officer

Joined Etex in 2017



➤ [FULL CV](#)



Tanguy Vanderborght
Head of Division Industry

Joined Etex in 1997



➤ [FULL CV](#)



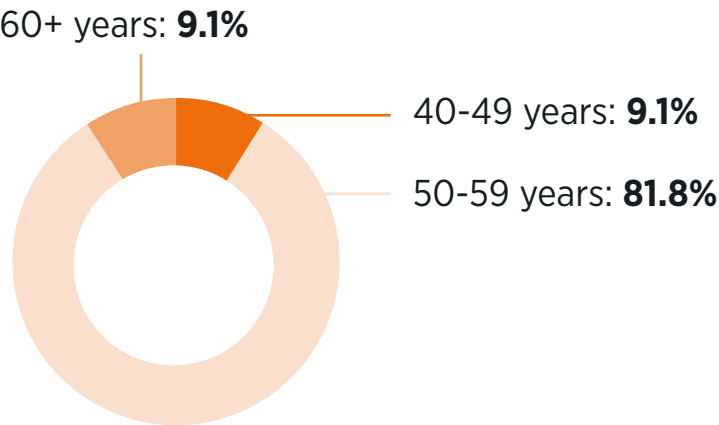
Hans Van Der Steen
Head of Division Exteriors

Joined Etex in May 2024

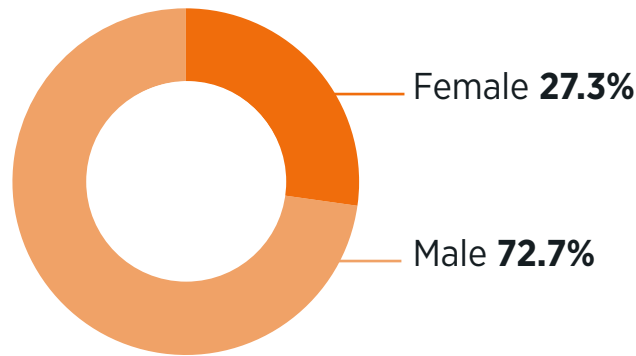


➤ [FULL CV](#)

Diversity by age



Diversity by gender



Directors' report

How we report on
governance and finance

In the Directors' report we present the information officially filed regarding Etex's activities in 2024 across all key areas. This includes corporate governance, business and financial reviews, strategy, sustainability, people, risks and financial statements.

- › Corporate governance update
- › Directors' report
- › Financial statements

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CORPORATE GOVERNANCE UPDATE
DIRECTORS' REPORT
FINANCIAL STATEMENTS

1	Corporate Governance Update.....	55
1.1	Executive Committee.....	55
1.2	Board of Directors and Committees.....	55
1.3	Strategy Committee.....	56
1.4	Risk and Audit Committee.....	56
1.5	People Committee.....	56
1.6	Sustainability Committee.....	56
2	Directors' Report.....	56
2.1	Business Review.....	56
2.2	Financial Review.....	57
2.3	Strategy.....	58
2.4	Operational excellence and Safety.....	58
2.5	Research and development activities.....	58
2.6	Sustainability.....	58
2.7	People.....	58
2.8	Risk and uncertainties.....	59
2.9	Risk Management.....	59
2.10	Derivative financial instruments.....	59
2.11	Subsequent events.....	59
2.12	Outlook for 2025.....	59
2.13	Remuneration of the auditors.....	59
3	Financial statements.....	60
3.1	Consolidated financial statements.....	60
3.2	Explanatory notes.....	70
3.3	Auditor's Report.....	91

1 CORPORATE GOVERNANCE UPDATE

Etex is managed by the Chief Executive Officer (CEO) and the Executive Committee under the supervision of the Board of Directors. Governance, along with strategic initiatives for delivering successful commercial, operational and sustainability performance, remains a priority for both the Board and group management meetings.

1.1 Executive Committee

Etex's Executive Committee members are entrusted by the Board of Directors with managing day-to-day business operations. Their comprehensive knowledge, diverse experience and hands-on leadership approach ensure a strong operational focus on Etex's values and strategic framework. Sustainability remains a flagship topic for the Executive Committee.

The CEO, on behalf of the Executive Committee, provides updates to the Board at each meeting.

Executive Committee members as of publication date:

- Bernard Delvaux, Chief Executive Officer
- Patrick Balemans, Chief Sustainability and CSR Officer
- Louise Cail, Chief Human Resources Officer
- Christophe David, Chief Manufacturing Officer
- Efrén Del Pino, Head of Division Insulation
- Mel de Vogue, Chief Financial Officer
- Jochen Friedrichs, Head of Division Building Performance
- Virginie Lietaer, Chief Legal Officer
- Carla Sinanian, Chief Strategy Officer
- Tanguy Vanderborght, Head of Division Industry
- Hans Van Der Steen, Head of Division Exteriors

1.2 Board of Directors and Committees

Etex's Board of Directors defines the group's overall strategy, approves major investments, and oversees all corporate activities. Its composition is carefully balanced and includes representatives of Etex's shareholders and management, as well as independent directors. Experienced Board members bring significant value to our company.

The Board of Directors met eleven times in 2024 to discuss updates, approve proposals from the Executive Committee, and approve recommendations from the advisory committees. Throughout 2024, the Board engaged in extensive reflection on its purpose, values, mission, policies and goals related to sustainable development, with a particular focus on the Road to Sustainability 2030 priorities.

The office of the CEO, together with the Secretary of the Board, manages the information flow between the Executive Committee and the Board. Board documents and other relevant information are shared through a secure digital platform, accessible to Board members only. To support its decision-making, the Board was advised by four advisory committees that were active throughout 2024: the Strategy Committee, the Risk and Audit Committee, the People Committee and the Sustainability Committee.

In addition to ensuring representation for its large, long-term family of shareholders on the Board, Etex seeks to attract directors with diverse backgrounds and expertise, based on the following key criteria:

- Specific skills
- Industry knowledge
- Relevant experience
- Availability to commit time to Etex

Etex ensures that each new director brings specific skills, knowledge and/or experience that complement the composition of the existing Board, ensuring that the Board collectively possesses the necessary expertise to fulfil its duties effectively. Additionally, Etex actively promotes gender diversity within the Board. The Board reviews its size, composition, and performance, as well as those of its committees, at least every three years.

Board of Directors' members as of publication date:

- ViaBylity BV, Permanent representative: Hans Van Bylen, Chairman of the Board of Directors and Independent Director. Member of Strategy Committee, Sustainability Committee, People Committee, Risk and Audit Committee
- JoVB BV, Permanent representative: Johan Van Biesbroeck, Independent Director. Member of Strategy Committee, Chairman of the Risk and Audit Committee, Chairman of the People Committee
- BCCONSEIL SRL, Permanent representative: Bernard Delvaux, Executive Director. Member of Strategy Committee, Sustainability Committee
- ARGALI CAPITAL BV, Permanent representative: Pascal Emsens, Director. Member of Strategy Committee

- CT Impact BV, Permanent representative: Caroline Thijssen, Director. Member of People Committee, Sustainability Committee
- Much BV, Permanent representative: Muriel De Lathouwer, Independent Director. Chairwoman of the Strategy Committee
- Bernadette Spinoy, Independent Director. Member of Sustainability Committee
- Ines Kolmsee, Independent Director. Chairwoman of the Sustainability Committee
- OSICS BV, Permanent representative: Fabrice Le Garrec, Director. Member of Sustainability Committee
- FFGP Holding BV, Permanent representative: Gabriel de l'Escaille, Director. Member of Risk and Audit Committee

The Board of Directors has the following four dedicated advisory committees to assist and advise on specific matters.

1.3 Strategy Committee

The Strategy Committee normally meets one week prior to any meeting of the Board regarding strategic decisions or projects, and at least four times a year.

Chairwoman: Much BV represented by its permanent representative Muriel de Lathouwer.

Members: Argali Capital BV represented by its permanent representative Pascal Emsens, JoVB BV represented by its permanent representative Johan Van Biesbroeck, ViaBylity BV represented by its permanent representative Hans Van Bylen, BCCONSEIL SRL represented by its permanent representative Bernard Delvaux.

Number of meetings in 2024: four.

Role and purpose: The Strategy Committee evaluates the Executive Committee's strategic proposals. It also reviews the Executive Committee's proposals for acquisitions, divestments and geographic diversification.

1.4 Risk and Audit Committee

The Committee meets at least three times per year. At least one member is independent. ViaBylity BV represented by its permanent representative Hans Van Bylen and JoVB BV, represented by its permanent representative Johan Van Biesbroeck meet the independence criteria of article 7:87 of the Belgian Code of Companies and Associations and Principle 3.5 of the Belgian Corporate Governance Code 2020.

Chairman: JoVB BV represented by its permanent representative Johan Van Biesbroeck

Members: FFGP Holding BV represented by its permanent representative Gabriel de l'Escaille, ViaBylity BV represented by its permanent representative Hans Van Bylen.

Number of meetings in 2024: four.

Role and purpose: The Risk and Audit Committee reviews Etex's financial and non-financial reporting processes and the statutory audit of Etex's annual accounts. Above all, it ensures the consistency and reliability of accounts and all other financial and non-financial information submitted to the Board. Moreover, the Committee monitors Etex's risk and internal control management systems. All its members have accounting and audit experience.

1.5 People Committee

The committee meets at least two times per year.

Chairman: JoVB BV represented by its permanent representative Johan Van Biesbroeck

Members: ViaBylity BV represented by its permanent representative Hans Van Bylen, CT IMPACT BV represented by its permanent representative Caroline Thijssen.

Number of meetings in 2024: four.

Role and purpose: The People Committee assists with selecting and proposing Board members. It also determines the remuneration and benefits structure for Executive Committee members. Its job is to ensure that incentives reflect market practices and are optimally designed to support Etex's strategic goals.

1.6 Sustainability Committee

Chairwoman: Ines Kolmsee

Members: Bernadette Spinoy, OSICS BV represented by its permanent representative Fabrice Le Garrec, CT IMPACT BV represented by its permanent representative Caroline Thijssen, ViaBylity BV represented by its permanent representative Hans Van Bylen, BCCONSEIL SRL represented by its permanent representative Bernard Delvaux.

Number of meetings in 2024: four.

Role and purpose: The Sustainability Committee ensures that Etex effectively addresses the economic and societal challenges associated with its mission to offer construction solutions that contribute to a better world. It considers the impact of Etex's businesses, operations and programmes from a corporate social responsibility and sustainability perspective, taking into consideration the legal framework and the interests of all stakeholders.

2 DIRECTORS' REPORT

2.1 Business Review

Etex recorded again a strong financial performance in 2024, with a slight decrease in revenue by 0.8% (-2.7% like- for-like) at €3,777 million compared €3,808 million in 2023. The REBITDA amounts to €695 million, second-best value in Etex history, just after 2023 (€712 million), down by 2.4% (-5.1% like-for-like). The REBITDA margin reached 18.4% (18.7% in 2023).

In 2024, Etex delivered a robust **revenue** performance despite challenging market conditions characterised by global drops in demand, still impacted by inflation and uncertainties surrounding interest rate trends, among other factors. Additionally, the devaluation of foreign currencies, particularly in Nigeria, coupled with hyperinflation accounting in Argentina, significantly affected Etex's revenues (in total, compared to 2023, by €-66 million or -1.7%) offsetting partially the favourable impact of the acquisition of BGC in February 2024 but also the full year contribution of the businesses acquired in 2023 (Skamol and Superglass) and further sales reduction for Ukrainian businesses of Etex (in total, compared to 2023, the impact of scope changes amounts to €+136 million or +3.6%).

The Building Performance division, specialising in plasterboard, fibre cement boards and fire protection materials for technical construction, registered a revenue decrease of 4.0% like-for-like to reach €2,315 million. This reduction is the result of strong recession in the division's main markets in Europe and in Argentina, though it was partially offset by strong performance in South Africa and Australia. The important volume impact has been partially offset by an agile margin management, strong operational performance in the plants and cost reduction plans, which should produce their full impact in 2025.

The Exteriors division, which focuses on fibre cement exterior and interior solutions, increased by 1.8% like-for-like year-on-year to €545 million. This growth is primarily driven by increased sales volumes of corrugated sheets in Europe and building boards in Nigeria. Additionally, European markets began to show early signs of recovery in the last quarter of the year, especially in the United Kingdom, in France and Belgium.

The revenue of the Industry division, centred around fire protection and high-performance insulation, increased by 3.0% like-for-like compared to 2023, reaching €320 million. This increase was driven by the first signs of market recovery across most segments and geographies, more specifically in France, Belgium and Italy, leading to higher volumes and sales.

The sales of the Insulation division, specialised in glass mineral wool and extruded polystyrene (XPS), were down by 3.8% like-for-like versus last year to €542 million. This is mostly explained by a disparity between the need for new housing and energy efficiency, and the lack of government initiatives in most European markets to address these areas. The sales went down also because of selling price evolution driven by lower input costs. Main countries with lower revenues were France, Italy and Germany – the latter is true for every division within Etex but Exteriors – while Poland, Hungary and Spain were notable exceptions able to increase sales in 2024.

The revenue of the New Ways division, based on high-tech offsite solutions, was down by 8.5% like-for-like, to €55 million, following deteriorated market conditions in the key geographies of the United Kingdom and Ireland. Investments were made in plants to increase productivity and in personnel to expand activities in continental Europe. As of 1 January 2025, the New Ways division's activities have been integrated into Etex's largest division - Building Performance - allowing for more growth and efficiency by relying on the division's strong structure and networks.

In total, Etex achieved a solid operational result in 2024 with **REBITDA** that amounted to €695 million, slightly lower than prior year but still second-best record in Etex history. This represents a like-for-like decrease of -5.1% compared to 2023, the outcome of slightly lower volumes due to depressed markets, as a result, impacted by under-occupation charges in manufacturing sites offset by needed efforts to contain overheads despite general inflation. Compared to 2023, REBITDA was also impacted by scope changes (€+28 million or +3.9%) and slightly negatively by foreign currency translation and hyperinflation (€-8 million or -1.2%).

Free cash flow generation for 2024 amounts to €185 million before dividends, acquisitions and disposals of businesses (to compare to €294 million in 2023), deemed as strong for the reasons explained below, which finances the new business acquisition of 2024 (BGC) as well as the payment of dividends. The recurring operating free cash flow generation is built on:

- REBITDA, in line with prior year (€-17 million or -2.4%), offset by
- a further positive impact from trade working capital variation (€-11 million in 2024, ratio at 8.0% of sales as of 31 December 2024, on top of €+87 million in 2023, with a ratio at 8.3% of sales at year-end 2023, ratio was still 10.2% in 2023), and
- reduced capital expenditures in 2024, by €85 million (from €343 million to €258 million in 2024, excluding carbon emissions rights) due to major Bristol plasterboard factory impacts in 2023 not repeating in 2024.

This generates a total recurring operating free cash in line with 2023 at €448 million (compared to € 456 million). The cash flow items to bridge the above €448 million to free cash flow include two main elements that explain deviation compared to 2023: the €55 million cashed in 2023 by unwinding of one of the interest rate swap agreements while the mid-2024 hedging decision in view of the US private placement financing produced a negative cash flow of €17 million in September 2024, next to cash expenses relating to long-term incentives.

2.2 Financial Review

Changes in the scope of consolidation

In February 2024, Etex completed the acquisition of BGC, a business active in Australia and in New-Zealand in both plasterboard and fibre cement platforms; these markets are promising in terms of growth and contributed to Etex consolidated performance above expectations as from March 2024.

Statement of comprehensive income

The €3,777 million sales in 2024 generated a gross profit of €1,147 million, or 30.4% of sales, vs 30.8% in 2023, despite unfavourable market conditions and volumes slightly lower than prior year. In this context, margins were impacted by some costs of under occupation and by fixed production costs proportionally higher, also due to the impact of new production capacities (Bristol) and newly acquired businesses (BGC).

For the same reasons, total overheads on sales ratio is up at 19.2% (vs 18.6% in 2023) despite contained overheads in support functions. Operating income before non-recurring items (REBIT) amounts to €422 million, representing 11.2% of sales. In 2023, REBIT amounted to €466 million, or 12.2% of sales.

The impact of **non-recurring** charges on operating income amounts to €88 million, including: major restructuring charges in operations, commercial and support functions or discontinued unprofitable activities (in France, Belgium, Latin America, Spain and Germany, mainly) to adapt to current market conditions and prepare for the future, one-off cost for integration, merger and acquisitions and cost of asbestos-containing material removal projects partially offset by gains on disposal of non-operating properties. The **operating income (EBIT)** reached €334 million vs €399 million in 2023.

In 2024, Etex incurred higher **net financial charges**, €87 million, compared to 2023 (€ 5 million), due to the following:

- (a) The unwinding impact of one of our interest rate swap agreements impacted Etex positively in 2023 by €55 million.
- (b) The specific situation of the Argentinian economy and the accounting treatment of hyperinflation (in compliance with IFRS, standard IAS 29 applies) has generated a monetary losses impact mirroring the indexation on balance sheet positions (including equity) that amounts to €-54 million, at the end of 2024 (€-31 million in 2023).
- (c) A significant amount of cash remains in Argentina and, to protect it from devaluation linked to high inflation, it is systematically invested in USD-linked bonds; this is generating unrealised gains from conversion of USD at year-end exchange rate, lower in 2024, €20 million compared to €37 million in 2023.

The drivers of remaining increase in net financial charges are (besides the impact of translation differences on non-EUR treasury positions and hyperinflation accounting mirroring impacts of income statement indexation; this indexation does not impact net profit) the evolution of interest rates for the portion of the debt instruments of Etex that cannot be perfectly hedged with interest rates swaps contracts.

Etex generated a **profit before taxes** of €248 million to be compared to €394 million in 2023 and this decrease is explained mainly by significant one-off impacts, favourable and unfavourable, incurred in 2023 and in 2024 - cfr above net non-recurring operating charges and financial (a), (b) and (c).

The evolution of **income taxes** for 2024 is consistent with profit before taxes: these are decreasing, from €113 million in 2023 to €80 million. The effective tax rate computed on this basis is 32.6%, up by 3.8% compared to the previous year. This high value can be explained by hyperinflation accounting entries that are reducing profit before taxes but increase income taxes simultaneously: the percentage of taxes computed without these impacts amounts to 23.9% in 2024 (25.2% in 2023).

Other comprehensive income (OCI) impacts of 2024, compared to the previous year, are as follows:

Post employment benefits obligations have decreased through OCI (€-17 million, net of deferred taxes) due to the increase of discount rate assumptions more than offset by return assumption on asset in the UK negatively impacted and correlated to the same. In 2023, €+24 million were from revised mortality table and other minor assumption changes.

Cash flow hedge reserves are negatively impacted through OCI in 2024 (€-10 million, net of deferred taxes) due to new interest hedge recognised to cover US private placement mainly. In 2023, impact was €-80 million mainly because of unwinding of interest hedge contracts (recycled through income statement) and due to lower value of interests and commodity hedges.

Translation impact amounts to €-25 million, due to Nigeria naira mainly, in 2024 and €-78 million in 2023 predominantly from Argentinian peso's devaluation in December 2023.

Alternative net profit measurement

Etex has always measured an alternative net profit measurement, non-IFRS but clearly defined and described in appendix to the consolidated annual report (since 2007), named **"net recurring profit"**. This value is measured by adjusting net profit (group share) for non-recurring operating charges or income (also defined and subject to clear internal threshold and restrictions) and for one-off impacts below EBIT, both net of taxes. Non-recurring adjustments below EBIT can include both financial gains [such as (a) and (c) above] and financial losses [see (b) above] and can also relate to one-off gains or losses in equity accounted investee, discontinued operations or assets held for sale.

As from 2024, Etex's net recurring profit is adjusted for impact of monetary losses in financial charges resulting from the hyperinflationary accounting indexation of equity and non-monetary assets and liabilities – above (b) – and for financial result realised by foreign currency investments strategy to offset these monetary losses and to protect cash from devaluation under same hyperinflationary accounting condition – above (c). These hyperinflation related adjustments apply to same measurement restated since 2020 (net recurring profit disclosed in key figures), with limited restatement impacts (over the period from 2020 to 2023, none of these adjustments exceeded a deterioration of -6% or an improvement of +4% of the previous net recurring profit).

Etex's net recurring profit (Group share), as explained above, was down by 2.9% to €264 million in 2024 (vs. restated net recurring profit €272 million in 2023). This impact was mainly driven by slight decrease of revenue and gross profit margins and by additional depreciation charges due to the new Bristol factory and newly acquired businesses in 2023 and 2024.

Consolidated Statement of Financial Position (Balance Sheet)

The value of Etex's **property, plants, and equipment** increased at €2,234 million vs €2,157 million in 2023. This is mainly due to the impact of the BGC business in Australia that was acquired in February 2024.

Capital expenditure (tangible and intangible assets, including leasing) reached €264 million in line with recurring depreciation of €273 million.

Goodwill went up from €726 million to €754 million, an increase due to acquisition of BGC business in Australia and fibre cement operations in Poland (acquired in 2023 but price allocation was adjusted in 2024). Other **intangible assets** slightly increased from €449 million to €452 million.

Trade **working capital** further reduced, from €326 million to €315 million at year-end 2024, by continuous anticipation of inventories and production planning along with focus on trade debtors and creditors management. Trade working capital represented 8.0% of sales at the end of 2024, slightly better than the strong performance of 2023 (8.3% of sales); previously no single year reached a ratio lower than 10% of sales. Total working capital increased from €182 million at the end of 2023 to €202 million one year later, despite the decrease in trade working capital, due to a deterioration of non-trade working capital mainly due to derivatives, current taxes and payroll related positions at year-end.

The total of **provisions** at the end of 2024, current and non-current jointly, went up by €26 million at €179 million due to amounts provided for restructuring plans in the second half of 2024 and due to higher values required for carbon emission rights provisions.

As of 31 December 2024, **net financial debt** amounted to €1,109 million, compared to €1,039 million for 2023.

In October 2024, Etex refinanced its two outstanding revolving credit facilities for a total amount of €835 million, that were going to mature in October 2025, with a new five-year €600 million revolving credit facility.

In addition, Etex also raised €437 million through a 10- and 12-year US private placement. These new financings allow Etex to materially extend its debt maturity profile to 2029, 2034 and 2036. As in prior years, the above net debt value includes cash collection through non-recourse factoring programme, which amounted to €191 million at the end of the year vs. €243 million at the end of 2023; this decrease is temporary and due to transition of recently acquired businesses to Etex programme. Excluding this programme, the net financial debt would have reached €1,300 million (vs €1,280 million at the end of 2023). The company's net financial debt/REBITDA ratio increased from 1.4x in 2023 to 1.6x in 2024, or from 1.8x to 1.9x year-on-year excluding the favourable impact of the non-recourse factoring programme.

2.3 Strategy

Etex’s purpose is “Inspiring ways of living” and this vision is brought to life through the company’s strategic framework that guides its actions.

Etex is committed to deliver a best-in-class experience to its customers through four technology platforms that provide lightweight, innovative and sustainable solutions, together with four drivers.

The four platforms are: Gypsum, Fibre cement, Passive fire protection and High-performance insulation, and Insulation.

The four strategic drivers are: Engaged people, Operational excellence, Customer orientation and Sustainability and Innovation.

The company enables its strategy by nurturing internal talents, fostering innovation and acquiring companies with the same vision.

2.4 Operational excellence and Safety

As manufacturers in heart and soul, Etex focuses on reinforcing safety, health and well-being, as well as continuous improvement. The company aims to create a company culture that allows for autonomy among its teammates, to manufacture valuable products for its customers and to achieve long-term sustainable growth.

2024 was a milestone year for manufacturing. Etex lowered its energy intensity across all technologies while adapting its production capacity and costs to challenging market conditions. These efforts across all plants contributed to over

€60 million in manufacturing cost improvements. Additionally, Etex successfully opened its state-of-the-art plasterboard plant in Bristol, UK. On the people side, the company further improved teammate engagement in its factories – scoring above the manufacturing norm – and strengthened its managers’ leadership skills.

Safety is Etex’s top priority. As part of the Road to Sustainability 2030, the company is committed to achieving zero fatalities and zero harm. To support this, Etex has made significant investments in tools and training while recognising its responsibility to safeguard both the physical and mental well-being of its teammates.

Key metrics on safety for 2024 include:

- Zero fatalities.
- Launch of a three-year investment programme to improve machinery safety in piling, depiling, and forming drum equipment.
- Advancing the implementation of critical standards.
- 86% of operational and non-operational sites achieved zero lost-time accidents, including all sites in Latin America.
- Reduction of total recordable accidents by nearly 5% in 2024 versus 2023.
- Over 80,000 safety observations and conversations.
- 26 safety audits.
- 27 webinars to teammates globally and regionally on well-being topics.
- Publication of monthly global communications with resources and reflections on both personal and professional topics such as giving feedback, improving sleep, relaxation techniques, unplugging, dealing with loss, and maintaining energy levels.
- In addition to the employee assistance programme, implementation of new initiatives addressing mental health and well-being.

2.5 Research and development activities

Innovation is an essential lever for business growth. Etex innovates in line with its customers’ needs and evolving market demands, constantly prioritising sustainability. The company focuses its innovation efforts on four key pillars: circularity, decarbonisation, industrial excellence and portfolio leadership. Etex works with more than 160 teammates across seven Innovation Technology Centres (ITCs), supporting our four global divisions.

Each of Etex’s research and development projects undergoes a rigorous sustainability impact assessment conducted by a team of experts. In 2024, the company implemented eco-design principles across the organisation, and all R&D teammates received comprehensive training in this area. Etex actively supports external collaboration and is involved in two EU-funded collaborative projects. The company also continuously engages with external innovators and partners through its open innovation platform.

In 2024, Etex:

- Invested €25 million in R&D and innovation.
- Dedicated 56% of its resources to projects that promote sustainability, focussing on the continuous substitution of virgin materials with recycled-based alternatives and reducing its CO2 footprint.
- Expanded its collaboration network, evaluating 135 start-ups and large industrial players.

2.6 Sustainability

Etex’s lightweight solutions are designed to be sustainable at their core. Through the company’s innovation-driven approach, it continuously improves the performance of its products and systems to meet the evolving needs of its customers. In 2024, Etex made significant progress towards its 2030 goals:

Completed its Double Materiality Assessment (DMA) and started aligning its reporting practices with the European Sustainability Reporting Standards (ESRS). This demonstrates Etex’s proactive approach to enhancing transparency and preparing for the Corporate Sustainability Reporting Directive (CSRD), which, based on the latest regulatory proposal from the European Commission, is set to take effect in 2028. However, the company’s DMA results remain subject to potential revisions pending its annual updates and the completion of the auditors’ assurance process.

Committed to the Science Based Targets initiative (SBTi), which aims to set near- and long-term company- wide emission reduction targets. While targets are under development, Etex has made progress on Scope 3 emissions, and set a goal by 2030 aiming to reduce emissions from purchasing goods, services and transport by 25%.

Increased its target to reduce the use of virgin plastics by 30%, up from 20% previously.

Added biodiversity targets for 2027 and 2030 to its Road to Sustainability strategy.

For the third consecutive year, Etex was awarded an EcoVadis Silver medal, placing it in the top 15% of companies assessed globally for its commitment to sustainability and responsible business practices.

Key figures in 2024:

- **GHG emission intensity (Scopes 1 and 2):** 0.132 (-1.6% vs. 2023)
- **Recycled input:** 8.6% (+10% vs. 2023)
- **Waste to landfill:** -17% vs. 2023 in absolute value, -40% vs. 2018 baseline
- **Water withdrawal intensity:** 0.79 (+0.8% vs. 2023), -10% vs. 2022 baseline in absolute value

2.7 People

In 2024, under its “Engaged People” driver, Etex focused on creating an inclusive work environment, strengthening teammate engagement, and fostering a culture of recognition.

In 2024, Etex:

- Achieved a teammate sustainable engagement score of 84%, three points higher than the manufacturing norm. This score measures the intensity of employees’ connection to their organisation.
- Expanded the successful future talent programme, offering graduates a structured rotational programme in manufacturing.
- Gave a total of 3,653 awards, including the 2024 CEO Award that went to the Italian team of the Building Performance division.
- Launched a business acumen and coaching programme.
- Reconnected to the Etex values by associating clear behaviours to them.

When it comes to Diversity, Equity and Inclusion (DE&I), Etex is convinced that by harnessing the strengths of its global organisation and leveraging the full potential of its diverse teammates, thoughts, and ideas – within an inclusive environment with equal opportunities for all – the company can create a competitive edge that will drive sustainable business growth, maximise performance and innovation, and establish Etex as an employer of choice.

Etex’s efforts in 2023 and 2024 had a positive impact, leading to a 5%-point increase in the Me&Etex engagement survey question regarding management supporting diversity and inclusion in the company. This improvement was largely due to the introduction of a DE&I Policy available in 19 languages and a strong focus on building, empowering, and activating a global network of over 100 DE&I ambassadors.

Additionally, on DE&I, key metrics for 2024 include:

- Etex’s DE&I ambassadors raised awareness within their locations and teams on topics locally relevant to them, including employee resource groups and factory worker engagement, for example, through DE&I fairs in Latin America reaching 250 teammates.
- Etex conducted awareness training across various locations.
- Etex developed an e-learning module for hiring managers, with a specific focus on DE&I.
- Etex extended training and empowerment beyond the company. In France, Etex collaborated for the ‘Capital Fille’ programme, which encourages female students to explore careers in engineering and operations.
- Pay equality begins with structured job frameworks and grading, which Etex finalised throughout 2024. In November 2024, the company ensured full transparency by communicating these grading details to all office- based teammates.

Etex's local businesses maintain a dialogue between almost 13,500 teammates in 45 operating countries through tailored communication channels: intranet platform Etex Core, Viva Engage, events, webinars and various communication campaigns. Etex's shareholders are presented with relevant information about the company's business during the annual Shareholders' Meeting(s). Full-year and half-year results as well as strategic developments are communicated to Etex's financial stakeholders through press releases and other documents published on the company's website (dedicated Investor Relations and Annual Report sections).

2.8 Risk and uncertainties

The Group is exposed to a range of general business risks. The Group takes measures to cover these risks through insurance and internal policies.

Typical business and operational risks include cyber-security related risks, third-party and product liability, property damage, business interruption, employer's liability, and, in certain instances, credit risk.

The Group is active around the world. As such, the Group is exposed to the impact of currency fluctuations on revenues, costs, assets, and liabilities arising outside the Eurozone. In 2024, the Group continued to follow its well-thought-out policies for addressing these risks.

Demand for building materials is mainly driven by growing populations and increasing prosperity, the latter largely influenced by changing macroeconomic parameters, including GDP growth, public spending, interest rates and government policies. Consequently, the Group was in 2024 confronted with risks in relation to a slowing economy (mostly European construction markets) as well as products or building solutions substitution. The Group addresses the above by achieving risk diversification through its geographic spread and diversified portfolio. Such geographic spread also exposes the Group to the consequences of geopolitical tensions. An additional element contributing to its diversification is the Group's broad involvement in residential, commercial, and industrial building, as well as renovation and new housing developments.

The Group manufactures building materials from a broad industrial organisation, having extensive footprint in several regions. Still, Etex' operations continuity can be jeopardised due to accidental disruption at its strategic production plants, including physical risks in relation to climate-change.

The Group uses a variety of raw materials to manufacture its products. Cement, for instance is a key ingredient. It is usually broadly available from several suppliers. Furthermore, the fibres which are used to reinforce some of Etex' products are sourced from a limited number of Japanese and Chinese companies. The Group has built long-term relationships and contracts with each of these businesses. Despite securing the sourcing of raw materials through these long-term relationships, supply volumes and prices can be affected by markets volatility. Furthermore, supply and shipping routes could be impacted by increasing import tariffs and growing barriers to free trade. For natural resources such as gypsum, the Group either owns raw material sources or the Group secures them by means of long- term contracts.

The Group's energy costs are significant. This applies to both the production of Etex own products and the manufacturing of raw materials received from suppliers. That is why the Group constantly reviews measures to reduce the energy consumption and monitors the performance of its energy portfolio.

In the past, some Group companies regrettably used asbestos as a raw material. These businesses are exposed to claims from people having developed asbestos-related diseases. The Group is committed to ensuring fair compensation for those suffering from an illness caused by the company's former use of asbestos. The compensation costs are covered by state social security schemes, insurance companies and Etex's own resources. Given the long latency of some of these diseases, the Group will remain exposed to this risk in the medium term.

2.9 Risk Management

The Group has exposure to the following risks from its business activities and use of financial instruments in running and managing its business: (i) market risk, (ii) credit risk, (iii) liquidity risk and (iv) capital risk.

The Group's risk management policies have been established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly in the light of market conditions and changes in the Group's activities.

The Group's approach to the management of these risks is described in Note 17 – Risk management and financial derivatives.

2.10 Derivative financial instruments

The Group uses derivative financial instruments such as forward exchange contracts, commodity hedges and interest rate swaps to hedge its risk associated with foreign currency, commodity prices and interest rate fluctuations. In accordance with its treasury policy, the Group does not hold derivative financial instruments for trading purposes. Derivative financial instruments that do not qualify for hedge accounting are accounted for as financial assets and liabilities at fair value through profit and loss.

The Group's approach to the management of these risks is described in Note 17 – Risk management and financial derivatives.

2.11 Subsequent events

The Board of Directors is not aware of any other events after 31 December 2024 that would significantly affect Etex's financial statements.

2.12 Outlook for 2025

For 2025, Etex expects market demand volatility to remain for most of the year, with improvements expected in the coming months. The company aims for a stable performance across all its businesses while continuing to invest in manufacturing facilities, advancing sustainability efforts, and actively pursuing strategic opportunities. Given the global demand for qualitative housing and living spaces across the world - driven by both environmental and social reasons, Etex is uniquely positioned to play an important role in the industry. By combining its complementary products, the company is well-equipped to provide sustainable and innovative construction solutions that meet these pressing needs.

2.13 Remuneration of the auditors

In accordance with article 3:65 of the BCCA, during the 2024 financial year, PwC, Etex's auditor, and its associated auditor companies received fees amounting to €3,166 million for audit works.

Zaventem, 3 April 2025

On behalf of the Board of Directors

BCCONSEIL SRL
Represented by its permanent representative
B. Delvaux
Chief Executive Officer

Viabylity BV
Represented by its permanent representative
H. Van Bylen
Chairman of the Board of Directors

3 FINANCIAL STATEMENTS

3.1 Consolidated financial statements

Consolidated income statement

<i>in thousands of EUR</i>	Notes	2023	2024
Revenue	(1)	3,807,898	3,777,041
Cost of sales	(3)	-2,633,810	-2,629,701
Gross profit		1,174,088	1,147,340
Distribution expenses	(3)	-458,702	-489,795
Administrative and general expenses	(3)	-223,796	-206,987
Other operating charges & income	(4)	-25,346	-28,770
Operating income before non-recurring items		466,244	421,787
Gain / (losses) on disposal of assets and businesses	(5)	2,017	1,655
Other non-recurring items	(5)	-69,445	-89,806
Operating income (EBIT)		398,816	333,637
Interest income	(6)	23,653	25,932
Interest expenses	(6)	-65,534	-81,194
Other financial income	(6)	101,068	46,878
Other financial expense	(6)	-64,346	-78,543
Share of profit in equity accounted investees	(13)	518	866
Profit before income tax		394,174	247,576
Income tax expense	(7)	-113,372	-80,380
Profit for the year from continuing operations		280,802	167,196
Result from discontinued operations		-6,900	-
Profit for the year		273,902	167,196
Attributable to shareholders of Etex		266,731	165,791
Attributable to non-controlling interests		7,171	1,406
Earnings per (group) share (in euro)		3.41	2.12
Diluted earnings per (group) share (in euro)		3.41	2.12

Consolidated statement of comprehensive income

<i>in thousands of EUR</i>	2023	2024
Profit for the year	273,902	167,196
Remeasurements in employee benefit obligations	32,308	-22,912
Income tax effect	-8,544	6,053
Net other comprehensive income not to be reclassified to income statement in subsequent periods	23,765	-16,859
Changes in cash flow hedge reserves	-106,115	-12,580
Income tax effect	26,501	2,975
Exchange differences on translation of foreign operations	-77,704	-24,853
Net other comprehensive income to be reclassified to income statement in subsequent periods	-157,319	-34,458
Other comprehensive income, net of tax	-133,554	-51,317
Total comprehensive income for the period, net of tax	140,348	115,879
Attributable to shareholders of Etex	144,910	121,318
Attributable to non-controlling interests	-4,562	-5,439

Consolidated statement of financial position

<i>in thousands of EUR</i>	Notes	2023	2024
Non-current assets		3,561,555	3,658,430
Property, plant and equipment	(8)	2,157,381	2,234,123
Property, plant and equipment - owned	(8)	2,003,839	2,060,490
Property, plant and equipment - leased	(8)	153,542	173,633
Goodwill	(9)	725,563	753,850
Other intangible assets	(10)	449,035	452,282
Investment properties	(11)	10,266	8,143
Assets held for sale	(12)	5,194	5,101
Investments in equity accounted investees	(13)	6,977	7,433
Other non-current assets	(14)	29,373	30,183
Deferred tax assets	(25)	95,877	96,138
Employee benefits assets	(22)	81,889	71,177
Current assets		1,122,601	1,363,167
Inventories	(16)	483,969	503,022
Trade and other receivables	(15)	412,067	442,854
Other current assets	(15)	64,077	88,061
Cash and cash equivalents	(18)	162,488	329,230
TOTAL ASSETS		4,684,156	5,021,597
Total equity	(19)	1,921,685	2,030,500
Issued share capital		2,533	2,533
Share premium		743	743
Reserves and retained earnings		1,888,422	2,002,736
Attributable to the equity shareholders of Etex		1,891,698	2,006,012
Non-controlling interests		29,987	24,488
Non-current liabilities		1,546,204	1,763,014
Provisions	(20)	104,304	103,601
Employee benefits liabilities	(22) (23)	154,933	130,122
Loans and borrowings	(24)	1,054,279	1,308,480
of which leasing	(24)	130,914	147,331
Deferred tax liabilities	(25)	212,900	206,274
Other non-current liabilities	(26)	19,788	14,537
Current liabilities		1,216,267	1,228,083
Provisions	(20)	48,255	75,088
Current portion of loans and borrowings	(24)	211,261	217,714
of which leasing	(24)	27,495	33,051
Trade and other liabilities	(26)	956,751	935,281
TOTAL EQUITY AND LIABILITIES		4,684,156	5,021,597

Consolidated statement of cash flows

<i>In thousands of EUR</i>	Notes	2023	2024
Operating income (EBIT)		398,816	333,637
Depreciation, amortisation and impairment losses - owned	(27)	224,798	244,961
Depreciation, amortisation and impairment losses - leased assets	(27)	33,159	40,037
Losses (gains) on sale of intangible assets and property, plant and equipment	(27)	16,245	10,245
Losses (gains) on sale of businesses		6,473	-
Income tax paid	(27)	-128,777	-115,864
Changes in working capital, provisions and employee benefits	(27)	944	-76,463
Changes in other non currents assets/liabilities		824	-7,278
Cash flow from operating activities		552,482	429,275
Proceeds from sale of intangible assets and property, plant and equipment	(27)	4,927	6,772
Acquisition of business	(9)	-204,648	-101,599
Cash and cash equivalent scope-in impact of acquired business		19,293	-
Disposal of business		10,143	-
Disposal of discontinued operations		70,150	-
Cash and cash equivalent scope-out impact of divested business		-1,932	-
Capital expenditure - owned	(27)	-337,813	-220,039
Other investing activities	(a)	55,200	-17,717
Cash flow from investing activities		-384,681	-332,583
Capital increase / (decrease)		288	-
Proceeds of borrowings	(27)	4,487	401,000
Repayment of borrowings	(27)	-100,369	-193,258
Interest and dividend received	(27)	20,901	23,655
Dividend paid	(27)	-74,709	-80,656
Interest paid		-50,348	-77,999
Cash flow from financing activities		-199,750	72,742
Net increase (decrease) in cash and cash equivalents		-31,949	169,434
Cash and cash equivalents at the beginning of the year		201,300	159,849
Translation differences		-9,502	-1,754
Net increase (decrease) in cash and cash equivalents		-31,949	169,434
Net cash and cash equivalents at the end of the year		159,849	327,529
Cash and cash equivalents		162,488	329,230
Bank overdrafts		-2,639	-1,701

(a) 'Other investing activities' in 2024 and 2023 are relating to the cash flow impact of the unwinding impact of one of our interest rate swap agreements (respectively €-17,717 thousand and €55,200 thousand).

Consolidated statement of changes in equity

<i>in thousands of EUR</i>	Attributable to the equity holders of Etex (Note 19)						
	Issued share capital and share premiums	Treasury shares	Post employment benefits reserves and financial instruments	Cumulative translation adjustments	Other reserves and retained earnings	Non-controlling interests	Total Equity
At December 31, 2022	3,276	-19,988	10,158	-438,878	2,219,610	35,332	1,809,510
Total comprehensive income	-	-	-55,852	-65,968	266,731	-4,562	140,348
Capital increase / (decrease)	-	-	-	-	-	288	288
Dividend	-	-	-	-	-72,693	-1,157	-73,850
Other equity movements	-	-	-	-	45,302	87	45,389
Treasury shares	-	-	-	-	-	-	-
At December 31, 2023	3,276	-19,988	-45,694	-504,846	2,458,950	29,987	1,921,685
Total comprehensive income	-	-	-26,474	-17,999	165,791	-5,439	115,879
Dividend	-	-	-	-	-80,509	-228	-80,737
Other equity movements	-	-	-	-	73,505	168	73,673
Treasury shares	-	-	-	-	-	-	-
At December 31, 2024	3,276	-19,988	-72,167	-522,845	2,617,737	24,488	2,030,500

Accounting policies

Etex N.V. (the “Company”) is a company domiciled in Belgium. The consolidated financial statements comprise the Company and its subsidiaries, interests in jointly controlled entities and equity accounted entities (together referred to as “the Group”) as at 31 December each year.

The financial statements have been authorised for issue by the Board of Directors on 3 April 2025.

Statement of compliance

The consolidated financial statements of Etex for the year ended 31 December 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations as issued by the International Accounting Standards Board (IASB) as adopted by the European Union (EU).

The Group applied the same IFRSs as those adopted in the previous years, except for the new IFRSs and interpretations the entity adopted as of 1st January 2024. The following amendments to standards are mandatory for the first time for the financial year beginning 1 January 2024 and have been endorsed by the European Union:

- Amendments to IAS 1 ‘Presentation of Financial Statements: Classification of Liabilities as current or non-current’ (effective 1 January 2024)**, affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. They:
- Clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
 - Clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services;
 - Clarify how conditions with which an entity must comply within 12 months after the reporting period, such as covenants, affect the corresponding liability’s classification.

Amendments to IAS 7 ‘Statement of Cash Flows’ and IFRS 7 ‘Financial Instruments: Disclosures’: Supplier Finance Arrangements (effective 1 January 2024). The amendment describes the characteristics for which reporters will have to provide additional disclosures regarding the impact of supplier finance arrangements on liabilities, cash flows and exposure to liquidity risk.

Amendments to IFRS 16 ‘Leases’: Lease Liability in a Sale and Leaseback (effective 1 January 2024). The amendments explain how an entity accounts for a sale and leaseback after the date of the transaction, specifically where some or all the lease payments are variable lease payments that do not depend on an index or rate. They state that, in subsequently measuring the lease liability, the seller-lessee determines ‘lease payments’ and ‘revised lease payments’ in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use it retains. Any gains and losses relating to the full or partial termination of a lease continue to be recognised when they occur as these relate to the right of use terminated and not the right of use retained.

The amendments and/or interpretations do not have any significant effect on the financial statements.

Basis of preparation

A - Functional and presentation currency

The consolidated financial statements are presented in Euro, which is the Company’s functional and presentation currency. All values are rounded to the nearest thousand except when otherwise indicated.

B - Basis of measurement

The consolidated financial statements are prepared on the historical cost basis except that the following assets are stated at their fair value: derivative financial instruments. Also, the liabilities for cash-settled share based payment arrangements are measured at fair value. The consolidated financial statements have been prepared using the accrual basis for accounting, except for cash flow information.

C - Use of judgement, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and related disclosures at the date of the financial statements. These judgements, estimates and associated assumptions are based on management’s best knowledge at reporting date of current events and actions that the Group may undertake in the future. However, actual results could differ from those estimates, and could require adjustments to the carrying amount of the asset or liability affected in the future. The estimates and underlying assumptions are reviewed on an ongoing basis.

The significant estimates made by management concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

Impairment of non-financial assets

The recoverable amount of the cash-generating units tested for impairment is the higher of its fair value less costs to sell and its value in use. Both calculations are based on a discounted cash-flow model. The cash flows are derived from the internal forecasts for the next three to ten years. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows, capital expenditures and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different cash-generating units, including a sensitivity analysis, are further explained in Note 9.

Provisions

The assumptions that have significant influence on the amount of the provisions are the estimated costs, the timing of the cash outflows and the discount rate. These assumptions are determined based on the most appropriate available information at reporting date. Further details about the assumptions used are given in Note 20.

Employee benefits

The measurement of the employee benefits is based on actuarial assumptions. Management believes that the assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases used for these actuarial valuations are appropriate and justified. They are reviewed at each balance-sheet date. However, given the long-term nature of these benefits, any change in certain of these assumptions could have a significant impact on the measurement of the related obligations. Further details about assumptions used are given in Note 22.

Recognition of deferred tax assets on tax losses carried forward

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of the deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The potential utilisation of tax losses carried forward is based on forecasts existing at reporting date. Actual results could differ from these forecasts with an impact on the utilisation of tax losses carried forward.

Cash-settled share-based payment transaction

The Group measures the cost of cash-settled transactions with employees by reference to the fair value of the equity instruments at each reporting date. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and model used for estimating fair value for share-based payment transactions are disclosed in Note 23.

Financial instruments

To measure the fair value of financial assets that cannot be derived from active markets, management uses a valuation technique based on discounted future expected cash flows. The inputs of this model require determining a certain number of assumptions, including discount rate, liquidity risk and volatility, subject to uncertainty. Changes in these assumptions could have an impact on the measurement of the fair value. Further details are given in Note 17.

Business Combinations

The acquisition method is applied in business combinations. The consideration is measured at fair value on the transaction date, which is

also the date when fair value of identifiable assets, liabilities and contingent liabilities acquired in the transaction are measured. If the accounting of a business combination is incomplete at the end of the reporting period, in which the transaction occurred, the Group will report preliminary values for the assets and liabilities. Preliminary values are adjusted throughout the measuring period of maximum one year in order to reflect new information obtained about circumstances that existed as of the acquisition date, that if known, would have affected the valuation on that date. Correspondingly, new assets and liabilities can be recognised. The transaction date is when risk and control has been transferred and normally coincides with the closing date.

Non-controlling interests are recognised either at fair value or the proportionate share of the identifiable net assets and liabilities. The assessment is done for each transaction.

Any differences between cost and fair value for acquired assets, liabilities and contingent liabilities are recognised as goodwill or recognised in the income statement when the cost is lower. No provisions are recognised for deferred tax on goodwill.

Transaction costs are recognised in the income statement when incurred.

If business combinations are achieved in stages, the existing ownership interests are recognised at fair value at the point in time when control is transferred to the Group. Such a change in the carrying value of the investment is recognised in the income statement.

The principles applied to the recognition of acquisition of associated companies and joint ventures are in general the same as those applied to the acquisition of subsidiaries.

Hyperinflation

In May 2018, the Argentinian peso underwent a severe devaluation resulting in the three-year cumulative inflation of Argentina to exceed 100% in 2018, thereby triggering the requirement to transition to hyperinflation accounting as prescribed by IAS 29 Financial Reporting in Hyperinflationary Economies as of 1 January 2018. 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, the company has applied hyperinflation accounting for its Argentinian subsidiaries applying the IAS 29 rules as follows:

- Hyperinflation accounting was applied as of 1 January 2018;
- Non-monetary assets and liabilities stated at historical cost (e.g. property plant and equipment, intangible assets, goodwill, etc.) and equity of Argentina were restated using an inflation index. The hyperinflation impacts resulting from changes in the general purchasing power until 31 December 2017 were reported in retained earnings and the impacts of changes in the general purchasing power from 1 January 2018 are reported through the income statement on a dedicated account for hyperinflation monetary adjustments in the finance line (see also Note 6);
- The income statement is adjusted at the end of each reporting period using the change in the general price index and is converted at the closing exchange rate of each period (rather than the year to date average rate for non-hyperinflationary economies), thereby restating the year to date income statement account both for inflation index and currency conversion;

Climate-related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the group due to both physical and transition risks. Even though the Group believes its business model and products still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislations. The items and considerations that are most directly impacted by climate-related matters are:

- Decommissioning liability: the impact of climate-related legislation and regulations and also resulting constructive obligations are considered in estimating the timing and future cost of plant demolition and site-restoration obligations;
- Emission rights: the Groups receives free emission rights on an annual basis, also purchase on the market additional emission rights if required and is required to remit rights equal to its actual emissions. The Group has adopted the net liability approach to the emission rights granted which implies the classification of purchased emission rights as intangibles but only showing a provision when it exceeds the free received emission rights;
- Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures;
- Impairment of non-financial assets. The value-in-use may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Group's products. The Group has concluded that no single climate-related assumption is a key assumption for the 2024 test of goodwill impairment.

D - Basis of consolidation

Subsidiaries

Subsidiaries are entities that are controlled, directly or indirectly, by the Company.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Investments in associates and joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Equity accounted entities are companies over which the Group generally holds between 20 per cent and 50 per cent of the voting rights. The Group's interest in joint ventures or equity accounted entities is consolidated using the equity method.

Equity accounting starts when joint control or significant influence is established until the date it ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount is reduced to nil and recognition of any further losses is discontinued, except to the extent that the Group has an obligation or has made payments on behalf of the companies. The financial statements of these companies are prepared for the same reporting year as the Company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist. Unrealised gains arising from transactions with joint ventures and equity accounted entities are eliminated to the extent of the Group's interest. Unrealised losses are eliminated the same way as unrealised gain but only to the extent that there is no evidence of impairment. The investments accounted for using the equity method include the carrying amount of any related goodwill.

E - Foreign operations

The individual 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”). Income statements of foreign entities are translated into the Group’s reporting currency at average exchange rates for the year. Assets and liabilities, including goodwill and fair value adjustments arising on consolidation are translated at exchange rates ruling on 31 December. The exchange differences arising on the translation are taken directly to a separate component of equity. On disposal of a non euro entity, the cumulative amount recognised in equity relating to that particular foreign operation is released to the income statement.

F - Transactions in foreign currencies

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange rates on 31 December are recognised in the income statement. Non-monetary assets and liabilities in a foreign currency are translated using the exchange rate at the date of the transaction.

G - Exchange rates

The following exchange rates against € have been used in preparing the financial statements:

		2023		2024	
		Average	End of period	Average	End of period
Argentinean peso *	ARS	894.7116	894.7116	1,074.3120	1,074.3120
Australian dollar	AUD	1.6310	1.6263	1.6399	1.6772
Brazilian real	BRL	5.3937	5.3516	5.8295	6.4363
Chilean peso (000)	CLP	0.9101	0.9701	1.0209	1.0353
Chinese yuan	CNY	7.6736	7.7586	7.7857	7.5833
Colombian peso (000)	COP	4.6557	4.2220	4.4077	4.5776
Danish krone	DKK	7.4513	7.4529	7.4588	7.4578
Hungarian forint	HUF	381.6390	382.7800	395.3968	410.0900
Indonesian rupiah (000)	IDR	16.4878	17.0797	17.1514	16.8209
Nigerian naira	NGN	715.7344	1,001.3600	1,610.8723	1,600.5100
Peruvian nuevo sol	PEN	4.0461	4.3780	4.0615	4.2230
Polish zloty	PLN	4.5332	4.3480	4.3053	4.2730
Pound sterling	GBP	0.8691	0.8691	0.8466	0.8292
South African rand	ZAR	19.9946	20.3477	19.8226	19.6188
US dollar	USD	1.0817	1.1050	1.0822	1.0389

* Argentinean *average* rate (i.e. used for income statement conversion) equals to year-end closing rate as a result of hyperinflation accounting rules.

Risk profile

The Group is exposed to the normal range of general business risks. The Group takes measures to cover these risks through insurance and internal policies.

Typical risks include third-party and product liability, property damage, business interruption, employer’s liability, and, in certain instances, credit risk.

The Group is active around the world. As such, the group is exposed to the impact of currency fluctuations on revenues, costs, assets, and liabilities arising outside the Eurozone. In 2024, the Group continued to follow our well-thought-out policies for addressing these risks. Demand for building materials is mainly driven by growing populations and increasing prosperity. Another important factor is changing macroeconomic parameters, including GDP growth, public spending, interest rates and government policies. The Group achieves risk diversification through our geographic spread and diversified portfolio. An additional element contributing to this diversification is the Group’s broad involvement in residential, commercial, and industrial building, as well as renovation and new housing developments.

The Group uses a variety of raw materials to manufacture its products. Cement, for instance is a key ingredient. It is usually broadly available from several suppliers. Furthermore, the fibres which are used to reinforce some of our products are sourced from a limited number of Japanese and Chinese companies. The Group has built long-term relationships and contracts with each of these businesses. For natural resources such as clay and gypsum, we either own raw material supplies or we secure them by means of long-term contracts. Our energy

costs are significant. This is true for the production of specific products as much as for the manufacturing of the raw materials we receive from our suppliers. That is why we constantly review measures to reduce our energy consumption.

In the past, some Group companies regrettably used asbestos as a raw material. These businesses are exposed to claims from people having developed asbestos-related diseases. The Group is committed to ensuring fair compensation for those suffering from an illness caused by our former use of asbestos. The compensation costs are covered by state social security schemes, insurance companies and our own resources. Given the long latency of some of these diseases, we will remain exposed to this risk in the medium term.

For the Group’s risks from business activities and the use of financial instruments, we refer to section ‘R- Risk management.

Significant accounting policies

The accounting policies have been applied consistently to all periods presented in the consolidated financial statements, and have been applied consistently by all entities. Certain comparatives have been reclassified to conform to current year’s presentation.

A - Property, plant and equipment

Property, plant and equipment are measured at acquisition or construction costs less accumulated depreciation and impairment loss (see E – Impairment of assets). The cost of property, plant and equipment acquired in a business combination is the fair value as at the date of acquisition. After recognition, the items of property, plant and equipment are carried at cost and not revaluated.

Costs include expenditures that are directly attributable to the acquisition of the asset; e.g. costs incurred to bring the asset to its working condition and location for its intended use. It includes the estimated costs of dismantling and removing the assets and restoring the sites, to the extent that the liability is also recognised as a provision. The costs of self-constructed assets include the cost of material, direct labour and an appropriate proportion of production overheads. Borrowing costs incurred and directly attributable to the acquisition or construction of an asset that takes a substantial period of time to get ready for its intended use, are capitalised as incurred. When all the activities necessary to prepare this asset are completed, borrowing costs cease to be capitalised.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the operating income in the year the asset is derecognised.

Subsequent expenditures

The Group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the costs of the item can be measured reliably. The carrying amount of the parts replaced is derecognised. All other costs are recognised in the income statement as an expense as incurred.

Assets held under lease (right-of-use assets)

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. The corresponding lease liabilities are included in non-current and current financial liabilities.

Depreciation

Depreciation starts when an asset is available for use and is charged to the income statement on a straight-line basis over the estimated useful life. The depreciable amount of each part of property, plant and equipment with a cost that is significant in relation to the total cost of the asset is depreciated separately over its useful life on a straight-line basis. Costs of major inspections are depreciated separately over the period until the next major inspection. Temporarily idle assets continue to be depreciated.

Estimated useful lives of the major components of property, plant and equipment are as follows:

- | | |
|--|------------------------------|
| – Lands (excluding lands with mineral reserves): | <i>nil</i> |
| – Lands with mineral reserves: | <i>exploitation lifetime</i> |
| – Lands improvements and buildings: | <i>10 - 40 years</i> |
| – Plant, machinery and equipment: | <i>5 - 30 years</i> |
| – Furniture and vehicles: | <i>3 - 10 years</i> |

Mineral reserves, which are presented as “lands” of property, plant and equipment, are valued at cost and are depreciated based on the physical unit-of-production method over the estimated tons of raw materials to be extracted from the reserves.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end.

B - Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (see E – Impairment of assets).

Internally generated intangible assets are capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development. Expenditure capitalised include the costs of materials, direct labour and an appropriate portion of overheads.

The useful lives of intangible assets are assessed to be either finite or indefinite on the following bases:

- | | |
|--|--|
| – Patents, trademarks and similar rights: | <i>Estimated legal / economical life</i> |
| – Software ERP: | <i>10 years</i> |
| – Other software: | <i>5 years</i> |
| – Development costs: | <i>15 years</i> |
| – Customer lists: | <i>3 - 15 years</i> |
| – Brands: | <i>15 years</i> |
| – Technology and design: | <i>15 years</i> |
| – Rights to exploit and extract mineral resources: | <i>usage</i> |

Intangible assets with finite lives are amortised over the useful economic life using the straight-line method. The estimated useful lives are reviewed at least at each reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates by changing the amortisation charge for the current and future periods. The amortisation expense is recognised in the income statement in the expense category consistent with the function of the asset.

C - Goodwill

Goodwill represents the excess of the cost of a business combination over the Group’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary, equity accounted entities or joint venture at the date of acquisition. Goodwill on acquisitions of equity accounted investee or joint ventures is included in the carrying amount of the investments. Goodwill on the acquisition of subsidiaries is presented separately, and is stated at cost less accumulated impairment losses (see E – Impairment of assets).

If the Group’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, this excess (frequently referred to as negative goodwill or badwill) is immediately recognised in the profit and loss statement, after a reassessment of the fair values.

Additional investments in subsidiaries in which the Company already has control are accounted for as equity transactions; any premium or discount on subsequent purchases of shares from minority interest are recognised directly in the Company’s shareholders equity.

D - Investment property

Investment property is property held to earn rental income or for capital appreciation or for both and is valued at acquisition cost less accumulated depreciation and impairment losses. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met. Investment property is depreciated similar to owned property (see A – Property, plant and equipment).

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal.

Transfers are made to investment property when there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment property when there is a

change in use, evidenced by commencement of owner-occupation.

E - Impairment of assets

At each reporting date, the Group assesses whether there is any indication that an asset, other than inventories and deferred taxes, may be impaired. If any such indication exists, the recoverable amount of the asset (being the higher of its fair value less costs to sell and its value in use) is estimated. In assessing the value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest cash-generating unit to which the asset belongs. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised in the income statement. Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognised for that asset or cash-generating unit in prior periods. A reversal of an impairment loss is recognised immediately in the income statement apart from goodwill for which no such reversal is allowed.

Intangible assets with indefinite useful lives and intangible assets that are not yet available for use are tested for impairment annually either individually or at the cash-generating unit level. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be adequate. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group’s cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount, an impairment loss is recognised.

Where goodwill forms part of a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Financial assets: When a decline in the fair value of a financial asset valued at fair value over OCI (FVOCI) has been recognised directly in comprehensive income and there is objective evidence that the asset is impaired, the cumulative loss that has been recognised directly in comprehensive income is recognised in the income statement even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in the income statement is the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement. The reversal of an impairment loss in respect of an investment in an equity instrument classified as financial asset FVOCI, following an event occurring after the recognition of the impairment loss, is performed in comprehensive income. In the case of equity investments classified as financial asset FVOCI, objective evidence would include a significant or prolonged decline in fair value of the investment below its cost.

F - Investments in debt and equity securities

All purchases and sales of investments are recognised on trade date, which is the date that the Group commits to purchase or sell the asset.

Investments in equity securities are undertakings in which the Group does not have significant influence or control. These investments are designated as fair value through OCI financial assets, as they are not held for trading purposes. At initial recognition they are measured at fair value unless the fair value cannot be measured reliably in which case they are measured at cost. The fair value is determined by reference to their quoted bid price at reporting date. Subsequent changes in fair value, except those related to impairment losses which are recognised in the income statement, are recognised directly in comprehensive income. On disposal of an investment, the cumulative gain or loss previously recognised in comprehensive income is recognised in the income statement.

G - Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an asset, the grant value is recognised as a deferred income and is released to the income statement as a reduction of the depreciation charge over the expected useful life of the relevant asset by equal annual instalments. When the grant relates to a compensation of an expense, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs incurred.

Government grants that are expected to be released within twelve months after the reporting date are classified as other current liabilities. The other government grants are classified as non-current liabilities.

H - Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is assigned by using the weighted average cost method. The cost of inventories comprises all costs of purchases and other costs incurred in bringing the inventories to their present location and condition, including inter-plant transportation charges. For manufactured inventories, cost means full cost including all direct and indirect production costs required to bring the inventory items to the stage of completion at the reporting date. Allocation of indirect production costs is based on normal operating capacity. Borrowing costs are expensed as incurred. The costs of inventories may also include transfers from equity of any gain or loss on qualifying cash flow hedges on foreign currency purchases of inventory.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

I - Trade and other receivables

Trade and other receivables are initially recognised at fair value which generally corresponds with the nominal value. Trade and other receivables are subsequently carried at amortised cost using the effective interest rate method. An impairment allowance is recognised for any uncollectible amounts when there is objective evidence that the Group will not be able to collect the outstanding amounts. The Group applies the simplified approach to measuring the expected credit losses which uses a lifetime expected loss allowance for all trade receivables based on historical losses.

J - Cash and cash equivalents

Cash and cash equivalents are readily convertible into known amounts of cash. Cash and cash equivalents comprise cash at banks and on hand and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are not included in cash and cash equivalents but classified as current financial liabilities. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Cash and cash equivalents are carried in the statement of financial position at amortised cost.

K - Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares or share options are recognised as a deduction of equity, net of tax effects.

Treasury shares

Own equity instruments (treasury shares) are deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Dividends

Dividends are recognised as liabilities in the period in which they are declared.

L - Provisions

A provision is recognised when the Group has a legal or constructive obligation arising from past events for which it is probable the settlement will require an outflow of resources embodying economic benefits and a reliable estimate can be made on the amount of the obligation. Where the effect of the time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation. The result of the yearly discounting of the provision, if any, is accounted for as financial result.

Warranty provisions

The Group recognises a provision to cover the costs arising from contractual obligation or established practice of repairing or replacing faulty or defective products sold on or before the reporting date. The estimate of warranty provision is based on past experience on the level of repairs, applied to past period sales that are still under warranty.

Restructuring provisions

Restructuring provisions are recognised when the following conditions are met:

- the decision to restructure is based on a detailed formal plan identifying at least: the business and the employees concerned, the expected expenditures and the expected date of implementation,
- there is a valid expectation that the plan will be carried out to those affected by it by the reporting date,
- the restructuring has either commenced or has been announced publicly.

Any restructuring provision only includes the direct expenditure arising from the restructuring which is necessarily incurred and is not associated with the ongoing activities of the Group.

Emission rights

The initial allocation of emission rights granted is recognised at nominal amount (nil value) and is subsequently carried at cost. Where the Group has emitted CO² in excess of the emission rights granted, it will recognise a provision for the shortfall based on the market price at that date. The emission rights are held for compliance purposes only and therefore the Group does not actively trade these in the market.

Other provisions

These captions include provisions for claims and litigation with customers, suppliers, personnel, tax authorities and other third parties. It also includes provisions for onerous contracts, for guarantees given to secure debt and commitment of third parties when they will not fulfil their obligation and for site restoration costs.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

A provision for site restoration costs in respect of contaminated land is recognised whenever the Group has a legal obligation to clean the land or where there is an intention to sell the land.

Provisions that are expected to be settled within twelve months after the reporting date are classified as other current liabilities. The other provisions are classified as non-current liabilities.

M - Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligation,
- or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the statement of financial position. They are disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised in the financial statements but are disclosed if the inflow of economic benefits is probable.

N - Post employment benefits and other long-term employee benefits

Defined benefits plans

Some Group companies provide pension or medical plans for their employees which qualify as defined benefits plans. The net obligation resulting from these plans, which represents the amount of future benefits that employees have earned in return of their service in the current and prior periods, are determined separately for each plan by a qualified actuary using the projected unit credit method. The calculations are based on actuarial assumptions relating to mortality rates, rates of employee turnover, future salary levels and medical costs increase which reflect the economic conditions in each country or entity.

Discount rates are determined by reference to the market yields at the reporting date on high quality corporate bonds or to the interest rates at the reporting date on government bonds where the currency and terms of the bonds are consistent with the currency and estimated terms of the defined benefit obligation.

Re-measurements, comprising actuarial gains and losses (excluding net interest), are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- the **date of the plan amendment** or curtailment, and
- the **date that the Group recognises restructuring-related costs**

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation under:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements in operating income before non-recurring items
- **Net interest expense in interest expenses.**

The defined benefit liability is the aggregate of the present value of the defined benefits obligation reduced by past service cost not yet recognised and the fair value of plan assets out of which the obligations are to be settled directly. If such aggregate is negative, a net pension asset is recorded only to the extent that it does not exceed the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan and any unrecognised past service costs.

Defined contributions plans

In addition to the defined benefits plans described above, some Group companies sponsor defined contributions plans based on local practices and regulations. The Group's contributions to defined contributions plans are charged to the income statement in the period in which the contributions are due.

Other long term benefits plans

Other long term obligations include the estimated costs of early retirement for which a constructive obligation exists at reporting date.

Short term benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under short term cash-bonus plans if the Group has a present and constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be measured reliably.

Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date.

O - Employee benefits – Share based payment transactions

The Group operates various share-based compensation plans which qualify as equity-settled transactions with a cash alternative. In addition to the shares options, beneficiaries receive put options which entitle them to a cash payment, and as management assumes that most of these put options will be exercised, the Company accounts for the grants as a cash-settled transaction. The services received and the liability incurred are measured initially at fair value at the grant date using the Black and Scholes method taking into account the terms and conditions upon which the instruments were granted. The initial fair value is expensed over the period until vesting. The fair value of the liability is re-measured at each reporting date up to and including the settlement. Any changes in fair value of the liability are recognised in the income statement.

P - Financial liabilities

Bank loans and other borrowings

Bank loans and other borrowings are recognised initially at the fair value of the consideration received, net of transaction costs incurred. In subsequent periods, bank loans and other borrowings are stated at amortised cost, with any difference between costs and redemption value being recognised in the income statement, using the effective interest rate method. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

These liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. Lease payments do not include payments allocated

to non-lease components of a contract. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occur.

The Group presents interests paid on its lease liabilities as financing activities in the cash-flow statement. Variable payments as well as amounts paid for short-term and low-value leases are presented as operating activities.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset. The lease payments due within twelve months are included in current financial liabilities.

Liabilities related to put options granted to non-controlling interests

When the Group granted put options to third parties with non-controlling interests in a subsidiary, these options are giving the holders the right to sell part or all of their investment in the subsidiary. These financial liabilities do not bear interest. In accordance with IAS 32, when non-controlling interests hold put options enabling them to sell their investment in the Group, a financial liability is recognised in an amount corresponding to the present value of the estimated exercise price. This financial liability is included in the non-current liabilities. The counterpart of this liability is a write-down of the value of the non-controlling interest underlying the option or a reduction of parent equity (based on the conditions of the put-option). The difference between the value of the non-controlling interest and the fair value of the liability is allocated to the retained earnings (Group share), which are included in shareholders' equity. This item is adjusted at the end of each reporting period to reflect changes in the estimated exercise price of the option and the carrying amount of non-controlling interests. If the option matures without exercising, the liability is written off against non-controlling interests and retained earnings.

Q - Trade and other payables

Trade and other payables are initially recognised at fair value which generally corresponds with the nominal value. They are subsequently carried at amortised cost using the effective interest rate method. The Group has supplier finance arrangements in place. The arrangements contemplate the transfer of receivables (outstanding Group's payables) by suppliers to predefined banks. The group has determined that the terms (amount, nature, function and timing) of the trade payables are otherwise substantially unchanged and that it is therefore appropriate to continue presenting the relevant amounts within trade payable in the balance sheet.

R - Risk Management

The Group has exposure to the following risks from its business activities and use of financial instruments in running and managing its business:

- Market risk
- Credit risk
- Liquidity risk
- Capital risk

The Group's risk management policies have been established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly in the light of market conditions and changes in the Group's activities.

a. Market risk

Market risk is the risk that changes in the market prices, such as foreign exchange rates, interest rates and equity prices, will (positively or negatively) affect the Group's income or expenses or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

The Group creates financial assets and incurs financial liabilities in the ordinary course of business. It buys and sells derivatives in order to manage market risk. Generally, the Group seeks to apply hedge accounting to allow it to offset, at maturity, the gains or losses on the hedging contracts against the value of costs and revenue. Hedge accounting enables it to manage volatility in the income statement.

Currency risk

In its operations, the Group is exposed to currency risk on sales, purchases and borrowings.

The translation of local statements of financial position and income statements into the Group reporting currency leads to currency translation effects. If the Group hedges net investments in foreign entities with foreign currency borrowings or other instruments, the hedges of net investments are accounted for similarly to cash flow hedges. All foreign exchange gains or losses arising on translation are recognised in equity and included in cumulative translation differences.

Due to the nature of the Group's business, a high proportion of revenues and costs is in local currency, thus transaction risk is limited. Where Group entities have expenditures and receipts in different foreign currencies, they enter into derivative contracts themselves or through the Group's treasury centre to hedge their foreign currency exposure over the following months (based on forecasted purchases and sales). These derivatives are designated either as cash flow hedges, fair value hedges or non hedging derivatives.

Interest rate risk

The Group's primary source of funding is floating rate bank debt. Therefore it is exposed to the risk of changes, beneficial or adverse, in market interest rates. The Group's long-term borrowings have been raised by companies in Belgium. To manage its interest costs, the Group has entered into interest rate swaps. The hedges ensure that the major part of the Group's interest rate cost on borrowings is on a fixed rate basis. The timing of such hedges is managed so as to lock interest rates whenever possible.

Equities and securities risk

Equity price risk arises from financial assets valued at fair value through OCI. In general, the Group does not acquire any shares or options on shares or other equity products, which are not directly related to the business of the Group.

b. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or finance counterparty to a deposit, lending or derivative instrument fails to meet its contractual obligations. It arises principally from the Group's receivables from customers and from bank deposits and investment securities. It also includes the risk that a financial counterparty may fail to meet its obligation under a financial liability. The Group constantly monitors credit risk, and ensures that it has no excessive concentration of credit risk with any single counterparty or group of connected counterparties.

To manage the risk of customer default, the Group periodically assesses the financial reliability of customers, and establishes purchase limits for each customer. The Group applies the simplified approach to measuring the expected credit losses which uses a lifetime expected loss allowance for all trade receivables based on historical losses. The main components of these allowances are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

Finance counterparties consist of a number of major financial institutions. The Group does not expect any counterparties to fail to meet their obligations, including their lending obligations, given their high credit risk ratings. Nevertheless, the Group seeks to spread its interactions with the banking world on a sufficient number of market players to mitigate the risk of a potential default.

c. Funding and long-term liquidity risk

Funding risk is the risk that the Group will be unable to access the funds that it needs when it comes to refinance its debt or through the failure to meet the terms of its main syndicated credit facility. A summary of the terms of the facility are to be found in Note 24 on financial debts. Refinancing risk is managed through developing and maintaining strong bank relationships with a group of financial institutions and through maintaining a strong and prudent financial position over time.

Long term liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, and so avoid incurring unacceptable losses or risking damage to the Group's reputation.

Short term liquidity risk is managed on a daily basis with funding needs being fully covered through the availability of credit lines. Cash is maintained, where necessary, to guarantee the solvency and financial flexibility of the Group at all times. In 2015 a factoring and credit insurance plan was set up for trade receivables (refer to Note 15).

d. Capital risk

The Group's primary objective when managing capital is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in the light of changes in economic situations.

S - Derivative financial instruments

The Group uses derivative financial instruments such as forward exchange contracts, commodity hedges and interest rate swaps to hedge its risk associated with foreign currency, commodity prices and interest rate fluctuations. In accordance with its treasury policy, the Group does not hold derivative financial instruments for trading purposes. Derivative financial instruments that do not qualify for hedge accounting are accounted for as financial assets and liabilities at fair value through profit and loss.

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into. The fair value of

derivative financial instruments is either the quoted market price or is calculated using pricing models taking into account current market rates and current creditworthiness of the counterparties.

Subsequently to initial recognition, derivative financial instruments are stated at fair value at the reporting date. The fair value of forward exchange contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of interest rate swap contracts is determined by reference to market values for similar instruments.

Derivative financial instruments are stated at cost if their fair value cannot be measured reliably.

Gains or losses on re-measurement to fair value are recognised immediately in the income statement unless the derivative qualifies for hedge accounting whereby recognition is dependent on the nature of the item being hedged. On the date a derivative contract is entered into, the Group designates certain derivatives either as:

- a hedge of a particular risk associated with a recognised asset or liability or highly probable forecasted transaction, such as variability in cash flows of future interest payments on a floating rate debt (cash flow hedge), or
- a hedge of a net investment in a foreign entity.

A derivative instrument is accounted for as a hedge, when:

- The hedging relationship is documented as of its inception.
- The hedging is highly effective in achieving its objective.
- The effectiveness can be reliably measured.

For a cash flow hedge, the forecasted transaction which is the subject of the hedge must be highly probable.

Cash flow hedge

Changes in the fair value of derivatives that are designated and qualify as cash flow hedges and that are effective are recognised in equity. Where the firm commitment results in the recognition of a non-financial asset, for example property, plant equipment or inventory, or a non-financial liability, the gains or losses previously recognised in equity are transferred from equity and included in the initial measurement of the non-financial asset or liability. Otherwise, amounts recognised in equity are transferred to the income statement and classified as revenue or expense in the same periods during which the cash flows, such as interest payments, or hedged firm commitments, affect the income statement. Any ineffective portion is reported immediately in the income statement. When a hedging instrument is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the committed transaction ultimately is recognised in the income statement. However, if a committed transaction is no longer probable to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

Net investment hedge

Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation that are effective, are recognised in equity and included in cumulative translation differences. The amounts deferred in equity are transferred to the income statement on disposal of the foreign entity.

Certain derivative transactions, while providing effective economic hedges under the Group's risk management policies, may not qualify for hedge accounting. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the income statement. The changes in fair value that are recognised in profit and loss of the period are classified in operating result if the derivative relates to a non-financial asset and in financial result if the derivative relates to a financing transaction.

T - Income taxes

Income taxes include current and deferred income taxes.

Current income taxes

Current tax is the expected tax payable on taxable income for the year, and any adjustment to tax payable in respect of previous years. Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend.

Deferred income taxes

Deferred income taxes are calculated, using the balance sheet liability method, on all temporary differences arising between the carrying amounts of assets and liabilities in the consolidated statement of financial position and their tax base. The amount of deferred tax provided is based on the expected manner of realisation of the carrying amount of assets and liabilities, using the tax rates enacted or substantially enacted

at the reporting date.

Deferred tax liabilities are recognised, except:

- where the temporary differences arise from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit on that date.
- in respect of taxable temporary differences associated with investments in subsidiaries, equity accounted entities and interest in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised only when it is probable that taxable profits will be available in the coming 3 to 5 years, against which the deductible temporary difference or the tax loss to be carried forward can be utilised, except:

- where the temporary differences arise from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit on that date.
- in respect of deductible temporary differences associated with investments in subsidiaries, equity accounted entities and interest in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets are reviewed at each reporting date to assess the probability that sufficient taxable profit will be available to allow deferred taxes to be utilised.

Deferred tax is recognised in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is treated accordingly.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

Pillar II

The Group operates on the assumption that it is within the scope of the OECD Pillar II (GloBE) model rules. Pillar II legislation was enacted in Belgium, the jurisdiction in which Etex NV is incorporated, and came into effect as from 1 January 2024.

The group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar II income taxes, as provided in the amendments to IAS 12 issued in May 2023.

U - Revenue

Revenue arising from contracts with customers is recognised applying the five-step model. Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group recognises revenue from the following major sources:

Sales of goods

Contracts with customers to sell goods have only one performance obligation. Revenue recognition (net of sales tax and discounts) occurs at a point in time, when control of the asset is transferred to the customer.

Project - Construction contracts

Contract revenue is recognised progressively on the most appropriate output or input method, to measure progress towards completion. Judgement is required when determining if a contract meets the criteria for recognition over time and the proportion of revenue to recognise. When the outcome can be assessed reliably, contract revenue is recognised by reference to the stage of completion of the contract activity at the reporting date. A construction contract's stage of completion is assessed by management by comparing costs incurred to date with the total costs estimated for the contract. Contract costs are recognised in the period in which they are incurred. The majority of contracts have payment terms based on contractual milestones, which are not always aligned to when revenue is recognised. The Group recognises contract liabilities for consideration received in respect of unsatisfied contractual obligations and reports these amounts as a contract liability in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, then it will recognise either a contract asset or a receivable in its statement of financial position. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of the contract expenses that are recoverable. In the period in which it is determined that a loss will result from the performance of a contract, the entire amount of the estimated ultimate loss is charged to the income statement.

Rental income

Rental income arising on investment properties is accounted for on a straight-line basis over the lease terms on ongoing leases.

Interest income

Interest is recognised on a time proportion basis that reflects the effective yield on the asset.

Dividends

Dividends are recognised when the Group's right to receive payment is established.

V - Expenses

Finance income and expenses

Finance costs comprise:

- interest payable on borrowings calculated using the effective interest rate method;
- foreign exchange gains and losses on financial assets and liabilities;
- gains and losses on hedging instruments that are recognised in the income statement;
- the expected return on plan assets; and
- interest costs with respect to defined benefit obligations.

The interest expense component of lease payments is recognised in the income statement using the effective interest rate method.

W - Non-current assets held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use.

A discontinued operation is a component of the Group business that represents a separate major line of business or geographical area of operations or a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operations meet the criteria to be classified as held for sale, if earlier. A disposal group that is to be abandoned may also qualify.

X – Non-recurring items

Income statement items that relate to significant restructuring measures and business transformations, health claims and environmental remediation, major litigation, and goodwill impairment, income or expenses arising from disposal of businesses or non-productive assets and other significant one-off impacts such as those relating to long term employee benefits settlement.

Y - Hyperinflation

Following the categorisation of Argentina as a country with a three-year cumulative inflation rate greater than 100%, the country is considered highly inflationary in accordance with IFRS thereby triggering the requirement to transition to hyperinflation accounting as prescribed by IAS 29 Financial Reporting in Hyperinflationary Economies.

Z - Future changes in accounting policies

New or amended standards and interpretations issued up to the date of issuance of the Group’s financial statements, but not yet effective for 2024 financial statements, which could be applicable to the Group are listed below.

The following new standard and amendments have been issued, are not mandatory for the first time for the financial year beginning 1 January 2024 but have been endorsed by the European Union: **Amendments to IAS 21 ‘The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability’ (effective 1 January 2025)**.

- IAS 21 previously did not cover how to determine exchange rates in case there is long-term lack of exchangeability and the spot rate to be applied by the company is not observable. The narrow scope amendments add specific requirements on:
- Determining when a currency is exchangeable into another and when it is not;
 - Determining the exchange rate to apply in case a currency is not exchangeable;
 - Additional disclosures to provide when a currency is not exchangeable.

The following amendments have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2024 and have not been endorsed by the European Union:

- Amendments to IFRS 9 and to IFRS 7: the Classification and Measurement of Financial Instruments (effective on 1 January 2026)**. On 30 May 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 Amendments to IFRS 9 and IFRS 7 (effective on 1 January 2026)**. On 18 December 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 1 January 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 1 January 2027 and also applies to comparative information. The changes in presentation and disclosure required by IFRS 18 might require system and process changes.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective on 1 January 2027). The International Accounting Standard Board (IASB) has issued a new IFRS Accounting Standard for subsidiaries. IFRS 19 ‘Subsidiaries without Public Accountability: Disclosures’ permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. Applying IFRS 19 will reduce the costs of preparing subsidiaries’ financial statements while maintaining the usefulness of the information for users of their financial statements.

- Annual improvements Volume 11 (effective 1 January 2026)**. The amended Standards are:
- IFRS 1 First-time Adoption of International Financial Reporting Standards;
 - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
 - IFRS 9 Financial Instruments;
 - IFRS 10 Consolidated Financial Statements; and
 - IAS 7 Statement of Cash Flows.

These amendments are expected to not have any significant impact on the financial statements.

3.2 Explanatory notes

Note 1 – Revenue

Revenue by activity

<i>In thousands of EUR</i>	2023	2024
Building Performance	2,380,800	2,314,897
Exteriors	594,826	545,384
Insulation	525,968	541,797
Industry	244,241	320,378
New Ways	62,063	54,585
Total	3,807,898	3,777,041

Revenue by geographical area

<i>In thousands of EUR</i>	2023	2024
France	782,184	715,041
United Kingdom	555,629	576,070
Germany	391,763	358,298
Benelux	237,040	223,373
Spain	216,298	208,647
Italy	153,713	151,080
Poland	135,718	139,424
Ireland	72,932	78,317
Romania	58,358	59,161
Other Europe	267,602	273,787
Australia	222,061	311,716
Argentina	79,502	98,450
Chile	102,410	85,273
Colombia	80,690	83,283
Peru	84,800	71,350
Brazil	77,467	71,322
Nigeria	78,888	56,581
Rest of the World	210,843	215,868
Total	3,807,898	3,777, 041

Note 2 – Operating segments

The Group has the following 5 strategic operating segments: Europe, Latin America, Australia, Asia and Africa.

These operating segments are managed separately because they require different marketing strategies. The Group's chief operating decision maker reviews the internal management report of each operating segment at least quarterly. Transactions between various segments are carried out at arm's length in a manner similar to transactions with third parties. Other segments include minor business, none that met the quantitative thresholds of reportable segments in 2024 and 2023. Information related to each reportable segment is set out below.

In thousands of EUR	Europe		Latin America		Australia		Asia	
	2023	2024	2023	2024	2023	2024	2023	2024
Revenue	2,909,429	2,829,200	441,487	423,943	219,751	314,767	104,396	95,307
Operating income before non recurring items (REBIT)	346,042	293,536	52,911	55,580	26,074	43,672	11,422	9,497
Depreciations, amortisations and impairment losses	187,499	198,874	22,836	30,565	17,130	22,578	7,791	7,549
Recurring operating cash flow (REBITDA)	533,541	492,410	75,747	86,146	43,204	66,250	19,213	17,045
Non recurring items	-55,672	-65,565	-3,671	-9,021	-1,168	-7,015	-629	-696
Operating segment income (EBIT)	290,370	227,972	49,241	46,560	24,906	36,657	10,793	8,801
Capital expenditures	253,343	171,600	35,328	24,266	5,268	6,852	3,853	3,469

In thousands of EUR	Europe		Latin America		Australia		Asia	
	2023	2024	2023	2024	2023	2024	2023	2024
Segment assets	3,540,825	3,584,276	458,744	510,330	241,291	385,569	130,297	129,744
Segment Liabilities	1,411,547	1,409,737	105,327	102,562	57,398	106,646	22,452	22,626
Capital employed	2,835,666	2,834,252	263,731	288,226	192,287	314,998	95,033	90,237

In thousands of EUR	Africa		Rest of world		Not allocated to operating segments		Total Etex	
	2023	2024	2023	2024	2023	2024	2023	2024
Revenue	105,665	84,885	27,169	28,939	-	-	3,807,898	3,777,041
Operating income before non recurring items (REBIT)	26,546	15,290	3,259	4,206	-10	6	466,244	421,788
Depreciations, amortisations and impairment losses	3,454	4,042	775	827	6,510	8,887	245,995	273,322
Recurring operating cash flow (REBITDA)	30,000	19,332	4,034	5,032	6,503	8,893	712,242	695,110
Non recurring items	284	-774	-	-425	-6,572	-4,655	-67,429	-88,150
Operating segment income (EBIT)	26,829	14,516	3,259	3,781	-6,582	-4,649	398,816	333,638
Capital expenditures	27,672	2,483	360	428	11,989	10,942	337,813	220,039

In thousands of EUR	Africa		Rest of world		Not allocated to operating segments		Total Etex	
	2023	2024	2023	2024	2023	2024	2023	2024
Segment assets	90,459	79,113	16,189	19,495	206,352	313,069	4,684,156	5,021,597
Segment Liabilities	36,379	28,407	3,884	5,085	1,125,482	1,316,034	2,762,471	2,991,097
Capital employed	55,938	43,018	13,397	14,178	73,808	70,278	3,529,861	3,655,187

The unallocated assets mainly relate to other assets and cash and cash equivalents. The unallocated liabilities mainly relate to financial debts and employee benefit liabilities.

Note 3 – Operating charges by nature

The Group's major operating charges by function in 2024 are as follows:

<i>In thousands of EUR</i>	Personnel	Depreciation & impairment	Goods & materials	Energy	Transport & travel	Others	Total
Cost of sales	-432,444	-185,311	-1,087,416	-434,269	-318,547	-171,714	-2,629,701
Distribution expenses	-270,144	-69,228	-	-1,627	-19,019	-129,777	-489,795
Administrative and general expenses	-126,882	-13,658	-	-1,372	-7,168	-57,906	-206,987
Other operating items	-18,574	-5,124	-	-58	-1,602	-3,412	-28,770
Non-recurring items	-17,648	-11,676	-	-	-	-58,826	-88,150
Total	-865,693	-284,998	-1,087,416	-437,327	-346,335	-421,635	-3,443,403

The Group's major operating charges by function in 2023 are as follows:

<i>In thousands of EUR</i>	Personnel	Depreciation & impairment	Goods & materials	Energy	Transport & travel	Others	Total
Cost of sales	-395,587	-166,838	-1,197,454	-370,440	-330,646	-172,845	-2,633,810
Distribution expenses	-254,124	-61,334	-	-1,556	-19,431	-122,257	-458,702
Administrative and general expenses	-138,735	-13,603	-	-1,062	-5,839	-64,556	-223,796
Other operating items	-19,793	-4,221	-	-41	-1,082	-210	-25,346
Non-recurring items	-18,624	-11,962	-	-	-	-36,843	-67,428
Total	-826,864	-257,957	-1,197,454	-373,099	-356,998	-396,711	-3,409,083

The Group's total personnel expenses, are made up of the following elements:

<i>In thousands of EUR</i>	2023	2024
Wages and salaries	-600,589	-641,592
Social security contributions	-129,368	-145,547
Contributions to defined contribution plans	-15,035	-17,904
Charges for defined benefit plans (service cost)	-24,143	-2,610
Restructuring and termination charges	-18,624	-17,648
Other employee benefits expenses	-39,105	-40,392
Total employee benefits expenses	-826,864	-865,693

The number of the Group's employees is split into the following categories:

	2023	2024
Production	8,378	8,128
Sales and marketing	3,707	3,874
Administration and research	1,468	1,430
Average number of personnel	13,553	13,432

Note 4 – Other operating charges and income

<i>In thousands of EUR</i>	2023	2024
Research and development	-25,442	-25,774
Other operating taxes	-1,096	-1,166
Government grant amortisation	1,087	782
Miscellaneous	105	-2,612
Total other operating charges & income	-25,346	-28,770

Note 5 – Non-recurring items

<i>In thousands of EUR</i>	2023	2024
Gains / (losses) on disposal of assets	1,436	2,515
Gains / (losses) on disposal of businesses	581	-860
Total gains / (losses) on disposal of assets and businesses	2,017	1,655
Restructuring costs	-19,550	-41,594
Health claims	-2,928	-6,570
Environmental remediation	-18,540	-15,999
Asset impairment	-11,036	-7,007
Others	-17,391	-18,637
Total other non-recurring items	-69,445	-89,806
Non-recurring items	-67,428	-88,151

Etex has opted for a non-recurring classification of significant one-off impacts on the income statement, both positive and negative impacts relating to significant restructuring measures and business transformation, gain and losses on disposal of assets or businesses and goodwill impairments, settlements relating to post-employment liabilities or litigation not relating to current activities. Non-recurring items also include the impact of health claims and environmental remediation, as these health claims and environmental remediation impacts can fluctuate from one year to another and relate to the asbestos legacy of Etex.

The 2024 gain on disposal of assets relates mainly to the French site Vernouillet which were held as investment property. In 2023, it related mainly to Nigerian non-operating assets which were held for sale.

The 2024 loss realised on disposal of business mainly relates to subsequent cost linked to the Umbelino Monteiro divestment back in 2019. In 2023, the gain on disposal of business related to a non-operational business in Latin America.

The health claims charges reflect marginal adjustment to the experienced and expected increase in future cost in specific geographies, on top of incurred legal costs.

Environmental remediation charges cover various projects for which costs were exposed to renovate asbestos-containing sites and properties.

In 2024, impairment losses related to assets in Peru (€3,492 thousand, idle production equipment) and Germany (€2,776 thousand, discontinued Terrace business).

In 2023, impairment losses are relating to New Ways division on the Sigmat brand acquired in 2021 in the framework of rebranding to Remagin (€7,167 thousand) and other impairment impacts in France (€2,610 thousand) and Ukraine (€1,206 thousand), mainly.

In 2024, following restructuring measures were implemented:

- the closure of the Haulchin manufacturing site (France) and related redundancies, impairment and other costs (€18,762 thousand),
- several restructuring initiatives to reduce cost base that generated one-off impacts (€22,832 thousand in total) and were initiated in multiple countries as well as in central functions, mainly in France (€12,652 thousand), in Belgium (€3,686 thousand), in Latin America (€2,309 thousand), in Germany (€1,410 thousand) and in Spain (€1,271 thousand).

Restructuring charges in 2023 mainly related to the following:

- the closure of the Meldreth plant (UK) and related redundancies, impairment and other costs (€6,747 thousand)
- numerous measures to reduce overheads costs mainly in France, in Germany and Belgium, across divisions, and affecting mainly sales roles but also operations and support functions.

Other non-recurring charges amount to €18,637 thousand in 2024, and mainly included:

- German real estate transfer tax (€6,284 thousand) linked to organisational structure modifications implemented several years ago,

- one-off charges incurred due to acquisition of businesses, plasterboard and fibre cement business (BGC, in Australia) in 2024 mainly, including integration expenses, also partially relating to acquisitions prior to 2024 (€7,993 thousand),
- impacts are relating to inventory write-off for discontinued product ranges or expenses relating to demolition or preparation works for non-operating assets to be disposed ultimately (€3,319 thousand).

In 2023, other non-recurring (€17,391 thousand) charges are resulting mainly from:

- one-off costs (€12,309 thousand) with respect to acquisitions (Skamol, Superglass) and disposals (URSA Eurasia) as well as related integration (including URSA).
- charges related to the termination of e-Loft operations in France.

Note 6 – Finance income and expense

<i>In thousands of EUR</i>	2023	2024
Interest income from receivables, deposits and cash and cash equivalents (loans and receivables)	20,586	23,343
Positive impact of change in discount rate of long term provisions	2,974	922
Net interest income on post-employment benefits	-	1,663
Other interest related income	93	4
Interest income	23,653	25,932
Interest expense on financial liabilities measured at amortised cost	-50,288	-64,424
Net interest expense on post-employment benefits	-984	-
Unwinding of discount long term provisions	-240	-180
Negative impact of change in discount rate of long term provisions	-377	-832
Other interest related charges	-13,645	-15,758
Interest expense	-65,534	-81,194
Dividend income from shares in non consolidated companies	-	90
Net foreign exchange gains (loans and receivables)	46,070	46,461
Other	54,998	327
Other finance income	101,068	46,878
Net foreign exchange losses	-17,341	-24,130
Impairment of shares in non consolidated companies	-75	-
Hyperinflation Argentina	-45,667	-53,833
Other	-1,263	-580
Other finance expense	-64,346	-78,543
Net finance costs	-5,160	-86,927

The interest income from receivables, deposits and cash and cash equivalents increased mainly because of rising interest rates across all currencies in 2024. The interest expense on financial liabilities measured at amortised cost also increased because of rising interest rates. The effect of the interest rate swaps hedging the Group’s interest rate risk in 2024 amounts to €16,454 thousand (€13,639 thousand paid in 2023).

The other interest related charges of €-15,758 thousands in 2024 (€-13,645 thousand in 2023) mainly include interest charges linked to the non-recourse factoring programme for €-13,419 thousand (€-12,904 thousand in 2023), the upfront fee expenses for €-1,277 thousand in 2024 (€-1,012 thousand in 2023) in connection with the external financial debt which are amortised over the duration of the loan and the ineffectiveness part of the unwinding of our USPP pre-hedge interest rate swap (€-1,028 thousand).

The other financial income / expenses include:

- The impact of hyperinflation monetary losses in Argentina in 2024 is €-53,833 thousand out of which €-54,409 thousand is generated by the indexation of non-monetary balance sheet items including equity and related deferred taxes, and €576 thousand is offsetting the indexation of other captions on income statement (€-45,667 thousand in 2023, €-31,240 thousand from balance sheet and €-14,427 thousand from offsetting income statement indexation);
- The foreign exchange gains and losses are presented net of the effect of foreign exchange derivative instruments. The net exchange gain in 2024, excluding the impact of hyperinflation from other financial expenses, is the result of the Group’s foreign exchange exposure in mainly Argentina (out of which €19,519 thousand gains related to USD-linked bond revaluation, €36,958 thousand in 2023) and Nigeria on the current financial assets and liabilities in these countries;
- Prior year figures also includes the unwinding impact of one of our interest rate swap agreements (€ 55,200 thousand).

Note 7 - Income tax expense

<i>In thousands of EUR</i>	2023	2024
Current income tax charge for the year	-112,139	-96,112
Adjustments to current income tax of previous years	6,810	770
Current income tax expense	-105,329	-95,342
Origination and reversal of temporary differences	1,301	16,567
Net effect on deferred tax assets	-9,075	-3,161
Net effect of changes in tax rates on deferred tax	-269	1,556
Deferred income tax expense	-8,043	14,962
Total income tax expense	-113,372	-80,380

The reconciliation between the effective income tax expense and the theoretical income tax expense is summarised below. The theoretical income tax expense is calculated by applying the domestic nominal tax rate of each Group entity to their contribution to the Group profit before income tax and before share of the profit in equity accounted investees.

The provision for Pillar II amounts to €530 thousand in 2024 and relates to the Group’s operations in Hungary, Switzerland, and the United Arab Emirates.

<i>In thousands of EUR</i>	2023	2024
Profit before income tax, before share of profit in equity accounted investees and before share of profit from companies held for sale	393,656	246,710
Theoretical income tax expense (nominal rates)	-104,075	-57,258
Weighted average nominal tax rate %	26.4%	23.2%
Tax impact of		
<i>Non deductible expenses</i>	-20,326	-27,610
<i>Tax on profit distribution inside the Group</i>	-3,875	-9,914
<i>Other tax deductions</i>	17,924	15,542
<i>Unrecognised deferred tax assets on current year losses</i>	-26,478	-19,375
<i>Recognition of previously unrecognised deferred tax assets</i>	20,619	17,097
<i>Derecognition of previously recognised deferred tax assets</i>	-3,216	-883
<i>Net effect of changes in tax rates on deferred tax</i>	-269	1,556
<i>Adjustments to prior year income tax</i>	6,810	770
<i>Other tax adjustments</i>	-486	-305
Income tax expense recognised in the income statement	-113,372	-80,380
Effective tax rate %	28.8%	32.6%

The recognition of previously unrecognised deferred tax assets relates mainly to the structural changes being implemented that allow the future use on tax losses carried forward.

Income tax recognised directly in equity is related to:

<i>In thousands of EUR</i>	2023	2024
Actuarial gains (losses) on post employment benefit plans	-8,544	6,053
Gains (losses) on financial instruments - cash flow hedging	26,501	2,975
Total	17,957	9, 028

Note 8 - Property, plant and equipment

<i>In thousands of EUR</i>	Land and buildings	Plant, machinery, equipment	Furniture, vehicles	Other property, plant, equipment	Under construction	Total
At 31 December 2022						
Gross book value	1,345,912	2,717,364	259,637	45,917	288,216	4,657,046
Accumulated depreciation	-634,650	-1,801,184	-193,283	-35,330	-	-2,664,447
Accumulated impairment loss	-16,540	-42,376	-936	-327	-3,293	-63,472
Net book value	694,722	873,804	65,418	10,260	284,923	1,929,127
Of which leased assets	102,637	25,522	19,084	370	-	147,613
Additions	32,402	60,853	21,666	3,353	220,566	338,840
Disposals	-2,487	-371	-334	-5	-82	-3,279
Acquisition of subsidiaries	33,603	115,731	2,699	523	575	153,131
Disposal of subsidiaries	-2,183	-2,278	-499	-	-	-4,960
Transfer between captions	50,248	39,758	2,208	1,585	-108,534	-14,735
Depreciation for the year	-47,044	-124,011	-22,564	-4,138	-	-197,757
Impairment loss of the year	-10	-1,308	-168	-	-2,371	-3,857
Reversal impairment loss	-	-295	-9	-	-	-304
Hyperinflation - impact of the year	6,255	7,935	912	-	11,784	26,886
Translation differences	-7,739	-25,643	-2,255	-241	-29,833	-65,711
At 31 December 2023						
Gross book value	1,450,792	2,953,789	277,870	51,651	382,626	5,116,728
Accumulated depreciation	-677,068	-1,967,144	-209,964	-39,992	-	-2,894,168
Accumulated impairment loss	-15,957	-42,470	-832	-322	-5,598	-65,179
Net book value	757,767	944,175	67,074	11,337	377,028	2,157,381
Of which leased assets	99,409	28,812	25,015	305	-	153,541
Additions	36,694	77,782	19,449	2,748	110,352	247,025
Disposals	-238	-499	-687	-6	-	-1,430
Acquisition of subsidiaries	41,552	9,143	238	-	-	50,933
Transfer between captions	137,071	139,057	249	3,238	-289,897	-10,282
Depreciation of the year	-54,364	-139,550	-23,605	-3,850	-	-221,369
Impairment loss of the year	-131	-11,839	-65	-	-176	-12,211
Reversal of impairment loss	-	360	-	-	-	360
Hyperinflation - impact of the year	8,989	16,888	5,852	-	6,529	38,258
Translation differences	408	-7,360	-720	-125	-6,745	-14,542
At 31 December 2024						
Gross book value	1,670,085	3,132,881	292,579	58,188	202,840	5,356,573
Accumulated depreciation	-725,579	-2,052,088	-223,897	-44,530	-	-3,046,094
Accumulated impairment loss	-16,758	-52,636	-897	-316	-5,749	-76,356
Net book value	927,748	1,028,157	67,785	13,342	197,091	2,234,123
Of which leased assets	108,988	37,027	27,355	264	-	173,634

Throughout the year several strategic investments were made particularly in the United Kingdom, France, and Germany. Additionally, investments focused on quality, productivity, and asset replacements were carried out in Belgium, Denmark, and Spain. No borrowing costs were capitalised in 2024 (€3,895 thousand in 2023 in Nigeria).

The disposal proceeds of property, plant and equipment in 2024 amount to €911 thousand, resulting in a net loss of €-519 thousand. In 2023, the proceeds amounted to €1,574 thousand with a net loss of €1,706 thousand.

Acquisition of subsidiaries (€50,933 thousand) represents the impact of the acquisition projects realised in 2024 as disclosed in note 9.2 – Business combinations.

We refer to note 9.3 for the impairment testing of capital employed.

Note 9 – Goodwill and business combinations

9.1. Reconciliation of the carrying amount of goodwill

<i>In thousands of EUR</i>	2023	2024
Gross book value	715,401	731,817
Accumulated impairment losses	-33,369	-6,254
Net book value at the beginning of the year	682,032	725,563
Additions through business combinations	39,096	21,827
Adjustments purchase price allocations	-	5,331
Translation differences	4,435	1,130
Net book value at the end of the year	725,563	753,850
Gross book value	731,817	759,785
Accumulated impairment losses	-6,254	-5,935

The 2024 movements are the result of (i) the increase of the goodwill by €21,827 thousand from the acquisition projects completed in 2024 (see Note 9.2), (ii) adjustment to prior year provisional purchase price allocation of the SCALAMID acquisition (€5,331 thousand) and (iii) the change in translation differences (€1,130 thousand).

In 2023, the movements were resulting on the one hand by the increase of the goodwill by €39,096 thousand resulting from several acquisitions and from the change in translation differences (€4,435 thousand). Due to the termination of e-Loft operations in 2023, the Group deconsolidated then the company leading to the retirement of the goodwill (€0 thousand) and wrote-off the gross book value (€-26,481 thousand) and accumulated impairment losses (€26,481 thousand).

The main components of the carrying amount of goodwill are the following:

<i>In thousands of EUR</i>	2023	2024
Insulation	512,751	514,648
Building Performance	117,416	139,031
Industry	43,148	46,217
New Ways	40,938	42,650
Exteriors	11,310	11,304
Total	725,563	753,850

9.2. Business combinations

In February 2024, Etex closed the acquisition of Australian construction materials company BGC’s plasterboard and fibre cement businesses. Included in this deal is BGC’s plasterboard plant in Western Australia, a 56.000 square metre facility located in Perth, and a strong network of nine warehouses across Australia and New Zealand; for a total consideration of €98,257 thousand.

In May 2023, Etex acquired 100% of the shares of Skamol, a leading Danish manufacturer of fire protection and speciality insulation products and solutions for a wide range of applications within building and industry. Founded in 1912 and headquartered in Aarhus, Denmark, Skamol operates four facilities: three in Denmark and one in Poland. With more than 300 employees, its activities span across the world; for a total consideration of €80,247 thousand.

In June 2023, Etex acquired 100% of the shares of Superglass, a top three player in the United Kingdom and Ireland in the growing glass mineral wool insulation market. With 200 employees, it operates a factory in Stirling, Scotland; for a total consideration of €90,030 thousand.

In June 2023, Etex acquired 100% of the shares of Betacon, a Romanian company to secure raw material supply for plasterboard activities in Romania; for a total consideration of €3,620 thousand.

In December 2023, Etex acquired Scalamid, a Polish manufacturer of fibre cement panels featuring cutting-edge digital printing and coating technology; for a total consideration of €30,752 thousand.

The acquisition cost (including duties) for the 2024 acquisition project amounts to €5,020 thousand (€7,042 thousand in 2023).

The fair value of the identifiable assets and liabilities of the business acquired in 2024 and 2023 as at the date of acquisition are disclosed in the following table:

<i>In thousands of EUR</i>	Skamol	Superglass	Betacon	SCALAMID	2023	2024
						BGC
Non-current assets	100,755	82,816	3,504	25,421	212,496	102,188
Property, plant and equipment	48,758	72,270	3,495	20,826	145,349	57,407
<i>Property, plant and equipment - owned</i>	47,491	64,507	3,495	20,826	136,319	43,335
<i>Property, plant and equipment - leased</i>	1,267	7,763	-	-	9,030	14,072
Intangible assets	50,081	10,546	-	3,344	63,971	39,305
Other non-current assets	-	-	9	-	9	-
Deferred tax assets	1,916	-	-	1,251	3,167	5,476
Current assets	39,751	42,108	116	-	81,975	15,767
Inventories	10,484	6,469	-	-	16,953	14,337
Trade and other receivables	15,025	11,707	-	-	26,732	1,430
Current financial assets	10,021	-	101	-	10,122	-
Assets held for sale	-	10,273	-	-	10,273	-
Cash and cash equivalents	4,221	13,659	15	-	17,895	-
TOTAL ASSETS	140,506	124,924	3,620	25,421	294,471	117,955
Non-current liabilities	23,982	17,649	-	-	41,631	36,727
Provisions	-	-	-	-	-	1,833
Employee benefits liabilities	67	-	-	-	67	-
Loans and borrowings	7,168	7,763	-	-	14,931	11,758
<i>of which leasing</i>	1,267	7,763	-	-	9,030	11,758
Deferred tax liabilities	16,747	9,562	-	-	26,309	23,136
Other non-current liabilities	-	324	-	-	324	-
Current liabilities	52,091	40,526	-	-	92,617	4,798
Current portion of loans and borrowings	38,357	22,772	-	-	61,129	-
Trade and other liabilities	13,734	17,754	-	-	31,488	4,798
TOTAL LIABILITIES	76,073	58,175	-	-	134,248	41,525
Net identifiable assets and liabilities	64,433	66,749	3,620	25,421	160,223	76,430
Group share	64,433	66,749	3,620	25,421	160,223	76,430
Acquisition price satisfied in cash (Group share)	80,247	90,030	3,620	30,752	204,648	98,257
Goodwill generated	15,815	23,281	-	5,331	44,427	21,827

The goodwill generated by this acquisition is explained by the synergies expected from this transaction.

The revenue and net result group share contribution to the 2024 consolidated income statement of the acquired businesses amount to respectively €93,417 thousand and €3,970 thousand.

The revenue and net result of the period (group share) of the combined entities acquired during 2024 as if the acquisition date for all business combinations that occurred during the year had been as of the beginning of the annual reporting period amount to respectively €111,080 thousand and €6,048 thousand.

9.3 Acquisitions on non-controlling interests

Within the share purchase agreements of the acquisitions project Evolusion Innovation Group (2021) a call/put option clause was integrated to acquire the remaining shares (40%). In June 2024 Etex group acquired 20% of the remaining shares for a consideration of €3,342 thousand. At year-end 2024 the call/put option for the remaining 20% is measured at fair value and qualified as financial liability amounting to €2,612 thousand (€5,849 thousand in 2023). We also refer to Note 24 – Loans and borrowings.

9.4 Impairment testing of goodwill and capital employed

Impairment reviews were performed in 2024, by comparing the carrying value of capital employed including goodwill with the recoverable amount of the cash-generating unit to which goodwill has been allocated.

The capital employed and goodwill values tested in the global cash-generating unit Building Performance include the goodwill generated by the acquisition of the plasterboard business in Europe and in Brazil in 2011, of Pladur in 2017 and of the technical construction business, at the time part of the Fire Protection and Insulation business, generated by the acquisition of Comais (1996, calcium silicate boards), Intumex (2000, intumescent products) and Cafco (2007, paint and spray) as allocated in 2017 between the Etex Building Performance and the Etex Industry divisions. It also includes a portion of the goodwill impact of the 2020 acquisition of FSi Limited (passive fire protection) and the goodwill generated by the acquisition of Knauf Plasterboard Pty Limited and BGC’s plasterboard and fibre cements activities in Australia (2021 / 2024).

Etex Industry capital employed value, consistently tested as one whole, include the above-mentioned goodwill values and the impact of the acquisition of Microtherm (2011, high performance insulation), a portion of the goodwill impact of the 2020 acquisition of FSi Limited (passive fire protection) and the goodwill impact of Skamol acquisition in 2023.

The global cash-generating unit for Etex Exteriors was tested: it covers fibre-cement façade and roofing business in Europe and in Americas and was tested for impairment on its capital employed including goodwill, mainly relating to the acquisition of business in Nordic countries (2008).

Etex New Ways capital employed value, to be consistently tested as one whole, include the goodwill generated by the acquisition of EOS (2016) and the acquisition of Evolusion Innovation Group, Horizon Offsite and the Sigmat Group (all in 2021). In 2021 and in 2022, the company e-Loft, active on the French market specifically in 3-dimensions wood offering, required an impairment with respect to goodwill value and most of the value of its intangible assets (€33,486 thousand, in 2021) and on fixed assets (€4,873 thousand, in 2022); this business was terminated in 2023.

The capital employed and goodwill values tested in the global cash-generating unit Insulation include the goodwill generated by the acquisition of the URSA insulation business (2022) and the goodwill impact of the Superglass acquisition in 2023.

The recoverable amount of the cash-generating units Etex Building Performance, Exteriors, Insulation, Industry and New Ways was based on its value in use and exceeds the values of their respective capital employed. The value in use was determined by discounting the future cash flows generated from the continuing use of the unit and was based on the following key assumptions:

- cash flows were projected based on actual operating results and the 3-year business plan (in some instances extrapolated to 9 years before constant growth rate applies),
- cash flows for further periods were extrapolated using a constant growth rate in the range of 2.4% to 3.0% per annum (3.0% in 2023).
- cash flows for further periods were projected to include capital expenditures as a percentage of sales in range of 0.83% to 6.53% (1.70% to 4.53% in 2023).
- cash flows were discounted using the weighted average cost of capital (WACC) in a range of 9.43% to 13.33% depending on the countries involved (10.05% to 15.38% in 2023).

In connection with the impairment testing process on the capital employed including goodwill, the future cash flows were subjected to sensitivity analysis that included changes in individual macroeconomic parameters as part of a sensitivity analysis. Goodwill values are not sensitive to reasonable changes in assumptions (such as an increase of WACC by 1%).

Etex management will closely monitor the impact of macro-economic evolution.

Note 10 – Intangible assets other than goodwill

<i>In thousands of EUR</i>	Concessions	Software	Brands	Technology	Customer / vendor list	Others	Total
At 31 December 2022							
Gross book value	80,431	120,605	199,885	81,788	215,111	59,929	757,749
Accumulated amortisation	-19,182	-99,450	-77,310	-50,767	-54,064	-29,356	-330,129
Accumulated impairment losses	-6,154	-2,142	-7,005	-	-1,041	-15	-16,357
Net book value	55,095	19,013	115,570	31,021	160,006	30,558	411,263
Additions	3	3,128	-	-	-	28,980	32,111
Disposals	-	13	-	-	-2	-17,105	-17,094
Acquisition of subsidiaries	2,029	3,521	21,975	6,828	22,816	5,817	62,986
Transfer between captions	-8	14,706	60	-	-	-23	14,735
Amortisation for the year	-368	-7,878	-13,084	-5,631	-15,495	-5,201	-47,657
Impairment loss of the year	-1,206	-	-7,167	-	-	-	-8,373
Translation differences	-30	-293	1,098	216	-33	106	1,064
At 31 December 2023							
Gross book value	82,462	130,929	223,671	89,633	237,248	86,203	850,146
Accumulated amortisation	-19,662	-96,387	-91,046	-57,199	-69,162	-43,056	-376,512
Accumulated impairment losses	-7,285	-2,332	-14,173	-	-794	-15	-24,599
Net book value	55,515	32,210	118,452	32,434	167,292	43,132	449,035
Additions	9	10,345	-	-	-	6,528	16,882
Disposals	-	-114	-	-	-2	-12,920	-13,036
Acquisition of subsidiaries	-	-2,289	7,917	3,128	32,071	-	40,827
Transfer between captions	789	9,648	16	-	-	-171	10,282
Amortisation for the year	-369	-10,523	-13,102	-5,827	-17,444	-4,478	-51,743
Translation differences	-639	-197	609	379	-431	314	35
At 31 December 2024							
Gross book value	82,116	146,029	233,618	93,547	268,736	82,959	907,005
Accumulated amortisation	-19,570	-104,665	-105,209	-63,433	-86,580	-50,357	-429,814
Accumulated impairment losses	-7,241	-2,284	-14,517	-	-670	-197	-24,909
Net book value	55,305	39,080	113,892	30,114	181,486	32,405	452,282

The other additions amounting to €6,528 thousand mainly relate to the acquisition of emission rights (€6,222 thousand).

Acquisition of subsidiaries (€40,827 thousand) represents the impact of the acquisition projects done in 2024 as disclosed in note 9.2 – Business combinations.

We refer to note 9.4 for the impairment testing of capital employed.

Note 11 – Investment properties

<i>In thousands of EUR</i>	2023	2024
Gross book value	27,608	23,867
Accumulated depreciation	-9,676	-7,936
Accumulated impairment losses	-5,698	-5,665
Net book value at the beginning of the year	12,234	10,266
Depreciation for the year	-42	-37
Reversal of impairment losses	33	2
Transfer between captions	1	-
Disposals	-915	-2,446
Hyperinflation - impact of the year	315	449
Translation differences	-1,359	-91
Net book value at the end of the year	10,266	8,143
Gross book value	23,867	19,956
Accumulated depreciation	-7,936	-8,622
Accumulated impairment losses	-5,665	-3,191

Investment properties comprise several pieces of land and buildings, mainly in France, Italy and Germany. In 2024 the disposal amounting to €-2,446 thousand mainly relates to investment properties in France, sold for a consideration of €5,114 thousand. In 2023 the disposal amounting to €-915 thousand related to investment properties in Nigeria, sold for a consideration of €2,351 thousand.

The fair value of the investment properties is estimated at €16,696 thousand (€19,567 thousand in 2023). Where external valuations were not available, best estimates have been used.

Note 12 – Assets and liabilities held for sale

<i>In thousands of EUR</i>	2023		2024	
	Assets	Liabilities	Assets	Liabilities
Gross book value	94,568	8,894	9,096	-
Accumulated impairment losses	-4,228	-	-3,902	-
Net book value at the beginning of the year	90,340	8,894	5,194	-
Result of the year	5,871	-	-	-
Disposals	-	-	-120	-
Disposal of subsidiaries	-97,144	-7,344	-	-
Translation differences	6,126	-1,550	27	-
Net book value at the end of the year	5,194	-	5,101	-
Gross book value	9,096	-	5,973	-
Accumulated impairment losses	-3,902	-	-872	-
Non-current at the end of the period	5,194	-	5,101	-

For 2024 and 2023 the non-current assets held for sale are mainly lands, buildings and machines that are not used in operations and for which the Group is actively looking for a buyer. Most of these assets are located in Spain and Germany.

In 2024, some non-current assets held for sale located in Spain have been disposed for a total consideration paid of €30 thousand.

In 2023 the current assets and liabilities held for sales of URSA Eurasia have been disposed for a total consideration paid of €70,155 thousand, resulting in a loss on disposal of €19,645 thousand predominately due to the recycling of cumulative translation adjustments. This divestment loss, the result of the year (€5,871 thousand) and other impacts of the disposal are reported within the discontinued operations.

Note 13 – Investments in equity accounted entities

<i>In thousands of EUR</i>	2023	2024
At the beginning of the year	6,140	6,977
Result for the year	518	866
Dividends paid	-641	-458
Capital increases	13	-
Cumulative translation adjustments	947	48
At the end of the year	6,977	7,433

In 2023 the group divested the shares of E2E (Chilean joint venture), including Tecverde in Brazil, (with net book value of €0 thousand) for a total consideration of €112.

Summarised financial information of investments in equity accounted entities (Group's share):

<i>In thousands of EUR</i>	2023	2024
Property plant and equipment	3,981	5,088
Other non-current assets	156	1,026
Current assets	7,937	5,942
Non-current liabilities	-944	-1,172
Current liabilities	-4,153	-3,451
Total net assets	6,977	7,433
Revenue	26,641	24,145
Operating income	-992	1,072
Profit after tax	518	866

Transactions between the Group and equity accounted entities can be summarised as follows:

<i>In thousands of EUR</i>	2023	2024
Transactions		
Sales to associates	3,914	6,245
Dividends paid	641	458
Outstanding balances		
Trade receivables	-	102

Note 14 – Other non-current assets

<i>In thousands of EUR</i>	2023	2024
<i>Trade and other receivables</i>	4,947	4,644
<i>Impairment on trade and other receivables</i>	-1,459	-1,448
Net trade and other receivables	3,488	3,196
Derivative financial instruments with positive fair value	21,201	15,948
<i>Available-for-sale investments</i>	673	671
<i>Impairment on available-for-sale investments</i>	-128	-127
Net available-for-sale investments	545	544
Loans granted	4,139	10,495
Total	29,373	30,183

The non-current available-for-sale investments include unquoted equity instruments that are measured at cost for €544 thousand as their fair value cannot be measured reliably (€545 thousand in 2023).

The derivative financial instruments are mainly comprised of the interest rate swap hedge contracts in view of the Group's interest risk exposure. We also refer to Note 17.

Note 15 – Trade and other receivables and Other current assets

Current trade and other receivables

<i>In thousands of EUR</i>	2023	2024
<i>Trade receivables</i>	315,521	327,527
<i>Impairment on trade receivables</i>	-20,333	-8,906
Trade receivables	295,188	318,621
Other receivables	116,879	124,233
Total	412,067	442,854

At 31 December 2024, an amount of €191.1 million (€243.1 million in 2023) has been received in cash under various non-recourse factoring and credit insurance programmes, whereby trade receivables are sold at their nominal value minus a discount in exchange for cash. Continuing involvement for late payment risk is not significant. The net amount of sold trade receivables is derecognised from the balance sheet.

Other receivables are mainly composed of:

<i>In thousands of EUR</i>	2023	2024
Income taxes recoverable	26,697	34,377
Other taxes recoverable	38,230	41,084
Derivative financial instruments with positive fair values	19,317	10,581
Prepaid charges and accrued income	6,569	17,975
Advances due from customers for contracts in progress	5,175	4,416
Advances to personnel	1,339	1,272
Others	19,552	14,528
Total	116,879	124,233

The derivative financial instrument in 2024 amounts to €10,581 thousand (€19,317 thousand in 2023), and represents the change in the fair value of the hedge contracts.

The increase in the prepaid charges and accrued income in 2024 is mainly due to the cancellation and reorganisation of the factoring programme in one of our divisions.

The ‘advances due from customers for contracts in progress’ relate mainly to construction contracts in division New Ways. The amount of revenue recognised from construction contracts over time are in the range of 1% of total sales. Revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date amounts to €30,871 thousand, fully expected to be recognised during 2025 based on open contracts as per 31 December 2024 for which revenue recognition started during 2024 or prior periods.

Exposure to credit risk – impairment losses

The ageing of trade and other receivables at reporting date was as follows:

<i>In thousands of EUR</i>	2023	2024
Neither impaired nor past due at reporting date	595,883	570,623
Not impaired at reporting date and past due	59,278	63,321
<i>Up to 30 days</i>	38,464	41,869
<i>Between 31 and 60 days</i>	8,713	8,560
<i>Between 61 and 90 days</i>	4,250	2,654
<i>Between 91 and 120 days</i>	1,537	1,594
<i>Between 121 and 150 days</i>	104	1,783
<i>More than 150 days</i>	6,210	6,861
<i>Non-recourse factoring</i>	-243,094	-191,090
Net carrying amount at the end of the year	412,067	442,854

The Group applied the IFRS 9 simplified approach to measuring the expected credit losses which uses a lifetime expected loss allowance for all trade receivables based on historical losses. The Group analysed the impact of IFRS 9 and concluded there is no material impact on the impairment losses booked. The Group also assessed whether the historic pattern would change materially in the future and expects no significant impacts.

The movement in the allowance for impairment of current trade and other receivables was as follows:

<i>In thousands of EUR</i>	2023	2024
Allowances at the beginning of the year	-17,226	-20,333
Additions	-572	-1,184
Use	3,370	11,425
Reversal	1,055	1,186
Change in the scope of consolidation	-6,960	-
Allowances at the end of the year	-20,333	-8,906

Other current assets

<i>In thousands of EUR</i>	2023	2024
Available-for-sale investments	483	2,441
Deposits and debt linked investments	63,594	85,620
Total	64,077	88,061

Deposits and debt linked investments include mainly investments in dollar linked bonds in Argentina for a total amount of €80,439 thousand in 2024 (€63,071 thousand in 2023).

Note 16 – Inventories

The different types of inventories are detailed below:

<i>In thousands of EUR</i>	2023	2024
Raw materials	152,202	148,847
Work in progress	34,119	28,642
Finished goods	224,539	233,020
Spare parts and consumables	75,361	83,289
Goods purchased for resale	29,940	45,454
Write-downs to net realisable value	-32,192	-36,230
Total	483,969	503,022

In 2024, the Group recognised inventory write-downs to net realisable value of €-12,683 thousand (€-9,588 thousand in 2023) as an expense, and a reversal of prior year write-downs amounting to €9,840 thousand (€9,524 thousand in 2023) as an income. Reversals of write-downs without impact on the income statement amount to €-1,193 thousand (€4,201 thousand in 2023), mainly due to foreign currency conversions.

The 2024 net impact of scope changes on the total inventory equals to €14,585 thousand; with an impact on the gross carrying amount of €14,585 thousand, and €0 thousand on the write downs to net realisable value.

Note 17 – Risk management and financial derivatives

17.1 Risk management

A. Market risk

Exposure to currency risk

Around 50% of the Group’s revenue is generated by subsidiaries with a functional currency other than the Euro (48% in 2023). The Group has its main foreign exchange exposure in the following foreign currencies: Argentinean peso, Australian dollar, Chilean peso, Colombian peso, Nigerian naira, Peruvian nuevo sol and Pound sterling.

Translation currency sensitivity analysis

On the basis of the volatility of these currencies against the Euro in 2024, the reasonably possible change of the exchange rate of these currencies against the Euro is estimated as follows:

Rates used for sensitivity analysis					
	Closing rate 31 December 2024	Average rate 2024	Possible volatility of rates in %	Range of possible closing rates 31 December 2024	Range of possible average rates 2024
Argentinean peso *	1074.3120	1074.3120	23	831.7968 - 1316.8272	831.7968 - 1316.8272
Australian dollar	1.6772	1.6399	7	1.5555 - 1.7989	1.5209 - 1.7589
Chilean peso (000)	1.0353	1.0209	13	0.8977 - 1.1729	0.8853 - 1.1566
Colombian peso (000)	4.5776	4.4077	15	3.8982 - 5.2569	3.7535 - 5.0618
Nigerian naira	1600.5100	1610.8723	44	889.4194 - 2311.6006	895.1778 - 2326.5667
Peruvian nuevo sol	4.2230	4.0615	10	3.8208 - 4.6252	3.6747 - 4.4483
Pound sterling	0.8292	0.8466	5	0.7846 - 0.8738	0.801 - 0.8921

As a comparison, the reasonably possible change of exchange rate of these currencies against the Euro was estimated as follows for 2023:

Rates used for sensitivity analysis					
	Closing rate 31 December 2023	Average rate 2023	Possible volatility of rates in %	Range of possible closing rates 31 December 2023	Range of possible average rates 2023
Argentinean peso *	894.7116	894.7116	21	706.9564 - 1082.4668	706.9564 - 1082.4668
Australian dollar	1.6263	1.6310	8	1.5012 - 1.7514	1.5055 - 1.7565
Chilean peso (000)	0.9701	0.9101	14	0.8339 - 1.1062	0.7823 - 1.0378
Colombian peso (000)	4.2220	4.6557	16	3.539 - 4.905	3.9026 - 5.4089
Nigerian naira	1001.3600	715.7344	44	564.3365 - 1438.3835	403.3664 - 1028.1024
Peruvian nuevo sol	4.3780	4.0461	10	3.9359 - 4.8201	3.6375 - 4.4547
Pound sterling	0.8691	0.8691	6	0.8196 - 0.9185	0.8197 - 0.9186

* Argentinean *average* rate (i.e. used for income statement conversion) equals to year-end closing rate as a result of hyperinflation accounting rules.

If the Euro had weakened or strengthened during 2024 by the above estimated possible changes against the listed currencies with all other variables held constant, the 2024 profit would have been €3,767 thousand (2%) higher or €3,943 thousand (-2%) lower while equity would have been €148,020 thousand (7%) higher or €110,424 thousand (-5%) lower. In 2023, if the Euro had weakened or strengthened the profit would have been €15,724 thousand (6%) higher or €9,698 thousand (-4%) lower while equity would have been €139,147 thousand (7%) higher or €106,321 thousand (-6%) lower.

<i>In thousands of EUR</i>	If euro weakens		If euro strengthens	
	Profit	Equity	Profit	Equity
Argentinean peso	-2,212	34,442	1,397	-21,754
Australian dollar	1,820	25,856	-1,573	-22,358
Chilean peso	322	13,198	-246	-10,104
Colombian peso	1,195	9,578	-886	-7,102
Nigerian naira	-526	16,448	202	-6,329
Peruvian nuevo sol	104	11,143	-86	-9,205
Pound sterling	3,064	37,355	-2,751	-33,572
Total	3,767	148,020	-3,943	-110,424

In thousands of EUR

	If euro weakens		If euro strengthens	
	Profit	Equity	Profit	Equity
Argentinean peso	1,374	18,412	-897	-12,023
Australian dollar	1,444	21,672	-1,238	-18,576
Chilean peso	1,109	15,002	-836	-11,309
Colombian peso	945	10,929	-682	-7,885
Nigerian naira	7,151	19,986	-2,806	-9,971
Peruvian nuevo sol	838	11,451	-684	-9,351
Pound sterling	2,863	41,695	-2,555	-37,206
Total	15,724	139,147	-9,698	-106,321

Interest rates sensitivity analysis

At the end of 2024 €693,683 thousand or 45% of the Group's interest bearing financial liabilities, before offset of any surplus cash, bear a variable interest rate (€ 845,070 thousand or 67% at the end of 2023). This floating debt portion consists of debt instruments almost exclusively denominated in Euro apart from € 29,605 thousand that is denominated in Pound sterling (€28,180 thousand in 2023) and € 7,386 thousand denominated in other currencies.

The total interest expense recognised in the 2024 income statement on the Group's variable rate debt portion, net of the effect of interest rate derivative instruments, amounts to € 42,391 thousand (€ 35,199 thousand in 2023). The total interest expense recognised on the fixed rate portion amounts to € 14,169 thousand (€ 9,898 thousand in 2023).

The reasonably possible change of the market interest rates applicable to the Group's floating rate debt after hedging is as follows:

Rates used for sensitivity analysis			
	Rates at 31 December 2024	Possible volatility of rates	Possible rates at 31 December 2024
Euro	2.71%	-0.89% - 0.4%	1.82% - 3.11%
Pound sterling	5.32%	-1.07% - 0.63%	1.82% -5.95%

Rates used for sensitivity analysis			
	Rates at 31 December 2023	Possible volatility of rates	Possible rates at 31 December 2023
Euro	3.91%	-1,27% - 0,57%	2,64% - 4,48%
Pound sterling	5,32%	-1,07% - 0,63%	2,64% -5,95%

Application of the reasonably possible fluctuations in the market interest rates mentioned above on the Group's floating rate debt at 31 December 2024, with all other variables held constant and net of the effect of interest rate derivative instruments, would result in a decrease of the 2024 profit by € 585 thousand and an increase of € 519 thousand (a decrease of € 1,625 thousand and an increase of € 2,393 thousand in 2023).

Cash and cash equivalents in Euro of € 159,001 thousand (€ 37,890 thousand in 2023), Pound sterling balances of € 85,106 thousand (€ 196,763 thousand in 2023), US dollar € 91,185 thousand (€ 56,899 thousand in 2023) and Australian dollar balances of € 54,012 thousand (€ 77,281 thousand in 2023) generate interest that would partially offset any variations in interest payable. The cash pool balances are monthly netted (in euro).

For 2024, the fair value volatility of the Group's interest rate hedging contracts determined by:

- The 'dollar value' method showed that if the euro yield curve makes a parallel shift upward with 0.01%, then the fair value of the Group's interest rate hedging contracts would increase in value by approximately €131 thousand.
- The 'historical value at risk' method showed that based on historical volatility over the last year, the fair value of the Group's interest rate hedging contracts could suffer a maximum potential value decrease (95% confidence interval) of €0.9 million in one day, €5.0 million in 1 month and €8.7 million in 3 months.

For 2023, the fair value volatility of the Group's interest rate hedging contracts determined by:

- The 'dollar value' method shows that if the euro yield curve makes a parallel shift upward with 0.01%, then the fair value of the Group's interest rate hedging contracts would increase in value by approximately €117 thousand.
- The 'historical value at risk' method shows that based on historical volatility over the last year, the fair value of the Group's interest rate hedging contracts could suffer a maximum potential value decrease (95% confidence interval) of €2.0 million in one day, €11.0 million in 1 month and €19.4 million in 3 months.

The Group assessed the impact of the Interest Benchmark Reform and concluded that there is not any significant impact on historical, current and looking forward financial information.

B. Credit risk

At the reporting date the exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the statement of financial position (refer to note 11 for investments, note 15 for trade and other receivables, and note 18 for cash and cash equivalents).

C. Funding and long term liquidity risk

Maturity schedule

At 31 December 2024 the contractual maturities of financial liabilities, including interest payments, are the following:

<i>In thousands of EUR</i>	Carrying amount	Contractual cash flows	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Bank loans	7,297	12,894	3,555	1,793	2,576	4,970
Private placements	1,201,000	1,482,630	91,607	443,092	463,840	484,091
Other financial loans	137,515	142,022	138,183	2,341	539	959
Obligations under leases	180,382	256,892	39,599	32,885	48,451	135,957
Trade and other liabilities	945,660	932,402	931,365	20	-	1,017
Derivative financial liabilities						
Interest rates swaps	-	-	-	-	-	-
Commodity contracts	707	707	465	242	-	-
Foreign exchange contracts	3,451	3,451	3,451	-	-	-
Total	2,476,012	2,830,998	1,208,225	480,373	515,406	626,994

Bank loans are shown according to their contractual maturity date, rather than their interest and roll-over date.

At 31 December 2023 the contractual maturities of financial liabilities, including interest payments, were the following:

<i>In thousands of EUR</i>	Carrying amount	Contractual cash flows	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Bank loans	120,841	133,851	5,103	106,053	19,205	3,490
Private placements	800,000	924,347	34,422	71,667	420,369	397,889
Other financial loans	186,290	192,671	185,523	5,896	821	431
Obligations under leases	158,409	228,067	31,571	27,168	31,455	137,873
Trade and other liabilities	957,104	942,581	942,560	16	-	5
Derivative financial liabilities						
Interest rates swaps	-	-	-	-	-	-
Commodity contracts	16,958	16,958	12,759	4,199	-	-
Foreign exchange contracts	2,477	2,477	2,477	-	-	-
Total	2,242,079	2,440,952	1,214,415	214,999	471,850	539,688

D. Capital risk

The Group monitors capital using the debt covenant specifications as outlined in the syndicated credit facility loan agreements, the Schuldschein loans and the USPP (more details in Note 24). The adjusted net financial debt (for covenant purposes) to recurring EBITDA ratio amounts to 1.42 (1.55 for USPP covenants) at 31 December 2024 (1.27 at 31 December 2023), well below the covenant of 3.50.

The Group targets to maintain a debt covenant ratio between 1.5 and 2.5 on the long term.

17.2 Financial derivatives

The Group uses derivative financial instruments to hedge its exposure to currency risk, commodity prices and interest rate risk. In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes. All derivatives are measured at fair value, except when own use exemption is applied.

The following table provides an overview of the outstanding derivative financial instruments at 31 December:

<i>In thousands of EUR</i>	2023		2024	
	Fair value	Carrying amount	Fair value	Carrying amount
Foreign exchange contracts				
Assets	3,162	3,162	782	782
Liabilities	-2,477	-2,477	-3,451	-3,451
Commodity contracts				
Assets	-	-	1,640	1,640
Liabilities	-16,958	-16,958	-707	-707
Interest rate swaps				
Assets	37,356	37,356	24,107	24,107
Liabilities	-	-	-	-
Total	21,083	21,083	22,371	22,371

The following table indicates in which caption of total comprehensive income, the changes in fair value of the derivative financial instruments outstanding at 31 December 2024, have been recognised:

Profit for the year					
<i>In thousands of EUR</i>	Cost of sales	Interest expense	Other financial income	Other financial charges	Other comprehensive income
Foreign exchange contracts					
Assets	-2,229	-	-	-	-151
Liabilities	-334	-	-	-	-641
Commodity contracts					
Assets	-	-	-	-	1,640
Liabilities	-	-	-	-	16,251
Interest rate swaps					
Assets	-	-	-	-	-13,250
Liabilities	-	-	-	-1,028	-16,430
Total	-2,563	-	-	-1,028	-12,580

A. Cash flow hedges

At 31 December 2024, the Group holds forward exchange contracts designated as hedges of expected future raw material purchases from suppliers for purchases denominated in US Dollar and Japanese Yen, of expected future sales and/or of expected future purchases denominated in Euro by companies whose functional currency is the British Pound.

At 31 December 2024 the Group holds commodity hedge contracts to hedge the exposure of commodity prices.

At 31 December 2024 the group had interest rate swap agreement in place with a total nominal amount of €561,000 thousand (€561,000 thousand in 2023) whereby it received a variable interest rate based on Euribor three or six months, as the case may be, and pays a fixed rate on the notional amount. The swaps are being used to hedge the exposure to interest rate risk on its existing floating debt and any highly

probable future debt issuance. The floating rate debt and the interest rate swaps had similar critical terms.

In 2024 the Group recognised an ineffectiveness of €1,028 thousand on the unwinding of our USPP pre-hedge interest rate swap. There was no ineffectiveness in 2023.

The following tables indicate the period in which the undiscounted cash flows are or were expected to occur. This is the same period as the period in which the cash flows are expected to impact the income statement (cost of sales if relating to forward exchange contracts covering sales and purchases in foreign currencies and the commodity swap agreements, and interest expense if concerning interest rate swaps).

At 31 December 2024:

<i>In thousands of EUR</i>	Carrying amount	Total expected cash flows	1 year or less	1-2 years	2-5 years	More than 5 years
Foreign currency						
Foreign exchange contracts						
Assets	20	20	20	-	-	-
Liabilities	-1,082	-1,082	-1,082	-	-	-
Commodity						
Commodity contracts						
Assets	1,640	1,640	221	1,419	-	-
Liabilities	-707	-707	-465	-242	-	-
Interest rate						
Interest rate swaps						
Assets	24,107	24,107	9,702	6,457	7,948	-
Liabilities	-	-	-	-	-	-

At 31 December 2023:

<i>In thousands of EUR</i>	Carrying amount	Total expected cash flows	1 year or less	1-2 years	2-5 years	More than 5 years
Foreign currency						
Foreign exchange contracts						
Assets	166	166	166	-	-	-
Liabilities	-421	-421	-421	-	-	-
Commodity contracts						
Commodity contracts						
Assets	-	-	-	-	-	-
Liabilities	-16,958	-16,958	-12,759	-4,199	-	-
Interest rate						
Interest rate swaps						
Assets	37,356	37,356	16,485	7,480	11,898	1,493
Liabilities	-	-	-	-	-	-

B. Derivatives without hedging relationship

Certain derivative transactions, while providing effective hedges under the Group’s risk management policy, may not qualify for hedge accounting due to the complexity of the instruments. There are no such derivative transactions in 2024.

17.3 Financial instruments – fair values

Fair values of the financial assets and liabilities approximate their carrying amounts.

<i>In thousands of EUR</i>	2023	2024
Assets	668,005	890,328
Other non current assets	29,373	30,183
<i>Trade and other receivables (loans and receivables)</i>	3,488	3,196
<i>Derivatives – used for hedging (cash flow hedging)</i>	21,201	15,948
<i>Loans (loans and receivables)</i>	4,139	10,495
<i>Bonds (available-for-sale)</i>	541	541
<i>Other</i>	4	3
Trade and other receivables	412,067	442,854
<i>Trade and other receivables (loans and receivables)</i>	392,750	432,273
<i>Derivatives – not used for hedging (at fair value through profit and loss)</i>	2,995	762
<i>Derivatives – used for hedging (cash flow hedging)</i>	16,322	9,819
Other current assets	64,077	88,061
<i>Current financial assets – deposits (loans and receivables)</i>	63,594	85,620
<i>Shares (available-for-sale)</i>	483	2,441
Cash and cash equivalents (loans and receivables)	162,488	329,230
Liabilities	2,242,079	2,476,012
Financial liabilities (liabilities at amortised cost)	1,054,279	1,308,480
Other non-current liabilities	19,788	14,537
<i>Other non-current liabilities (liabilities at amortised cost)</i>	15,589	14,295
<i>Derivatives – used for hedging (cash flow hedging)</i>	4,199	242
Current portion of financial liabilities (liabilities at amortised cost)	211,261	217,714
Trade and other liabilities	956,751	935,281
<i>Trade and other payables (liabilities at amortised cost)</i>	941,515	931,365
<i>Derivatives – not used for hedging (at fair value through profit and loss)</i>	2,056	2,370
<i>Derivatives – used for hedging (cash flow hedging)</i>	13,180	1,546

Unquoted equity instruments are measured either at fair value using a valuation technique or at cost. Further explanation is provided in note 13.

The fair value of trade and other receivables is estimated at the present value of future cash flows, discounted at the market interest rate at reporting date.

The fair value of forward exchange contracts and the commodity swap agreements is based on their listed market price, if available. If a listed market price is not available, then the fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk free interest rate (based on government bonds).

The fair value of interest rate swaps is calculated by discounting estimated future cash flows based on terms and maturity of each contract and using market interest rates for a similar instrument at reporting date.

The fair value of interest bearing loans and borrowings has been calculated by discounting the expected future cash flows (principal and interest cash flows) at prevailing interest rates at reporting date.

Fair value hierarchy

The Group uses the following hierarchy to determine and disclose the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs which have a significant impact on the recorded fair value that are not based on observable market data.

2024

<i>In thousands of EUR</i>	Level 1	Level 2	Level 3
Assets measured at fair value			
Derivatives – not used for hedging (held for trading at fair value through profit and loss)	-	762	-
Derivatives – used for hedging (cash flow hedging)	-	25,767	-
Liabilities measured at fair value			
Derivatives – not used for hedging (held for trading at fair value through profit and loss)	-	2,370	-
Derivatives – used for hedging (cash flow hedging)	-	1,788	-

During 2024 and 2023 there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

2023

<i>In thousands of EUR</i>	Level 1	Level 2	Level 3
Assets measured at fair value			
Derivatives – not used for hedging (held for trading at fair value through profit and loss)	-	2,995	-
Derivatives – used for hedging (cash flow hedging)	-	37,523	-
Liabilities measured at fair value			
Derivatives – not used for hedging (held for trading at fair value through profit and loss)	-	2,056	-
Derivatives – used for hedging (cash flow hedging)	-	17,379	-

As stated in note 12, assets held for sale are measured at the lower of carrying amount and fair value less costs to sell in 2024 and 2023 since no observable fair value could be obtained. The investment properties are measured at amortised cost, we refer to note 11.

Note 18 – Cash and cash equivalents

We refer to the Consolidated statement of cash flows, Note 9 ‘Goodwill and Business Combinations’ and Note 24 ‘Loans & borrowings’ for further explanation. The different types of cash and cash equivalents are detailed below:

<i>In thousands of EUR</i>	2023	2024
Cash on hand and bank deposits	157,792	213,033
Short-term deposits (less than three months)	4,696	116,197
Total	162,488	329,230

Note 19 – Equity

Ordinary shares

The issued share capital (share premium included) of Etex N.V. amounts to €3,276 thousand at 31 December 2024. It is represented by 82,837,819 fully paid ordinary shares without par value.

	2023	2024
At the beginning of the year	82,837,819	82,837,819
Movement of the year	-	-
At the end of the year	82,837,819	82,837,819

Treasury shares

At 31 December 2024 the Group owns 4,673,495 ordinary shares representing 5.64% of the total number of ordinary shares.

	2023	2024
At the beginning of the year	4,673,495	4,673,495
Movement of the year	-	-
At the end of the year	4,673,495	4,673,495

Dividend

The 2024 dividend will be proposed for approval at the General Shareholders’ Meeting of Etex N.V. on 28 May 2025 (after issuance of the financial statements) and will amount to €1.03 per share representing a total dividend of €80,509 thousand.

In 2024, a dividend of €80,509 thousand has been paid out based on the decision of the General Shareholders’ Meeting of Etex N.V. on 22 May 2024 to allocate a dividend of €1.03 per share.

	Number of shares	EUR/share	Dividend in EUR
Ordinary shares	82,837,819	1.03	85,322,954
Treasury shares	-4,673,495	1.03	-4,813,700
Dividend paid out	78,164,324		80,509,254

Details changes in equity

<i>in thousands of EUR</i>	Issued share capital	Share premiums	Issued share capital and share premiums	Post employment benefits reserves	Financial instruments	Post employment benefits reserves and financial instruments
At December 31, 2022	2,533	743	3,276	-84,924	95,083	10,158
Total comprehensive income	-	-	-	23,764	-79,616	-55,852
At December 31, 2023	2,533	743	3,276	-61,161	15,467	-45,694
Total comprehensive income	-	-	-	-16,869	-9,605	-26,474
At December 31, 2024	2,533	743	3,276	-78,030	5,863	-72,167

Other equity movements

The 2024 and 2023 Other equity movements of respectively €73,673 thousand and €45,389 thousand mainly relate to the translation effects of IAS 29 (hyperinflation accounting) in Argentina impacting Other reserves and retained earnings.

Note 20 – Provisions

<i>In thousands of EUR</i>	Warranty	Health claims	Litigation	Others	Total
At 31 December 2023	30,538	50,103	8,129	63,789	152,559
Additional provisions made	3,969	5,044	1,335	56,715	67,063
Amounts utilised during the year	-4,597	-4,472	-394	-28,632	-38,095
Unused amounts reversed	-649	-2,570	-501	-2,760	-6,480
Changes in the scope of consolidation	-	-	-	1,865	1,865
Translation differences	25	-90	-118	372	189
Transfer between captions	426	-	-	1,072	1,498
Discount rate adjustment	71	224	-	-205	90
At 31 December 2024	29,783	48,239	8,451	92,216	178,689
Non-current at the end of the period	24,990	42,693	5,226	30,692	103,601
Current at the end of the period	4,793	5,546	3,225	61,524	75,088

Warranty provisions

The provisions for warranty costs are estimates of future payments for claims relating to sales of goods based on historical data; they cover mainly roofing products in Europe for which a long warranty period is granted to customers. Additions made to the provision during the year are based on an estimate of the probability of future product claims applied to the sales figures of the year and specific claims exceeding statistical estimates.

Health claims provision

In the past, various Etex subsidiaries used asbestos as a raw material in their industrial process. The use of asbestos has been banned in the entire Group for many years now, but some companies may still receive claims relating to past exposure to asbestos. The potential risk varies depending on the legal situation in the relevant country, its national social security system and the insurance cover of the relevant company.

The accounting approach is to provide for the costs of the settlement of claims which are both probable and can be reliably estimated. The provision at 31 December 2024 for the cost of asbestos claims comprises an amount of €21,557 thousand (€21,256 thousand in 2023) for the expected costs of settling notified claims and a discounted amount of €26,673 thousand (€28,839 thousand in 2023) in respect of losses arising from claims which have not yet been notified but which are both probable and can be reliably estimated. These future claims are discounted at different rates from 2.45 % to 4.69 % depending on the country (2.32 % to 4.81 % in 2023).

Most of the Etex’s subsidiaries work with external counsels and, if applicable, insurance companies to review the asbestos claims. If a compensatory disease is proven and the causation can be established, the settlement is provided for an amount that reflects the type of disease, the seriousness of the injury, the age of the claimant and the particular jurisdiction of the claim.

The estimation of future claims is based on an up to 25-year cost estimate which takes into account the current level of claims as well as a reduction of claims over time as the number of diseases is expected to decline. Whilst further claims are likely to arise after this up to 25-year-period, the associated costs of resolution cannot be reliably estimated and no provision has been made to cover these possible liabilities. The estimate of future liabilities takes into account a large number of variables such as the number of employees exposed, the likely incidence, the disease mix, the mortality rates, the legislative environment and the expected insurance coverage. As these assumptions may change over time, there can be no guarantee that the provision for asbestos liabilities is an accurate prediction of the actual future costs. As a consequence, the provision may have to be revised in the future as additional information becomes available or trends change. The provision is reviewed at least once a year.

The number of new claims received during 2024 was 24 (31 in 2023), 25 cases were settled and 6 resolved without cost. The number of outstanding cases for which a provision has been made at 31 December 2024, was 124 (131 in 2023).

Litigation provisions

Litigation provisions mainly include estimated future outflows relating to, various direct and indirect tax litigations, litigations with customers, former employees, suppliers and other parties.

Other provisions

Other provisions include mainly estimated future outflows for environmental obligations, decommissioning, and restructuring.

The Group meets all obligations imposed by relevant laws with respect to CO2 emission rights, land decontamination and site restoration. Where requested, necessary expenses are made and provision for future estimated costs are set-up. At 31 December 2024, these provisions amount to €55,065 thousand (€41,297 thousand in 2023).

Restructuring provisions relate mainly to restructuring of companies in France. Further information is disclosed under note 5.

Note 21 – Commitments and contingencies

Health claims

There has been a history of bodily injury claims resulting from exposure to asbestos being lodged against subsidiaries of the Group for a number of years. The Group’s approach is to provide for the costs of resolution which are both probable and reliably estimable (refer to note 20 on provisions). At present the provision for the costs which are both probable and can be reliably estimated cover up to 25 years of estimated gross costs. Whilst further claims are likely to be resolved beyond this timeframe, the associated costs of resolution are not able to be reliably estimated and no provision has been made to cover these possible liabilities, which are considered contingent.

Legal claims

On 30 May 2024, legal proceedings have been initiated by the Flemish Minister of Environment and the Public Waste Agency of Flanders (OVAM) against Etex NV and Eternit NV, a subsidiary of the Group, and a number of former directors of Eternit NV, claiming damages relating to removal costs of asbestos cement applications in Flanders currently set at one euro provisionally (but referring to a theoretical estimate of €1.95 billion in removal costs based on Eternit’s estimated historic market share). The claimants also allege to have filed a parallel criminal complaint with civil action. However, Etex is unaware of such complaint actually having been filed. Etex and Eternit disagree with this claim. On 30 September 2024, all parties agreed to pause and send the legal proceedings to the special docket. Confidential discussions with the Flemish Government and OVAM are ongoing on the matter. Any possible obligations and their amount that would result from the above (or from contingent evolution of legislation with respect to asbestos removal in Flanders, or regarding federal asbestos fund in Belgium) are uncertain at this time and, as no reliable estimate can be made: these are not included as a provision in the consolidated financial statements.

Furthermore, in the ordinary course of business, the Group is involved in lawsuits, claims, investigations and proceedings, including product liability, commercial, environment and health and safety matters, etc. The Group operates in countries where political, economic, social and legal developments could have an impact on the Group’s operations. The Group is required to assess the likelihood of any adverse judgements or outcomes to these matters, as well as potential ranges of probable losses. The effects of such risks which arise in the normal course of business are not foreseeable and are therefore not included in the accompanying consolidated financial statements.

Guarantees

At 31 December 2024, the Group issued the following guarantees to third parties:

<i>In thousands of EUR</i>	2023	2024
Guarantees issued after business disposals	404,672	379,047
Guarantees issued by the Group to cover the fulfilment of Group companies obligations	1,041,465	890,649
Guarantees issued by Third Parties to cover fulfilment of the Group companies obligations	20,097	26,534
Secured debt	45	-

Guarantees issued by the Group to cover the fulfilment of Group companies’ obligations consists mainly of the joint and several cross guarantees provided by the group and its affiliates relating to our outstanding syndicated credit facility (€600 million), commercial paper programme (€300 million), Schuldschein loan (€800 million), USPP loan (€437 million), as well as securities issued to guarantee other commitments (€259 million). The values disclosed in the above table are based on outstanding amounts.

Commitments

In the ordinary course of business, the Group enters into purchase commitments for goods and services and capital expenditures, buys and sells investments and Group companies or portions thereof. At 31 December 2024 Etex had purchase commitments of €65,743 thousand (€81,431 thousand in 2023), mainly due to commitments to acquire CO2 emission rights.

Commitments relating to uncapitalised lease payments are disclosed in Note 24.

Note 22 – Employee benefits

Defined contribution plans

For defined contribution plans Group companies pay contributions to pensions funds or insurance companies. Once contributions have been paid, the Group companies have no further significant payment obligation. Contributions constitute an expense for the year in which they are due. In 2024, the defined contribution plan expenses for the Group amounted to €17,904 thousand (€15,035 thousand in 2023).

Defined benefit plans

Some Group companies provide defined benefit pension plans to their employees as well as defined benefit medical plans and early retirement plans.

The following tables reconcile the funded and unfunded status of defined benefit plans to the amounts recognised in the statement of financial position:

<i>In thousands of EUR</i>	2023	2024
<i>Present value of funded obligations</i>	869,598	832,627
<i>Fair value of plan assets</i>	944,743	899,078
Plan (surplus) deficit of funded obligations	-75,145	-66,451
Present value of unfunded obligations	97,078	91,986
Net liability from funded and unfunded plans	21,933	25,535
Other long term benefits	9,790	11,308
Termination benefits	1,906	1,655
Stock option plans	39,415	20,447
Net employee benefits liability	73,044	58,945
Employee benefit obligation	1,017,787	958,023
Fair value of plan assets	944,743	899,078
Net liability at the end of the year	73,044	58,945
Net employee benefits liability (assets)	73,044	58,945
<i>Employee benefits in the statement of financial position:</i>		
<i>Liabilities</i>	154,933	130,122
<i>Assets</i>	81,889	71,177

Funded pension plans have been established in the United Kingdom, Ireland, Germany, Belgium, Indonesia and Brazil. They are all closed for new employees.

Unfunded pension plans exist mainly in Germany and Chile, but also in Japan, Poland, Slovenia and Lithuania.

Other post-employment benefits, such as medical plans, early retirement plans, and gratuity plans, are granted mainly in Belgium, the United Kingdom, France, Germany, Poland, Austria and Italy. Other long-term benefits include mainly “Jubileum” premiums in Germany and Poland, long term profit sharing and “Medailles du travail” in France, and long service leave in Australia.

Termination benefit plans consist of specific early retirement plans, mainly in Germany, Belgium and Chile.

Stock options plans are detailed in note 23.

The largest individual plans are in UK and Ireland. Together they account for 76% (75% in 2023) of the total Group defined benefit obligations, and 89% (90% in 2023) of its plan assets.

UK Pension Plans

In the UK, the Group sponsors two defined benefit pension plans – the ML Pension Scheme (the “Scheme”) and the Eternit Pension Plan (the “Plan”, together “the Plans”). The Plans were closed to future accrual on 31 December 2009 at which point all active members were granted preserved benefits in the Plans with ongoing pension provision via a separate company-sponsored defined contribution pension scheme.

The Plans target a pension paid for life. The amount of pension depends on how long employees were active members of the Plans and their salary when they left the Plans, revalued on a statutory basis until retirement.

The Plans are governed by boards of Trustees (the “Trustees”) that have control over the operation, funding and investment strategy. The Trustees are comprised of nominees of the sponsoring employers and elected members of the Plans. The Trustees work together with the UK sponsoring employers of the Plans (the UK sponsors).

UK legislation requires the Trustees to carry out valuations according to local funding requirements at least every three years and to target full funding against a basis that prudently reflects the Plans’ risk exposure. The last formal statutory valuations agreed between the Trustees and the Company were carried out as at 31 March 2023 and the results showed a surplus of £21.2million (funding level 104%) for the Scheme and a surplus of £13.8 million (funding level 110%) for the Plan against the Trustees’ funding objective, agreed with the UK sponsors. The formal statutory valuations as at 31 March 2023 for the Scheme and the Plan were agreed in January 2024.

During the 2017 actuarial valuation discussions, an agreement was reached with the UK Sponsors and the Trustees of the Plan agreed to take a £43,975,289 interest in an asset backed contribution (ABC) arrangement – the EPP ABC Limited Partnership (“the EPP ABC”), following receipt of a contribution of the same amount from Eternit UK Limited on 28 March 2018. The agreement provides additional covenant support for the Plan. The EPP ABC releases cash each quarter to the Plan of £1,024,711 no later than 5 business days following 31 March, 30 June, 30 September, 31 December each year starting on 30 June 2018 for a 14 year 6-month period with the last payment made no later than 5 business days following 31 December 2032. This agreement and term of the arrangement remains the same following completion of the 2023 funding valuation.

The UK sponsors also agreed a similar agreement for the Scheme to take a £36,157,460 interest in an asset backed contribution (ABC) arrangement – the MPS ABC Limited Partnership (“the MPS ABC”), following receipt of a contribution of the same amount from Marley Eternit Limited on 28 March 2018. The agreement provides additional covenant support for the Scheme. As with the EPP ABC, the MPS ABC releases cash to the Scheme of £842,540 each quarter no later than 5 business days following 31 March, 30 June, 30 September, 31 December each year starting on 30 June 2018 for a 14 year 6-month period with the last payment made no later than 5 business days following 31 December 2032. This agreement and term of the arrangement remains the same following completion of the 2023 funding valuation.

In addition, the Trustees agreed that, from January 2024 onward, both the Plan and the Scheme will pay and cover the administrative and other associated cash expenses (including regulatory and Pension Protection Fund levies). However, these expenses will remain within Etex’s administration charges (unlike those related to assets management).

The approximate weighted average duration of the defined benefit obligation is approximately 11 years for the Scheme and 12 years for the Plan as at 31 December 2024.

The Plans hold a diverse portfolio of assets, including private debt, infrastructure, liability-driven investments (“LDI”), and cash. The Plans also held exposure to investment grade corporate bonds as at 31 December 2024, but these mandates have been sold in January 2025, with the proceeds expected to be held within the LDI mandate over the short to medium term.

The Plans’ investment strategy was reviewed by the Trustee in conjunction with the UK sponsors in 2024, following the results of the 2023 Actuarial Valuation. A key change was an increase in the target level of interest rate and inflation hedging, with revised targets of 95% and 100% for the Scheme and Plan, respectively, as a proportion of gilts flat liabilities. In order to facilitate the increase in hedging and reduce investment risk, the Eternit Pension Plan received a £10 million loan from the Company.

The Strategic Asset Allocation (SAA) will evolve over time as the Private Market mandates mature, which will naturally enhance the liquidity of the portfolios and provide greater flexibility in making investment decisions consistent with the long-term objectives of the Plans.

There is a risk that changes in the assumptions for investment return, price inflation or life expectancy could result in deterioration in the funding level of the Plans both on an accounting basis and the local funding basis. Other assumptions used to value the defined benefit obligation are also uncertain. Other risks such as actions taken by the local regulators could result in stronger local funding standards, which could affect cash flow.

In order to mitigate risk and working together with the Trustees, the UK sponsors have carried out two risk management exercises since the closure of the Plans. The first of these was a pension increase exchange exercise whereby members of the Plans were offered the opportunity to exchange non-statutory inflation linked pension increases for a higher initial pension, but one which did not then increase in payment thereby reducing the inflation exposure of the Plans. A flexible pension option exercise took place at over 2013/2014 in which preserved pensioners aged 55 or over were reminded of their option to retire early or transfer out of the Plans with the offer of independent financial advice. To the extent members decide to transfer out of the Plans some of the risks described are reduced

The recent Court of Appeal decision in the case of *Virgin Media Ltd v. NTL Pension Trustees II Ltd* has potentially implications for defined benefit (DB) pension schemes that were contracted out of the state pension scheme at any time between 1997 and 2016. According to the decision of the Court, any amendments to scheme benefits made during that period will be void unless the scheme can prove that the actuary had confirmed, when the amendment was made, that the pension scheme would continue to satisfy the statutory standard for contracted-out schemes. This proof is in the form of a signed actuarial certificate.

Etex has engaged with its lawyers to analyse the potential impact of the Court decision on its UK DB pension schemes. Based on the investigation performed as of today, Etex estimates the impact of the Virgin Media case on its UK DB pension funds to be not significant.

Ireland Pension Plans

In Ireland, the Group sponsors two defined benefit pension plans – The Etex Ireland Limited Pension Plan (the “Main Plan”) and the Tegral Group Executives Pension Plan (the “Exec Plan”) together (“the Plans”). The Plans were closed to future accrual on 31 December 2010 at which point all active members were granted preserved benefits in the Plans with ongoing pension provision via a separate company sponsored defined contribution pension scheme (the DC Scheme).

The Plans target a pension paid for life. The amount of pension depends on how long employees were active members of the Plans and their salary when they left the Plans, revalued on a statutory basis until retirement. The Plans are governed by boards of Trustees (the “Trustees”) that

have control over the operation, funding and investment strategy.

The Trustees are comprised of nominees of the sponsoring employers and elected members of the Plans. The Trustees work together with the Irish sponsoring employer of the Plans (the Irish sponsors). Irish legislation requires the Trustees to carry out valuations according to local funding requirements at least every three years. The most recent valuations were carried out as at 1 January 2024 and the next formal actuarial valuation of the Plans will be as of 1 January 2027.

The results of the 1 January 2024 valuations showed that both schemes satisfied the statutory minimum funding standard and there was a large combined surplus (funding level 120%) against the Trustees’ funding objectives. The Irish sponsors and Trustees have agreed to a pause in employer contributions over the period to the next formal valuations at 1 January 2027.

The combined approximate weighted average duration of the defined benefit obligation is 14 years for the Plans.

The Plans hold a diversified portfolio of assets including equities, bonds, property, cash and absolute return funds. The investment strategy is reviewed regularly by the Trustees in conjunction with the Irish sponsors.

There is a risk that experience being different to the assumptions for investment return, price inflation or life expectancy could result in deterioration in the funding level of the Plans. Other assumptions used to value the defined benefit obligation are also uncertain, although their effect is less material.

Other risks such as actions taken by the local regulators could result in stronger local funding standards, which could affect cash flow. However, because the sponsor has a right to a refund of any surplus assets, there would be no further balance sheet effect. In order to mitigate this risk and working together with the Trustees, the Irish sponsors have controlled risk by closing the Plans to future accrual and reducing the investment risk of the Plans.

The distribution of the employee benefit obligation per country, at the end of the year is as follows:

<i>In thousands of EUR</i>	2023	2024
United Kingdom	689,041	660,105
Germany	77,495	72,943
Ireland	77,546	68,086
Belgium	86,039	87,571
France	18,785	16,635
Others	68,881	52,683
Employee benefit obligation	1,017,787	958,023

The changes in the present value of the employee benefit obligations are as follows:

<i>In thousands of EUR</i>	2023	2024
Employee benefit obligation at the beginning of the year	1,026,548	1,017,787
Service cost	24,420	3,806
Past service cost (gain)/loss	25	-1,432
Settlements	-302	236
Service cost	24,143	2,610
Interest cost	45,368	41,956
Actuarial (gains) and losses	-16,529	-60,086
Benefits paid	-76,858	-76,421
Plan participants contribution	1,157	1,255
Acquisition of subsidiaries	29	86
Disposal of subsidiaries	83	-
Translation differences	13,846	30,836
Employee benefit obligation at the end of year	1,017,787	958,023

The table above includes the changes for the defined benefit obligations, stock option plans, termination benefits and other long term benefits.

Belgian plans subject to minimum guaranteed rate of return

Etex offers defined contribution pension plans funded through group insurance to employees of its Belgian affiliates. The Belgian defined contribution plans are subject to the Law of 28 April 2003 on occupational pensions.

According to article 24 of this Law, the employer has to guarantee a minimum return (3.25% p.a. / 3.75% p.a. on employer / employee

contributions paid before 1 January 2016 and 1.75% p.a. on employer /employee contributions paid as from 1 January 2016, increased to 2.5% as of 1 January 2025), therefore these plans are considered to be defined benefit plans under IAS 19. They induce a financial risk for the group during periods of declining market interest rates when the returns guaranteed by the insurance companies are lower than the minimum legal returns. The assets of these plans are entirely managed by external insurance companies referred to as "qualifying parties" which do not have any link with the group.

The changes in the fair value of the plan assets are as follows:

<i>In thousands of EUR</i>	2023	2024
Fair value of plan assets at the beginning of the year	905,591	944,743
Interest income	44,384	43,619
Actuarial gains and (losses)	15,779	-82,997
Employer contribution	13,276	13,298
Plan participants contribution	1,130	1,250
Administration cost (excluding management of assets)	-156	-1,233
Newly recognised plan	1	-
Benefits paid	-50,094	-53,994
Translation differences	14,832	34,392
Fair value of plan assets at the end of the year	944,743	899,078

The expense recognised in the income statement is detailed as follows:

<i>In thousands of EUR</i>	2023	2024
Service cost	-24,143	-2,610
Interest cost	-45,368	-41,956
Interest Income	44,384	43,619
Administration cost (excluding management of assets)	-156	-1,234
Total employee benefit expense	-25,283	-2,181
<i>The employee benefit expense is included in the following line items of the income statement :</i>		
Operating income	-24,299	-3,844
Financial result	-984	1,663

The main weighted assumptions used in measuring the employee benefit liabilities are the following:

	2023	2024
Discount rate	4.29%	4.85%
Future salary increases	4.60%	4.51%
Pension increase	2.72%	2.55%
Medical cost trend	5.40%	5.40%

The distribution of the plan assets is the following:

	2023	2024
Equity instruments	3%	3%
Debt instruments	63%	75%
Etex shares (200,190 shares)		
Cash and fixed deposits	3%	5%
Insurance	9%	9%
Other	22%	8%
Total	100%	100%

The expected employer contributions to be paid in 2025 to defined benefit plans amount to €4,966 thousand.

Sensitivity analysis

UK

The measurement of the defined benefit obligation for the Plans in UK is particularly sensitive to changes in key assumptions, as described below:

The discount rate has been selected following actuarial advice and taking into account the duration of the liabilities. A decrease in the discount rate of 1.0% would result in a €63.4 million increase in the present value of the defined benefit obligations of the Plans (which is likely to be mitigated in part by an increase in asset values). The inflation assumption adopted is consistent with the discount rate used. It is used to set the assumptions for pension increases and deferred revaluations used for preserved members' benefits. An increase in the inflation rate of 1.0% would result in a €38.8 million increase in the present value of the defined benefit obligation of the Plans (which is likely to be mitigated in part by an increase in asset values). The increase in the present value of the defined benefit obligation due to a member living one year longer would be approximately £18.3 million.

There is also a risk of asset volatility leading to lower funding levels in the Plans.

Ireland

The measurement of the defined benefit obligation for the Plans in Ireland is particularly sensitive to changes in key assumptions, as described below:

The discount rate has been selected following actuarial advice and taking into account the duration of the liabilities. A decrease in the discount rate of 1.0% would result in a €10.0 million increase in the present value of the defined benefit obligations of the Plans (which is likely to be mitigated in part by an increase in asset values). The inflation assumption adopted is consistent with the discount rate used. It is used to set the assumptions for pension increases and deferred revaluations used for preserved members' benefits. An increase in the inflation rate of 1.0% would result in a €9.9 million increase in the present value of the defined benefit obligation of the Plans (which is likely to be mitigated in part by an increase in asset values). The increase in the present value of the defined benefit obligation due to a member living one year longer would be approximately €2.6 million.

There is also a risk of asset volatility leading to lower funding levels in the Plans.

Note 23 – Share based payments

On 19 December 2014, the Board introduced a stock option plan to reward executives and senior staff: the plan authorises the issuance of a maximum of 5,000,000 options to be granted annually over a 5-year period with an annual maximum of 1,000,000 options. In 2015, 2016, 2017, 2018 and in 2019 grants were made under this plan (SOP 2015, SOP 2016, SOP 2017, SOP 2018 and SOP 2019).

On 22 October 2019, the Board introduced a new stock option plan on similar terms: the plan authorises the issuance of a maximum of 5,000,000 options to be granted annually over a 5-year period with an annual maximum of 1,000,000 options however if less distributed over past years allocation could be higher in a certain year. In 2020, 2021, 2022, 2023 and 2024 grants were made under this plan (SOP 2020, SOP 2021, SOP 2022, SOP 2023 and SOP 2024).

Each option gives the beneficiary the right to buy one Etex N.V. share at an exercise price determined at grant date and is vested monthly over 4 years. Each beneficiary of an option is also granted a put option whereby the shares acquired under the stock option plan can be sold back to the Group at a price determined at each put exercise period, which is similar to the stock option plan exercise period.

Fair value of the options granted during the period

The fair value of the services received in return for share options is based on the fair value of the share options granted, measured using the Black & Scholes model with the following inputs:

	2023	2024
Expected volatility (% pa)	20.00	20.00
Risk-free interest rate (% pa)	3.22	2.42
Expected dividend increase (% pa)	10.00	10.00
Rate of pre-vesting forfeiture (% pa)	-	-
Rate of post-vesting leaving (% pa)	1.00	1.00
Share Price (as estimated)	44.47	51.94
Expected early exercise of options	5-6 years	5-6 years
Fair value per granted instrument determined at grant date (€)	6.77	8.04

The expected volatility is slightly lower than the industrial Belgian listed companies (25%), because the market ratios are fixed for the entire exercise period of the option.

Due to newly granted stock options in current year but mainly due to the decrease of the fair value of the options granted in the past and not exercised yet, Etex recognised a share-based payment income of €-5,561 thousand during the year (an expense of €14,789 thousand in 2023). The total carrying amount of the liability related to the stock option plans amounts to €20,447 thousand (€39,415 thousand in 2023) and is disclosed under “Employee benefits liabilities” as described under note 22.

Stock option plans granted by the company

Plan	Contractual life of an option	Exercise period	Exercise (call) price	Number of options still to be exercised
SOP 2018	20.6.2025	Once a year as from 2022, between 1.6 and 20.6	33.65	3,000
SOP 2019	20.6.2026	Once a year as from 2023, between 1.6 and 20.6	29.35	21,000
SOP 2020	20.6.2027	Once a year as from 2024, between 1.6 and 20.6	28.69	32,625
SOP 2021	20.6.2028	Once a year as from 2025, between 1.6 and 20.6	50.41	893,175
SOP 2022	20.6.2029	Once a year as from 2026, between 1.6 and 20.6	48.91	1,013,463
SOP 2023	20.6.2030	Once a year as from 2027, between 1.6 and 20.6	44.47	1,049,726
SOP 2024	20.6.2031	Once a year as from 2028, between 1.6 and 20.6	51.94	989,715

Details of the share options outstanding during the year

	2023		2024	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
<i>In thousands of EUR</i>				
Outstanding at the beginning of the year	3,633,488	40.77	3,815,713	43.89
Granted during the year	1,084,050	44.47	1,073,900	51.94
Forfeited during the year	-150,785	42.81	-126,159	48.12
Exercised during the year	-751,040	29.85	-760,750	29.67
Outstanding at the end of the year	3,815,713	43.89	4,002,704	48.55
<i>Of which exercisable at the end of the year</i>	<i>156,500</i>	<i>30.91</i>	<i>56,625</i>	<i>29.20</i>

For share put options exercised during the period, the weighted average share price was €47.29 (€52.21 in 2023).

Note 24 – Loans and borrowings

<i>In thousands of EUR</i>	2023	2024
Bank loans	113,809	3,569
Private placements	800,000	1,154,500
Other financial loans	9,556	3,080
Obligations under leases	130,914	147,331
Total non-current financial liabilities	1,054,279	1,308,480

<i>In thousands of EUR</i>	2023	2024
Bank loans	4,393	2,027
Private placements	-	46,500
Bank overdrafts	2,639	1,701
Other financial loans	176,734	134,435
Obligations under leases	27,495	33,051
Total current financial liabilities	211,261	217,714

In October 2024, Etex signed the documentation for a €600 million Syndicated Credit Facility for a period of 5 years (extendable to 7 years) with a pool of 9 core banks; as such refinancing our previous Syndicated Credit Facilities of 2018 (€535 million) and 2022 (€300 million) that were coming to maturity in October 2025. The current Syndicated Credit Facility was drawn at €0 million per end of 2024 (drawn at €100 million per end of 2023 under the old Syndicated Credit Facility).

In October 2024, Etex also raised funds through a US private placement (USPP) €265 million for a period of 10 years and €172 million for a period of 12 years.

Etex also uses Schuldschein loans (outstanding from 2022) for a total amount of €800 million (€800 million in 2023) and a Commercial Paper programme of €300 million, drawn at €85 million per end of 2024 (€134 million per end of 2023).

In 2024, Etex continued using its €300 million non-recourse Factoring Programme, through which customer receivables from 15 entities in 10 European countries are being sold to a pool of banks on a non-recourse basis. Per end of 2024, €224.2 million were financed through that programme, out of which €180.6 million was eligible for trade receivables derecognition. Within the URSA scope of acquired companies, a total non-recourse factoring programme is running for an additional non-recourse factoring financing of €10.5 million, derecognised from the trade receivables.

Transaction costs on the Syndicated Loans 2024, the US private placement 2024 and on the Schuldschein Loan of 2022 have been deducted from the loan at initial recognition and are being amortised over the life of the extended loan. The amount still to be amortised at the end of 2024 amounts to €5,196 thousand (€2,723 thousand at the end of 2023).

Within the share purchase agreements of the acquisition project of Evolusion Innovation Group (2021) a call/put option clause was integrated to acquire the remaining shares. In June 2024 Etex group acquired 20% of the remaining shares. At year-end 2024 the call/put option is measured at fair value and qualified as financial liability amounting to €2,612 thousand.

Finally, for its local funding, the Group is relying on some long-term and short-term facilities with local banks for a total amount of €12.6 million end of 2024 (€23.5 million end of 2023), predominately in Nigeria (€10.3 million) for local financing of an investment project.

The management of interest rate risk is described in Note 17.

Net financial debt

The net financial debt position is calculated as follows:

<i>In thousands of EUR</i>	2023	2024
Non-current loans and borrowings	1,054,279	1,308,480
Current portion of loans and borrowings	211,261	217,714
Current financial assets	-64,075	-88,059
Cash and cash equivalents	-162,488	-329,230
Net financial debt	1,038,977	1,108,905

Lease liabilities

The Group is leasing for various items of plant, property and equipment. At commencement date of the lease, the Group recognises the right-of-use assets (refer to Note 8 – Property, plant and equipment) and the lease liability measured at the present value of lease payments to be made over the lease term. The Group presents interest paid on its lease liabilities as financing activities in the cash flow statement (refer to Consolidated statement of cash flows) and as interest expense on financial liabilities measured at amortised cost in the income statement (refer to Note 6 – Finance income and expenses). The future minimum lease payments, interest payments and present value of payments are as follows:

<i>In thousands of EUR</i>	2023			2024		
	Minimum lease payments	Interest	Present value	Minimum lease payments	Interest	Present value
Less than 1 year	31,570	-4,075	27,495	39,598	-6,547	33,051
Between 1 and 5 years	58,623	-12,023	46,600	81,337	-16,270	65,067
More than 5 years	137,873	-53,559	84,314	135,957	-53,693	82,264
Total	228,066	-69,657	158,409	256,892	-76,510	180,382

Uncapitalised lease payments

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term lease and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. The variable lease payments that do not depend on an index or rate are recognised as expense in the period on which the event or condition that triggers the payment occur. The total expenses for uncapitalised lease payments recognised in the consolidated income statement for 2024 amount to €7,561 thousand. Future committed uncapitalised lease payments are as follows:

<i>In thousands of EUR</i>	2023				2024		
	Less than 1 year	Between 1 and 5 years	More than 5 years	Total	Less than 1 year	Between 1 and 5 years	Total
Short-term leases	4,643	-	-	4,643	3,281	-	3,281
Low-value leases	74	101	-	175	65	103	168
Variable lease payments	-	7	-	7	-	-	-
Total	4,717	108	-	4,825	3,346	103	3,449

Variable lease payments that do not depend on an index or a rate are not material.

Note 25 – Deferred tax

<i>In thousands of EUR</i>	Assets	Liabilities	Net
Net carrying amount at 31 December 2023	95,877	212,900	-117,023
Translation differences	-1,800	-1,403	-397
Recognised in income statement	6,214	-8,748	14,962
Recognised in equity	-	-9,028	9,028
Change in scope of consolidation	6,832	23,538	-16,706
Netting	-10,985	-10,985	-
Net carrying amount at 31 December 2024	96,138	206,274	-110,136

The amount of deferred tax assets and liabilities are attributable to the following items:

<i>In thousands of EUR</i>	2023		2024		2023	2024	Variance
	Assets	Liabilities	Assets	Liabilities	Net	Net	
Property, plant and equipment	2,837	144,998	-1,980	155,374	-142,161	-157,354	-15,193
Intangible assets	3,748	83,212	3,690	85,608	-79,464	-81,918	-2,454
Employee benefits assets	19	12,905	21	10,980	-12,886	-10,959	1,927
Inventories	5,658	2,177	6,141	1,931	3,481	4,210	729
Trade & other receivables	7,967	2,279	5,360	1,094	5,688	4,266	-1,422
Other assets	10,127	4,349	9,576	5,876	5,779	3,700	-2,079
Provisions	17,268	9,376	17,637	5,203	7,892	12,434	4,542
Employee benefits liabilities	14,657	22,177	14,226	19,040	-7,520	-4,814	2,706
Loans and borrowings	10,839	667	13,560	1,258	10,172	12,302	2,130
Other non-current liabilities	-	333	5	923	-333	-918	-585
Current liabilities	19,746	16,391	22,161	15,937	3,355	6,224	2,869
Tax losses carried forward	256,158		261,461		256,158	261,461	5,303
Unrecognised deferred tax assets	-167,184		-158,770		-167,184	-158,770	8,414
Netting by taxable entity	-85,964	-85,964	-96,950	-96,950		-	-
Total	95,877	212,900	96,138	206,274	-117,023	-110,136	6,887

Deferred taxes have not been recognised in respect of tax losses carried forward for an amount of €158,220 thousand (€166,099 thousand in 2023) and net deductible temporary differences for €550 thousand (€1,085 thousand in 2023) when it is not probable that future taxable profit will be available against which the Group can utilise the benefits there from.

The amount of deferred tax assets computed on tax losses carried forward is detailed below, before deduction of unrecognised deferred tax assets, by year in which tax losses will expire:

Expiration year	Deferred Tax Asset
2025	623
2026	-
2027	-
2028	117
2029 or later	12
Without expiration date	260,709
Total	261,461

Note 26 – Trade and other liabilities

Non-current liabilities

<i>In thousands of EUR</i>	2023	2024
Deferred income - Government grants	12,790	12,896
Other liabilities	6,998	1,641
Total	19,788	14,537

The Group has been awarded a number of government grants related to investments in property, plant and equipment. These government grants are recognised in the statement of financial position as deferred income for €12,896 thousand (€12,790 thousand in 2023) and amortised over the useful life of the assets. All conditions attached to these grants have been fulfilled.

Current liabilities

<i>In thousands of EUR</i>	2023	2024
Trade liabilities	696,611	697,650
Other liabilities	260,140	237,631
Total	956,751	935,281

At 31 December 2024 an amount of €25,517 thousand (€22,896 thousand in 2023), out of a total credit line of €50 million (€115 million in 2023), has been utilised by suppliers as part of a supplier finance arrangement. The arrangement contemplates the transfer of receivables (outstanding Group's payables) by suppliers to predefined banks. The group has determined that the terms (amount, nature, function and timing) of the trade payables are otherwise substantially unchanged and that it is therefore appropriate to continue presenting the relevant amounts within trade payable in the balance sheet.

The other current liabilities include:

<i>In thousands of EUR</i>	2023	2024
Income taxes payable	40,906	32,191
Other taxes payable	36,285	49,947
Remuneration payable	85,935	88,032
Social security payable	30,415	24,381
Deferred income and accrued charges	22,700	29,756
Derivative financial instruments with negative fair values	15,236	3,916
Dividends payable	41	2
Amount due to customers for construction contracts in progress	417	208
Advances received on construction contracts not started yet	2,807	795
Current cash guarantees received	380	663
Other	25,018	7,740
Total	260,140	237,631

Note 27 – Statement of cash flow details

(a) Depreciation, amortisation and impairment losses

2024

<i>In thousands of EUR</i>	Property,plant, equipment (note 8)	Intangible assets (note 9, 10)	Investment properties (note 11)	Assets held for sale (note 12)	Total
Depreciation	221,369	-	37	-	221,406
Amortisation	-	51,743	-	-	51,743
Impairment losses	11,851	-	-2	-	11,849
Total	233,220	51,743	35	-	284,998

2023

<i>In thousands of EUR</i>	Property,plant, equipment (note 8)	Intangible assets (note 9, 10)	Investment properties (note 11)	Assets held for sale (note 12)	Total
Depreciation	197,757	-	42	-	197,799
Amortisation	-	47,657	-	-	47,657
Impairment losses	4,161	8,373	-33	-	12,501
Total	201,918	56,030	9	-	257,957

(b) Gains (losses) on sale and retirement of intangible assets and property, plant and equipment

2024

<i>In thousands of EUR</i>	Property,plant, equipment (note 8)	Intangible assets (note 10)	Investment properties (note 11)	Assets held for sale (note 12)	Total
Disposal proceeds	911	717	5,114	30	6,772
Net book value disposals	-1,430	-13,020	-2,446	-120	-17,016
Gains (losses) on disposal	-519	-12,303	2,667	-90	-10,245
Losses on retirement	-	-	-	-	-
Total	-519	-12,303	2,667	-90	-10,245

2023

<i>In thousands of EUR</i>	Property,plant, equipment (note 8)	Intangible assets (note 10)	Investment properties (note 11)	Assets held for sale (note 12)	Total
Disposal proceeds	1,574	1,002	2,351	-	4,927
Net book value disposals	-3,279	-16,978	-915	-	-21,172
Gains (losses) on disposal	-1,705	-15,976	1,436	-	-16,245
Losses on retirement	-	-	-	-	-
Total	-1,705	-15,976	1,436	-	-16,245

(c) Capital expenditure

<i>In thousands of EUR</i>	2023	2024
Property, plant and equipment (note 8)	338,840	247,025
Intangibles assets (note 10)	32,111	16,882
Total	370,951	263,907

Property, plant and equipment - leased	33,138	43,868
Total Capital expenditure - leased	33,138	43,868

Property, plant and equipment - owned	305,702	203,157
Intangibles assets - owned	32,111	16,882
Total Capital expenditure - owned	337,813	220,039

(d) Changes in working capital, provisions and employee benefits

<i>In thousands of EUR</i>	2023	2024
Inventories	29,173	-11,396
Trade and other receivables, trade and other liabilities	4,081	-55,159
Provisions	-5,459	24,083
Employee benefits	-26,851	-33,991
Total	944	-76,463

(e) Interest and dividend received

<i>In thousands of EUR</i>	2023	2024
Interest received	20,259	23,106
Dividend received	-	90
Dividend Associates	641	458
Total	20,901	23,655

(f) Reconciliation Income tax expense – income tax paid

<i>In thousands of EUR</i>	2023	2024
Income Tax expense	-113,371	-80,380
Changes in Deferred taxes	8,043	-14,962
Changes in income tax payables/receivables	-23,449	-20,521
Income Tax paid	-128,777	-115,864

(g) Dividend paid

<i>In thousands of EUR</i>	2023	2024
Dividend Etex N.V.	-72,693	-80,509
Minority interest	-1,157	-228
Changes dividend payable	-1,441	-39
Exchange difference	582	120
Total dividend paid	-74,709	-80,656

(h) Changes in liabilities arising from financial liabilities

2024

In thousands of EUR	Non-cash changes							
	January 01, 2024	Cash flows	Foreign exchange movements	New leases	Transfers	Scope in	Scope out	December 31, 2024
Bank loans	113,809	-104,085	-6,090	-	-65	-	-	3,569
Private placements	800,000	401,000	-	-	-46,500	-	-	1,154,500
Other financial loans	9,556	-3,244	-	-	-3,232	-	-	3,080
Non-current lease liability	130,914	-8,961	3,347	39,839	-29,821	12,013	-	147,331
Non-current financial liabilities	1,054,279	284,710	-2,743	39,839	-79,618	12,013	-	1,308,480
Bank loans	4,393	-1,328	-1,103	-	65	-	-	2,027
Private placements	-	-	-	-	46,500	-	-	46,500
Bank overdrafts	2,639	-868	-70	-	-	-	-	1,701
Other financial loans	176,734	-46,944	1,413	-	3,232	-	-	134,435
Current lease liability	27,495	-27,828	-466	4,029	29,821	-	-	33,051
Current financial liabilities	211,261	-76,968	-226	4,029	79,618	-	-	217,714
Total loans and borrowings	1,265,540	207,742	-2,969	43,868	-	12,013	-	1,526,194

2023

In thousands of EUR	Non-cash changes							
	January 01, 2023	Cash flows	Foreign exchange movements	New leases	Transfers	Scope in	Scope out	December 31, 2023
Bank loans	141,495	-6,890	-19,765	-	-4,002	5,841	-2,870	113,809
Private placements	800,000	-	-	-	-	-	-	800,000
Other financial loans	5,902	4,409	-10	-	-745	-	-	9,556
Non-current lease liability	124,900	-1,902	-7,415	33,138	-24,034	9,144	-2,917	130,914
Non-current financial liabilities	1,072,297	-4,383	-27,190	33,138	-28,781	14,985	-5,787	1,054,279
Bank loans	28,638	-26,772	-1,475	-	4,002	-	-	4,393
Bank overdrafts	4,738	-1,782	-317	-	-	-	-	2,639
Other financial loans	186,716	-39,877	807	-	745	28,349	-6	176,734
Current lease liability	26,525	-23,068	4	-	24,034	-	-	27,495
Current financial liabilities	246,617	-91,499	-981	-	28,781	28,349	-6	211,261
Total loans and borrowings	1,318,914	-95,882	-28,171	33,138	-	43,334	-5,793	1,265,540

Note 28 – Transactions with related parties

Transactions between Etex and its subsidiaries, which are related parties, have been eliminated in the consolidation and are accordingly not included in the notes. Transactions with equity accounted investees and joint ventures are included in note 13.

Transactions with members of the Board of Directors and Executive Committee:

In thousands of EUR	2023	2024
Board of Directors:		
Short term employee benefits	1,048	959
Executive Committee:		
Short term employee benefits	12,388	12,633
Post employment benefits	904	1,336
Share based payment	6,000	-1,713
Number of stock options granted during the year	551,450	578,950

Transactions with companies in which members of the Board of Directors are active, reflect third party conditions and are immaterial in scope.

Note 29 – Remuneration of statutory auditor

The world-wide audit remuneration for the statutory auditor totalled €3,166 thousand (€2,819 thousand in 2023). The fees paid to the statutory auditor for additional services amounted to €1,164 thousand (€1,441 thousand in 2023), of which €311 thousand Other engagements (€572 thousand in 2023) and €853 thousand tax & advisory services (€869 thousand in 2023).

Note 30 – Etex companies

The major companies included in the consolidated financial statements are listed below. An exhaustive list of the Group companies with their registered office will be filed at the Belgian National Bank together with the consolidated financial statements.

		% equity interest	
		2023	2024
Europe			
Austria	Etex Building Performance GmbH	100%	100%
	URSA Dämmssysteme Austria GmbH	100%	100%
Belgium	Comptoir du Bâtiment N.V.	100%	100%
	Etergy N.V.	100%	100%
	Eternit N.V.	100%	100%
	Etex Building Performance N.V.	100%	100%
	Etex N.V.	100%	100%
	Etex New Ways N.V.	100%	100%
	Etex Services N.V.	100%	100%
	Etexco N.V.	100%	100%
Bosnia	Euro Panels Overseas N.V.	100%	100%
	Microtherm N.V.	100%	100%
	Promat Research and Technology Center N.V.	100%	100%
	URSA Benelux B.V.	100%	100%
	Siniat d.o.o.	100%	100%
	URSA Zagreb D.O.O.	100%	100%
	Promat s.r.o.	100%	100%
	URSA CZ s.r.o.	100%	100%
Denmark	Skamol A/S	100%	100%
	Etex Nordic A/S	100%	100%
Estonia	OÜ URSA Baltic	100%	100%

		% equity interest	
		2023	2024
France	Etermat S.A.S.U.	100%	100%
	Eternit S.A.S.U.	100%	100%
	Etex Building Performance International S.A.S.	100%	100%
	Etex France Building Performance S.A.	100%	100%
	Etex France Exteriors	100%	100%
	Etex Matériaux de Construction S.A.S.	100%	100%
	Papeteries de Bègles S.A.S.	100%	100%
	Pladur France S.A.S.	100%	100%
	Skamol France S.A.S.	100%	100%
	URSA France S.A.S.	100%	100%
	URSA INSMAT France S.A.S.	100%	100%
Germany	Etex Building Performance GmbH	100%	100%
	Etex Germany Exteriors GmbH	100%	100%
	Etex Holding GmbH	100%	100%
	Promat Service GmbH	100%	100%
	Skamol Europe GmbH	100%	100%
	URSA Deutschland GmbH	100%	100%
	URSA (INSMAT) Holdings GmbH	100%	100%
	Wanit Fulgurit GmbH	100%	100%
Hungary	URSA Salgótarján Zrt	100%	100%
Italy	Edilit S.r.l.	100%	100%
	Etex Building Performance S.p.A.	100%	100%
	Etex Italia S.r.l.	100%	100%
	Immogit S.r.l.	100%	100%
	Promat S.p.A.	100%	100%
	Siniat Holding Italy S.r.l.	100%	100%
	Skamol Italia S.r.l.	100%	100%
	URSA Italia S.r.l.	100%	100%
Ireland	Etex Ireland Limited	100%	100%
	Etex Ireland Remagin Limited	100%	100%
	Evolusion Innovation Limited	60%	80%
	Tegral Holding Limited	100%	100%
Lithuania	UAB Eternit Baltic	100%	100%
Luxemburg	Eternit Investment S.à.r.l.	100%	100%
	Etex Asia S.A.	100%	100%
	Etex Finance S.à.r.l.	100%	100%
	Etex Luxembourg S.A.	100%	100%
	Maretex S.A.	100%	100%
	Merilux S.à.r.L.	100%	100%
	Poly Ré S.A.	100%	100%
Netherlands	Eternit B.V.	100%	100%
	Eternit Holdings B.V.	100%	100%
	Etex Building Performance B.V.	100%	100%
	Nefibouw B.V.	100%	100%
	Uralita Holding B.V.	100%	100%

		% equity interest	
		2023	2024
Poland	Etex Poland Sp. z o.o.	100%	100%
	Siniat Polska Sp. z o.o.	100%	100%
	Skamol Eastern Europe Sp. z o.o.	100%	100%
	Skamol Polska Sp. z o.o.	100%	100%
	URSA Polska Sp. z o.o.	100%	100%
Portugal	EPISA SL	100%	100%
Romania	Betacon S.R.L.	100%	100%
	Etex Building Performance S.A.	100%	100%
	URSA Romania S.R.L.	100%	100%
Serbia	Etex Building Performance d.o.o.	100%	100%
	URSA Beograd d.o.o.	100%	100%
Slovakia	URSA SK S.R.O.	100%	100%
Slovenia	Promat d.o.o.	100%	100%
	URSA Slovenija d.o.o.	100%	100%
Spain	Almería Gypsum S.A.	100%	100%
	Euronit Fachadas y Cubiertas S.L.	100%	100%
	Pladur Gypsum S.A.	100%	100%
	Promat Ibérica S.A.	100%	100%
	Skamol Spain Trading S.L.	100%	100%
	URSA Ibérica Aislantes S.A.	100%	100%
	URSA Insulation S.A.	100%	100%
Ukraine	Siniat Gips ALC	100%	100%
	Siniat Gips Ukraine LLC	100%	100%
United Kingdom	Crucible Gypsum Recycling Limited	100%	100%
	EM Holdings UK Limited	100%	100%
	EOS Framing Limited	100%	100%
	EOS Offsite Solutions Limited	100%	100%
	Eternit UK Limited	100%	100%
	Etex (Exteriors) UK Limited	100%	100%
	Etex (U.K.) Limited	100%	100%
	Etex Building Performance UK Limited	100%	100%
	Etex UK Insulation Limited	100%	100%
	Etex UK Remagin Limited	100%	100%
	Evolusion Innovation UK Limited	60.00%	80.00%
	FSi Limited	100%	100%
	John Brash Limited	100%	100%
	ML UK Holding Limited	100%	100%
	Promat Glasgow Limited	100%	100%
	Promat UK Limited	100%	100%
	Sigmat Group Limited	100%	100%
	URSA UK Limited	100%	100%
Latin America			
Argentina	Durlock S.A.	100%	100%
	Eternit Argentina S.A.	99.44%	99.44%
	Siniat Holding Argentina S.A.	100%	100%
Brazil	Gypsum Mineração Indústria e Comércio Ltda.	100%	100%
	Siniat Holding Brazil S.A.	100%	100%

		% equity interest	
		2023	2024
Chile	Centro de Servicios Compartidos SpA	99.83%	99.83%
	Empresas Pizarreño S.A.	99.83%	99.83%
		100%	100%
		99.83%	99.83%
		99.77%	99.77%
		99.87%	99.87%
Colombia	Etex Colombia S.A.	99.95%	99.95%
	Gyplac S.A.	100%	100%
		100%	100%
Ecuador	EBM Ecuador S.A.	100%	100%
Peru	Etex Peru S.A.C.	100%	100%
	Fabrica Peruana Eternit S.A.	89.16%	89.16%
Uruguay	Eternit Uruguaya S.A.	97.50%	97.50%
Africa, Asia, Oceania, North America			
Australia	Etex Australia Pty Ltd	100%	100%
	Skamol Asia Pacific PTY Ltd	100%	100%
China	Eternit Guangzhou Building Systems Limited	66.65%	75.00%
	Promat International (Asia Pacific) Ltd.	100%	100%
	Promat Shanghai Limited	100%	100%
		100%	100%
India	Promat Fire & Insulation Private Limited	100%	100%
Indonesia	Etex BP Indonesia	95.76%	95.76%
Japan	Promat Japan	100%	100%
Malaysia	Etex Malaysia	100%	100%
Nigeria	Emenite Limited	56.87%	56.87%
	Eternit Limited	100%	100%
	Nigerite Limited	56.85%	56.85%
Singapore	Promat Building System Pte Ltd	100%	100%
South Africa	Etex South Africa Building Systems	100%	100%
United Arab Emirates	Etex Middle East LLC	100%	100%
United States of America	Promat Inc.	100%	100%
	Skamol Americas Inc.	100%	100%

Equity accounted entities

		% equity interest	
		2023	2024
Germany	CA-TEX GmbH	50.00%	50.00%
	Lichtensteiner Brandschutzglas GmbH & Co. KG	50.00%	50.00%
Poland	Kopalnia Gipsu Leszcze S.A.	50.00%	50.00%
	Nida Media Sp. z o.o.	50.00%	50.00%
Switzerland	Promat AG	26.00%	26.00%

Note 31 – Subsequent events

There are no subsequent events after year-end that would impact the financial information of 2024.

3.3 Auditor's Report



STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF THE COMPANY ETEX NV ON THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2024

We present to you our statutory auditor's report in the context of our statutory audit of the consolidated accounts of Etex 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. 22 May 2024, following the proposal formulated by the board of directors, following the recommendation by the risk and 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 2026. We have performed the statutory audit of the Company's consolidated accounts for 7 consecutive years.

Report on the consolidated accounts

Unqualified opinion

We have performed the statutory audit of the Group's consolidated accounts, which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and explanatory 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'000 5,021,597 and a profit for the year of EUR'000 165,791.

In our opinion, the consolidated accounts give a true and fair view of the Group's net equity and consolidated financial position as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting 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.

Health Claims – Note 20

Description of the key audit matter

As described in the Note 20, health claim provisions totalling mEUR 48.2 as at 31 December 2024 have been reported in the consolidated financial statements of Etex Group. In the past, various Etex subsidiaries used asbestos as a raw material in their industrial process. Even though we understand the use of asbestos has been banned in the entire Group, some companies may still receive claims relating to past exposure to asbestos. The provisions reflect the costs of the settlement of claims which are both probable and can be reliably estimated.

The matter is of most significance to our audit because the assessment process is complex, the potential risk varies depending on the legal situation in the relevant country, its national social security system and the insurance cover of the relevant company and involves significant management judgement. Assumptions and estimates used in valuing these provisions are, amongst others, related to:

- the number of employees involved;
- the likely incidence, the disease mix and the mortality rates;
- expected insurance cover;
- legislative environment.

Changes in assumptions and estimates used to value the environmental provisions may have a significant effect on the Group's financial position.

How our audit addressed the key audit matter

As part of our audit procedures, we have assessed management's process to identify asbestos obligations and changes in existing obligations in compliance with IAS 37 requirements. We assessed the accuracy, valuation and completeness of health claim provisions as per 31 December 2024. This assessment included:

- meetings with Group management;
- inquiries of in-house legal counsel;
- review of litigation reports;
- evaluate management's assessment including consistency in assumptions;
- analysis and back testing of the cash outflow projections;
- tracing of corroborative evidence of the amounts spent.

We found the assumptions and data used to be reasonable and in line with our expectations, management's methodology and estimates to be reasonable and the related disclosures appropriate.

Post-employment benefit obligations – Note 22

Description of the key audit matter

As described in Note 22, the Group has defined benefit pension plans of which the most significant are in the UK and Ireland. Through its defined benefit pension plans, the Group is exposed to a number of risks, mainly being:

- asset volatility, the pension plans hold significant investments in equities, bonds, cash, property and funds;
- actuarial assumptions including expected inflation, discount rate, future salary increases and mortality rates life expectancy.

The procedures over the post-employment benefit provisions were of most significance to our audit because the assessment process is complex and involves significant management judgement.

Actuarial assumptions are used in valuing the Group's post-employment benefit plans. Small changes in assumptions and estimates used to value the Group's net post-employment benefit liability may have a significant effect on the Group's financial position. Technical expertise is required to determine these amounts.

The post-employment benefit provision as per 31 December 2024 in respect of both funded and unfunded plans consists out of defined benefit obligations (mEUR 924) offset by plan assets (mEUR 899).

How our audit addressed the key audit matter

We evaluated and challenged management's key actuarial assumptions (both financial and demographic) by performing independent testing of those assumptions supporting the Group's post-employment benefit obligation.

In performing the evaluation of the assumptions (being discount, inflation and salary increase rates and mortality / life expectancies), we utilised our internal specialists' knowledge to assess the reasonableness of the assumptions used by management.

We tested the participant census data as included in the actuarial reports obtained by the company and we obtained the valuation reports of the plan assets from the investment managers.

We found the assumptions and data used to be reasonable and in line with our expectations, management's methodology and estimates to be reasonable and company's disclosures of post-employment benefit provisions appropriate.

Impairment testing of goodwill, intangible assets and property, plant and equipment – Note 8, 9 and 10

Description of the key audit matter

The carrying value of the Group's goodwill, intangible assets & property, plant and equipment amounts to mEUR 3,440 as at 31 December 2024.

We consider this as most significant to our audit because the determination of whether or not an impairment charge for these assets is necessary involves significant judgement by the Directors and management about the future results of the business.

The impairment assessment holds a comparison of the recoverable amount of the Cash Generating Unit (CGU) and its specific assets to its carrying value: the CGU's were defined in compliance with the organisational structure as described in Note 9.

In particular, we focused on the reasonableness and impact of key assumptions including:

- cash flow forecasts derived from internal forecasts and the assumptions around the future performance;
- the discount rate and the long term growth rate including assessment of risk factors and growth expectations of the relevant territory;

How our audit addressed the key audit matter

We evaluated management's assessment of the indicators of impairment and challenged impairment calculations by assessing the future cash flow forecasts used in the models and the process by which they were drawn up, including comparing them to the latest internal forecasts presented to the Board of Directors.

We understood and challenged:

- assumptions used in the Group's internal forecasts and the long term growth rates by comparing them to economic and industry forecasts;
- the historical accuracy of forecasts to actual results to determine whether cash flow forecasts are reliable based on past experience;
- the discount rate by assessing the cost of capital and other inputs including benchmarking with comparable organizations;
- the mathematical accuracy of the underlying calculations.

In performing the above work, we utilised our internal valuation experts to provide challenge and external market data to assess the reasonableness of the assumptions used by management.

We performed sensitivity analysis around the key drivers within the cash flow forecasts to ascertain the extent of change in those assumptions and also considered the likelihood of such a movement in those key assumptions arising.

Whilst recognising that cash flow forecasting and impairment modelling are both inherently judgmental, we found that the assumptions used by management were within an acceptable range of reasonable estimates and company's disclosures of impairment assessment appropriate.

Responsibilities of the board of directors for the preparation of consolidated accounts

The board of directors is responsible for the preparation of consolidated accounts that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determine 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 has 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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;
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors and the risk and 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 board of directors and the risk and 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 board of directors and the risk and 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 and the other information included in the annual report on the consolidated accounts.

Statutory auditor's responsibilities

In the context of our mandate 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

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 annual report on the consolidated accounts is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

Statement related to independence

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated accounts, and our registered audit firm remained independent of the Group in the course of our mandate.
- The fees for additional services which are compatible with the statutory audit of the consolidated accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemised in the notes to the consolidated accounts.

Antwerp, 4 April 2025

The statutory auditor
PwC Reviseurs d'Entreprises SRL / PwC Bedrijfsrevisoren BV
Represented by

Peter Van den Eynde*
Réviseur d'Entreprises / Bedrijfsrevisor

*Acting on behalf of Peter Van den Eynde BV

Non consolidated accounts of Etex N.V.

The annual accounts of Etex N.V. are presented below in a summarised form.

In accordance with the Belgian Company Code, the annual accounts of Etex N.V., together with the management report and the auditor’s report, will be registered at the National Bank of Belgium.

These documents are also available upon request at:

Etex N.V.
Group Finance Department
Passport Building | Luchthaven Brussel Nationaal | Gebouw 1K
1930 Zaventem

The auditors have expressed an unqualified opinion on the annual statutory accounts of Etex N.V.

Summarised balance sheet

<i>in thousands of EUR</i>	2023	2024
Fixed assets	3,087,216	3,361,955
Tangible and intangible assets	1,741	1,477
Financial assets	3,085,475	3,360,479
Current assets	22,361	19,124
TOTAL ASSETS	3,109,577	3,381,079
Capital and reserves	1,995,862	2,069,728
Capital	2,533	2,533
Share premium	743	743
Reserves	1,992,586	2,066,452
Provisions	23,200	15,713
Creditors	1,090,515	1,295,638
TOTAL EQUITY AND LIABILITIES	3,109,577	3,381,079

Summarised income statement

<i>in thousands of EUR</i>	2023	2024
Operating income	71,535	61,781
Operating charges	-72,961	-56,110
Operating result	-1,426	5,671
Financial result	88,663	150,028
Profit / <loss> before taxes	87,237	155,699
Income taxes	-9,548	3,490
Profit / <loss> for the year	77,689	159,189
Release of tax free reserves	-	-
Profit / <loss> for the year to be appropriated	77,689	159,189

The financial result includes non-recurring items for €0 thousand in 2024, and €0 thousand in 2023.

Profit distribution

The Board of Directors will propose at the General Shareholders’ Meeting on 28 May 2025 a net dividend of €0.7210 per share. The proposed gross dividend is €1.03 per share.

Appropriation account

<i>in thousands of EUR</i>	2023	2024
Profit / <loss> to be appropriated	77,689	159,189
Profit / <loss> for the year to be appropriated	77,689	159,189
Appropriation of the result	77,689	159,189
Transfer to/from reserve	7,634	-73,866
Profit to be distributed	-85,323	-85,323

Glossary

Definitions below relate to alternative performance measures.

Capital employed

Non-cash working capital plus property, plant and equipment, goodwill and intangible assets, investment properties and non-current assets held for sale.

Capital expenditure

Acquisition of property, plant and equipment, intangible assets and investment properties, excluding acquisitions through business combination.

Effective income tax rate

Income tax expense divided by the profit before income tax and before share of result in investments accounted for using the equity method, expressed as a percentage.

Free Cash Flow

Free cash flow is the sum of the cash flow from operating activities, interest paid and received, dividend received less capital expenditure.

Net financial debt

Current and non-current financial liabilities, including capital leases, less current financial assets and cash or cash equivalents.

Revenue

Includes the goods delivered and services provided by the Group during the period, invoiced or to be invoiced, net of discounts, rebates and allowances.

Net profit (Group share)

Profit for the year attributable to the shareholders of the Group.

Net recurring profit (Group Share)

Net profit for the year before non-recurring items, net of tax impact and attributable to the shareholders of the Group, including one-off gain or losses below EBIT, net of taxes.

As from 2024, net recurring profit is also adjusted for impact of monetary losses in financial charges resulting from the hyperinflation accounting indexation of equity and non-monetary assets and liabilities (applicable only in Argentina in 2024 & prior years) as well as results from investment in foreign currencies to protect cash from devaluation in hyperinflationary context. Comparatives were restated accordingly.

Non-recurring items

Income statement items that relate to significant restructuring measures and business transformations, health claims and environmental remediation, major litigation, and goodwill impairment, income or expenses arising from disposal of businesses or non-productive assets and other significant one-off impacts such as those relating to long term employee benefits settlement.

Operating income or EBIT (earnings before interest and taxes)

Income from operations, before financial charges and income, share of result in investments accounted for using the equity method and in-come tax expenses.

Operating cash flow or EBITDA (earnings before interest, taxes, depreciation and amortisation)

Operating income before charges of depreciation, impairment or amortisation on tangible and intangible fixed assets.

Recurring distribution rate

Gross dividend per share divided by the net recurring profit (Group share) per share, expressed as a percentage.

Recurring operating income (REBIT)

Income from operations, before non-recurring items and before financial charges and income, share of result in investments accounted for using the equity method and income tax expenses

Recurring operating cash flow (REBITDA)

Recurring operating income before charges of depreciations, impairment or amortisation on tangible and intangible fixed assets.

Return on capital employed (ROCE)

Operating income divided by the average capital employed (at the beginning of the year plus at the end of the year divided by two), expressed as a percentage.

Theoretical income tax expenses

Country-based nominal tax rate applied to the profit before taxes of each entity.

Weighted average nominal tax rate

Country-based nominal tax rate applied to the profit before taxes of each entity divided by the Group's profit before income tax and before share of result in investments accounted for using the equity method, expressed as a percentage.

Weighted average number of shares

Number of issued shares at the beginning of the period adjusted for the number of shares cancelled or issued during the period multiplied by a time-weighting factor.

Etex's achievements in 2024 reflect its continued commitment to its 2030 sustainability ambitions. This year, we aim at aligning our reporting practices with the ESRS, reinforcing our proactive approach to transparency and preparing for the CSRD, which, based on the latest regulatory proposal of the European Commission, is set to take effect in 2028. The ESRS reference table outlines our disclosures in line with these standards, ensuring alignment with our material topics and sustainability goals.

Sustainability content

How we report on sustainability

About these tables: While we do not claim full ESRS compliance, we want to provide our stakeholders with access to relevant information linked to the ESRS aspects partially covered in this report.

ESRS Topic	Disclosure Requirement Category	Disclosure Requirement	Page	Additional Information
ESRS 2: General Disclosures	Disclosure Requirement BP-1	General basis for preparation of sustainability statements	22, 31	
	Disclosure Requirement BP-2	Disclosures in relation to specific circumstances	-	
	Disclosure Requirement GOV-1	The role of the administrative, management and supervisory bodies	50-53	
	Disclosure Requirement GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	50-53	
	Disclosure Requirement GOV-3	Integration of sustainability-related performance in incentive schemes	-	
	Disclosure Requirement GOV-4	Statement on due diligence	-	
	Disclosure Requirement GOV-5	Risk management and internal controls over sustainability reporting	16	
	Disclosure Requirement SBM-1	Strategy, business model and value chain	17-19	
	Disclosure Requirement SBM-2	Interests and views of stakeholders	20-21	
	Disclosure Requirement SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	22	
	Disclosure Requirement IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	22	
	Disclosure Requirement IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	98-102	
	Minimum disclosure requirement - Policies MDR-P	Policies adopted to manage material sustainability matters	24,26, 31-38	
	Minimum disclosure requirement - Actions MDR-A	Actions and resources in relation to material sustainability matters	31-38	
	Minimum disclosure requirement - Metrics MDR-M	Metrics in relation to material sustainability matters	31-38, 98-102	
	Minimum disclosure requirement - Targets MDR-T	Tracking effectiveness of policies and actions through targets	31-38	

ESRS Topic	Disclosure Requirement Category	Disclosure Requirement	Page	Additional Information
E1: Climate Change	Disclosure Requirement E1-1	Transition plan for climate change mitigation	15-16, 33	
	Disclosure Requirement E1-2	Policies related to climate change mitigation and adaptation	33	
	Disclosure Requirement E1-3	Actions and resources in relation to climate change policies	33	
	Disclosure Requirement E1-4	Targets related to climate change mitigation and adaptation	33	
	Disclosure Requirement E1-5	Energy consumption and mix	34	
	Disclosure Requirement E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	34	
	Disclosure Requirement E1-7	GHG removals and GHG mitigation projects financed through carbon credits	33	
	Disclosure Requirement E1-8	Internal carbon pricing	33	
	Disclosure Requirement E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	15-16	
E3: Water and marine resources	Disclosure Requirement E3-1	Policies related to water and marine resources	35	
	Disclosure Requirement E3-2	Actions and resources related to water and marine resources	35	
	Disclosure Requirement E3-3	Targets related to water and marine resources	35	
	Disclosure Requirement E3-4	Water consumption	35	Total water consumption: 4,712,878.34 m³ Total water withdrawal: 5,593,139.97 m³ Total water discharge: 880,261.63 m³ Water consumption intensity: 0.66 m³/t Total water consumption in m³ per million EUR net revenue: 1,247.6 m³ / EUR million Water withdrawal intensity: 0.79 m³/t
	Disclosure Requirement E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	35	
E4: Biodiversity and ecosystems	Disclosure Requirement E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	36	
	Disclosure Requirement E4-2	Policies related to biodiversity and ecosystems	36	
	Disclosure Requirement E4-3	Actions and resources related to biodiversity and ecosystems	36	
	Disclosure Requirement E4-4	Targets related to biodiversity and ecosystems	36	
	Disclosure Requirement E4-5	Impact metrics related to biodiversity and ecosystems change	36	
	Disclosure Requirement E4-6	Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	36	

ESRS Topic	Disclosure Requirement Category	Disclosure Requirement	Page	Additional Information
E5: Resource use and circular economy	Disclosure Requirement E5-1	Policies related to resource use and circular economy	32	
	Disclosure Requirement E5-2	Actions and resources related to resource use and circular economy	30,32	
	Disclosure Requirement E5-3	Targets related to resource use and circular economy	32	
	Disclosure Requirement E5-4	Resource inflows	32	Recycled input: 8.6%
	Disclosure Requirement E5-5	Resource outflows	32	Total amount of waste generated: 237,796.34 tonnes Waste diverted from disposal: 180,831.87 tonnes Hazardous waste diverted from disposal: 1,497.21 tonnes Hazardous waste diverted from disposal for reuse: 126.57 tonnes Hazardous waste diverted from disposal for recycling: 1,370.64 tonnes Non-hazardous waste diverted from disposal: 179,334.67 tonnes Non-hazardous waste diverted from disposal for reuse: 19,846.91 tonnes Non-hazardous waste diverted from disposal for recycling: 159,487.76 tonnes Waste directed to disposal: 56,964.47 tonnes Hazardous waste directed to disposal: 1,814.94 tonnes Hazardous waste directed to disposal by incineration: 905.05 tonnes Hazardous waste directed to disposal by landfilling: 909.89 tonnes Non-hazardous waste directed to disposal: 55,149.53 tonnes Non-hazardous waste directed to disposal by incineration: 4,340.12 tonnes Non-hazardous waste directed to disposal by landfilling: 50,809.41 tonnes The total amount of non-recycled waste: 56,964.47 tonnes Percentage of non-recycled waste: 24%
	Disclosure Requirement E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	32	

ESRS Topic	Disclosure Requirement Category	Disclosure Requirement	Page	Additional Information
S1: Own workforce	Disclosure Requirement S1-1	Policies related to own workforce	23-24	
	Disclosure Requirement S1-2	Processes for engaging with own workforce and workers' representatives about impacts	23-24	
	Disclosure Requirement S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	23-24	
	Disclosure Requirement 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	23-24	
	Disclosure Requirement S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	23-24	
	Disclosure Requirement S1-6	Characteristics of the undertaking's employees	23-24	Number of employees (head count): 13,477 Breakdown of total number of employees by region: Europe: 8,864, Asia-Pacific: 1,655, Americas: 2,309, Africa: 619 Breakdown of total number of employees by contract types: <ul style="list-style-type: none">Total number of permanent employees: 12,692; Male: 10,213, Female: 2,479Total number of temporary employees: 785; Male: 652, Female: 133 Breakdown of total number of employees by gender: Male: 10,865, Female: 2,612 Breakdown of total number of employees by full-time and part-time employees: <ul style="list-style-type: none">Total number of full time employees: 13,025; Male: 10,665, Female: 2,360Total number of part-time employees: 452 Male: 200, Female: 252 Number of people who have left: 1,565 Percentage of employee turnover: 11.43%
	Disclosure Requirement S1-7	Characteristics of non-employees in the undertaking's own workforce	-	
	Disclosure Requirement S1-8	Collective bargaining coverage and social dialogue	-	Collective bargaining agreements cover 74.01 % of our workforce.
	Disclosure Requirement S1-9	Diversity metrics	23-24	Number of employees: 13,477, Male 81%, Female 19% Executive Committee (11 members): Male: 73%, Female: 27% Board of Directors (11 members): Male: 64%, Female: 36%
	Disclosure Requirement S1-10	Adequate wages	-	
	Disclosure Requirement S1-11	Social protection	-	
	Disclosure Requirement S1-12	Persons with disabilities	-	
	Disclosure Requirement S1-13	Training and skills development metrics	23-24, 26	Percentage of employees that participated in regular performance reviews: 60.25% Percentage of employees that participated in regular performance reviews by gender: Male: 56.24%, Female: 76.30% Digital learning: Talent2Grow 29,292 hours (6,212 learners), Etex Talent Learn: 1,038 hours (815 learners).

ESRS Topic	Disclosure Requirement Category	Disclosure Requirement	Page	Additional Information
S4: Consumers and end users	Disclosure Requirement S1-14	Health and safety metrics	25-26	Number of fatalities in own workforce as result of work-related injuries and work-related ill health: 0 Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites: 0 Number of recordable work-related accidents for own workforce: 88 (for employees, temporary workers and permanent contractors). Rate of recordable work-related accidents for own workforce: 3.28 (per million manhours worked) Number of cases of recordable work-related ill health of employees: 3
	Disclosure Requirement S1-15	Work-life balance metrics	-	
	Disclosure Requirement S1-16	Remuneration metrics (pay gap and total remuneration)	-	
	Disclosure Requirement S1-17	Incidents, complaints and severe human rights impacts	23	
	Disclosure Requirement S4-1	Policies related to consumers and end-users	29-30	
	Disclosure Requirement S4-2	Processes for engaging with consumers and end-users about impacts	29-30	
	Disclosure Requirement S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	29-30	
	Disclosure Requirement 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	29-30	
	Disclosure Requirement S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	29-30	
G1: Business Conduct	Disclosure Requirement G1-1	Business conduct policies and corporate culture	17, 23	Code of Conduct (The Etex Way)
	Disclosure Requirement G1-2	Management of relationships with suppliers	27	
	Disclosure Requirement G1-3	Prevention and detection of corruption and bribery	-	Code of Conduct (The Etex Way)
	Disclosure Requirement G1-4	Incidents of corruption or bribery	-	Code of Conduct (The Etex Way)
	Disclosure Requirement G1-5	Political influence and lobbying activities	-	
	Disclosure Requirement G1-6	Payment practices	-	In 2024, our average global on-time payment rate to suppliers was 72%

Non-financial glossary

CSRD: Corporate Sustainability Reporting Directive

DE&I: Diversity, Equity and Inclusion

DMA: Double Materiality Assessment

EHS: Environment, Health and Safety

ESG: Environment, Social and Governance

ESRS: European Sustainability Reporting Standards

GHG: Greenhouse Gas Emissions

KBA: Key Biodiversity Area

KPI: Key Performance Indicators

NPS: Net Promoter Score

SBTi: Science Based Target initiative

Scope 1: Emissions from sources we own or control e.g. gas, fuel

Scope 2: Emissions from electricity and purchased heat or steam

Scope 3: Indirect emissions from our value chain



Colophon

Edition and core project team: Etex corporate communications team.

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Thank you to all Etex teammates and stakeholders who have contributed to this annual report.

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