Campine

A year in review.

ANNUAL REPORT 2021

Content

SUSTAINABLE ECONOMY starts at Campine

Recover. Renew. Repeat.

Campine is creating new material solutions from waste. It's our second nature to care for people and planet and to manufacture products which protect people. Our processes and procedures are immersed in a culture of safety and responsibility.

About Campine

Campine is the only car battery recycler in the Benelux. Each day, we prevent more than 10,000 lead-acid batteries to end up in landfills. We recycle the lead and recover the acids.

Campine is – outside of China - the largest producer of the most important flame retardant used in plastics and textiles called antimony trioxide. This product, used in many household and building materials yearly saves thousands of lives by delaying or extinguishing flames in fire incidents.

Message of the chairman and the CEO

The perfect storm gives Campine a nice tailwind in 2021. In addition to continuing to manage the COVID pandemic, the difficult market conditions piled up: rapidly rising prices of many products and services, shortages of raw materials and derivatives, unavailability of transport and exploding logistics costs, sky high energy prices, just to name a few. However, Campine once again showed great resilience and effectiveness and managed to use the wind of the storm in its advantage.

Strong market demand for all our products, together with rising prices of raw materials, led to a very successful financial year 2021 with a record high EBITDA of more than € 22 million. Campine maintained a strong balance sheet with a solvency ratio of 52%.

From an operational point of view, the year was by no means easy. Throughout the year there was a substantial absence in the workforce due to COVID infections or quarantine, leading to frequent rescheduling of production. In addition, there were various shortages of materials that mainly the Plastics business unit of the Specialty Chemicals division had to deal with. In the Metals Recycling division, on the other hand, the Lead business unit struggled with faster wear and tear of the gas after-treatment installation, which limited the output of the blast furnace in the first half of the year. The effect of rising raw material prices had to be carefully managed to protect our customers against these rapid increases and, on the other hand, to maintain Campine's profitability. Our purchasing tactics and sales prices had to be continuously adjusted.

> "Our purchasing tactics and sales prices had to be continuously adjusted."

2021 was a key year in terms of investments. The most important expansion was the antimony recycling unit in the Metals Recovery business unit, which already contributed to the 2021 profit.

Campine cares a lot about ESG (Environment – Social Responsibility – Governance) goals and reporting. Hence important work was done last year on themes such as CO2 impact, waste policy, emissions, recycling, training, safety, health, ethical and sustainable business and innovation. Achieving the ISO 45001 standard regarding safety management is a highlight in this regard. However, in 2021 we had an increase in labour accidents. As a result, a new "safety 2.0" program was launched, which aims to further improve safety awareness and prevent accidents. This project will be rolled out in 2022.

A three-year review of the board's functioning was conducted at the end of 2021 in the framework of increasing its efficiency, improving

2021 Financials

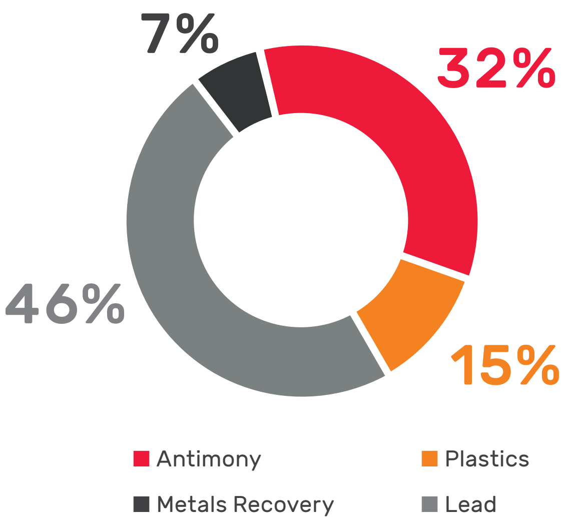
TURNOVER

€ 226,3m

NET RESULT

€ 13,5m

TURNOVER PER BU



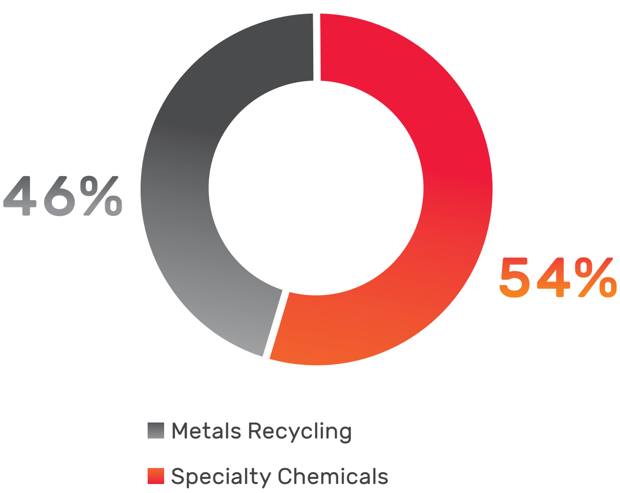
EBITDA

€ 22,6m

SOLVABILITY RATIO

52%

EBITDA PER DIVISION



transparency towards stakeholders and setting strategic goals. In addition, the board of directors wishes to confirm its commitment to governance responsibilities. In summary, there is a unanimous sense of good functioning of the board of directors with freedom of expression and in line with corporate governance rules. Recent developments in the field of ESG are being discussed and recommendations for points for attention for the coming years have been formulated.

We expect markets to remain fairly volatile in the coming year. The spectacular derailment of energy prices and geopolitical tensions will contribute to a sense of uncertainty. In 2022, we do plan to grow volumes for all our units, taking into account the difficult availability of certain products and services. The continuing shortage on the labour market, the search for qualified personnel and the ability to pass on the inflation costs are certainly challenges for the coming period.

Campine will focus on a number of priorities in the coming years. More than ever, safety will be given an even more significant place together with ESG elements such as the environment and corporate social responsibility. Innovation and efficiency in our production processes will provide solid fundaments for manageable growth together with the aim to further increase the material recovery rate in our waste recycling to achieve our vision of "zero waste" economy.

> "The aim is to further increase material recovery rates in the recycling of waste."

Campine's resilience and development in 2021 would not have been possible without the passionate teamwork of its staff and management and the close collaboration with the social partners, the board of directors, its shareholders and a wide range of other stakeholders. We cherish these relations and express our sincere gratitude.

Patrick De Groote
chairman of the board of directors

Willem De Vos
CEO

2021 Headlines

Record profit: with an EBITDA of 22.6 million €, Campine achieved a historic record result.

Campine obtains ISO45001, the international standard for health and safety at work.

Drastic increase in most raw materials and commodity prices.

Several market shortages had a major impact on the continuity and availability of materials and even in global logistics the supply chains were interrupted.

Well-being at the workplace

Stephanie Geerts (prevention adviser) and Sarah Verbeeck (chief maintenance Specialty Chemicals)

Safety is our first concern. In 2021, Campine kept its word by achieving ISO45001, the international standard for health and safety at work. Not withstanding this, we experienced an increase in labour accidents this year. Therefore a new project was launched to turn this around: Campine Safety 2.0.

Well-being and involvement are central/essential

Campine wishes to create a safe, healthy and pleasant workplace for all its employees. Obtaining the ISO45001 management system independently and objectively means that we commit ourselves every day to make this work. To record the most important improvement actions, which are included in the annual action plans of the various departments, every employee's involvement is essential.

2021 was marked by several achievements and improvements in the field of health and safety. For example, in the lead department, the open lead refining pots were completely covered. A project that scores in terms of safety, environment, health and

> "The importance of maximum presence in the workplace and the interactions with and between employees has become very clear in the full Corona crisis."

energy saving, as now less heat and dust is released in the refinery department. Fixed stairs were installed at various locations to make workstations safely accessible. Furthermore, various extraction pipes were adapted and renewed in the production departments.

Some years ago, an upgraded training and safety plan was started for newcomers, interim staff and contractors. The results of these efforts became visible for the first time in 2021. There was not a single accident involving an interim worker or contractor. And for the first time the annual maintenance shutdown was also completely accident free.

Safety 2.0

In 2021 more labour accidents with absence happened than in previous years, a trend that was observed throughout the sector. Is this a result of the reduced presence of the controlling body due to mandatory home working? Or due to higher work pressure in view of the higher illness rates and quarantine absences? The importance of maximum presence in the workplace and the interactions with and between employees has become very clear in the full Corona crisis.

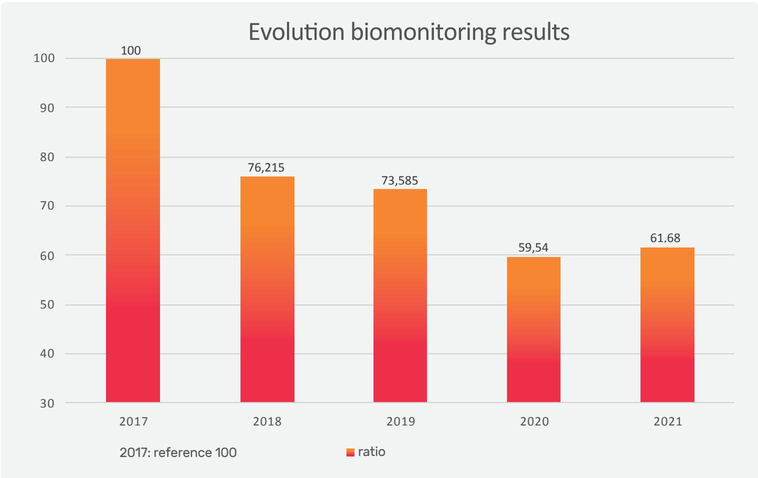
To further evolve towards zero accidents at work, a new program was implemented: 'Safety 2.0'. The aim of this program is to further increase basic safety at Campine and to get everyone to understand their role in the safety policy and have it applied.

In 2022, Campine will continue to strive for continuous improvement. The most important actions relate to qualitative investigations and learning from incidents, the correct assessment of risks and learning to talk about safety by means of toolbox meetings. This new program reinforces the current safety culture.

> "The most important actions relate to qualitative investigations and learning from incidents."

A healthy workplace

In recent years Campine has made great efforts to minimize exposure to hazardous substances. We pursue a proactive health policy and voluntarily apply stricter limit values than prescribed by the authorities. Every year we continue to work on a reduced dust workplace with the goal to become dust-free. Thanks to additional technical investments, new procedures and the continued commitment of the employees, an excellent result was achieved. Biomonitoring results remained low in 2021. The slight increase is due to the higher activity in 2021 whereas there were longer downtimes in the COVID year 2020.



ESG Commitment

Our vision 'Recover, Renew, Repeat' is the stepping stone to full ESG commitment.

In its lead recycling activity Campine is preparing for the future to recuperate the polypropylene plastic. Successful tests demonstrated that the Campine technology can run with dismantled batteries. This will further enhance our material recovery rate.

Campine is uniquely positioned to recover antimony trioxide out of different byproducts from the copper and lead industry. In 2021 we successfully installed a new furnace in order to increase the antimony recycling capacity and efficiency. The STRES grant from the Flemish government confirmed Campines contribution towards the ecological benefits of the operation. This investment enabled us already in 2021 to increase the recycled content antimony and other metals.

Hilde Goovaerts,
Operational Excellence manager

As the ISO auditors recognized, Campine pays a lot of attention to the sustainability of the total supply chain: 'design for safe use' and 'design for climate neutrality' are integrated in the different product lines. Newly developed lead alloys do contribute to longer life of batteries, or more efficient solutions for start-stop-technologies in cars. In this way Campine contributes to increasingly fuel efficient cars.

Campine also supports the development of future recycling processes to recover metals or chemicals out of WEEE (electronic waste) or ELV-scraps (End-of-Life Vehicles) within the consortia 'Plast2BCleaned' and 'Lifeplasplus'.

Campine stays on track to strive for permanent lower emission levels. The investment of the new recycling facility included a new filter installation. The installed filter capacity is resulting in low emission levels, in average we only emit 6% of the permitted levels. The SO2 capture system was also further improved in 2021, the trend of SO2 emission per recycled ton of waste shows a decrease of 30% over the last 5 years. Additional new covered storage areas were complemented and the water spraying system was expanded. These investments, in combination with operator awareness and increased daily cleaning operations, reduced the dust deposit in the plant surroundings with 15%.

6 values that define our company

Safety is our first concern

We decide, act and finish what we started

We engage in those things where we can make a significant contribution

We keep things simple

We are not afraid to say no

We respect people and planet

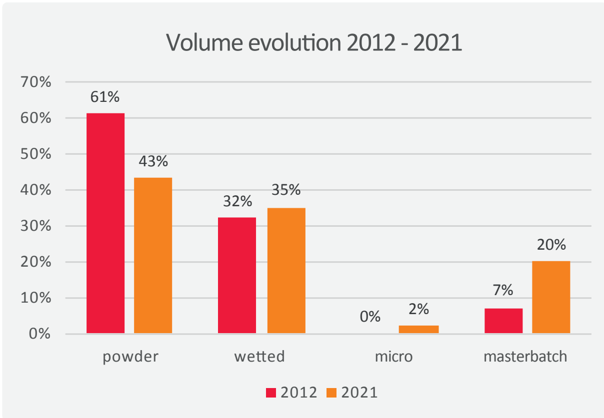
Safe handling and processing of products

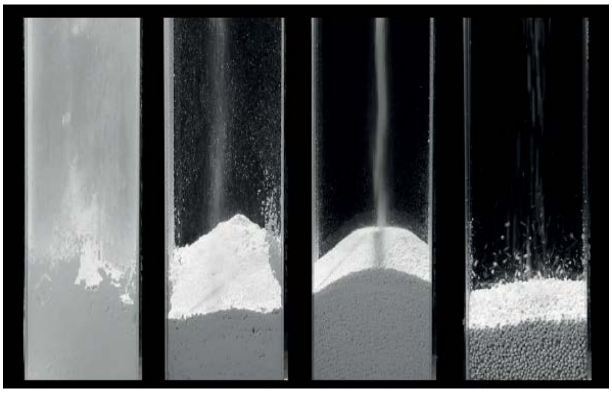
Our Specialty Chemicals division has been committed to developing user-friendly products for more than 10 years. Because the health of our own employees and those of our customers is very important to us, Campine has developed its own solutions to prevent exposure to fine dust particles.

As a result, we reduce the safety and health risks when processing antimony trioxide, both at Campine and at our customers. Antimony trioxide is typically used as a co-synergist in flame retardant textiles or plastics and as a catalyst to produce PET resins.

In the image our solutions are visualized: the fine antimony trioxide powder; wetting agents are used for wetted antimony trioxide powders (which are about 100 to 1,000 times less dusty); but the ultimate solution that Campine promotes is granular masterbatches or more recently developed microgranular mixtures for use in PVC formulations (textile, cable, etc.).

Campine is a trendsetter in this field as in recent years the demand for "safe to handle" products has risen sharply. The relative amount of antimony trioxide powder has been reduced by almost 30% from 61% to 43% of our total sales volume while the amount of antimony trioxide sold as masterbatch has almost tripled from 7% to 20%. Not only the downstream user benefits from these safer dust-free products as both the wetted powders and the masterbatches offer other advantages. The excellent dispersion of the antimony particles in a masterbatch, produced with our own processes, leads to a more efficient use of the antimony content, ultimately resulting in savings for the customer. When using masterbatches, there is an optimal use of materials because the bags can be emptied for the full 100% and no residue is left behind in the packaging. This also makes the packaging easy to recycle.

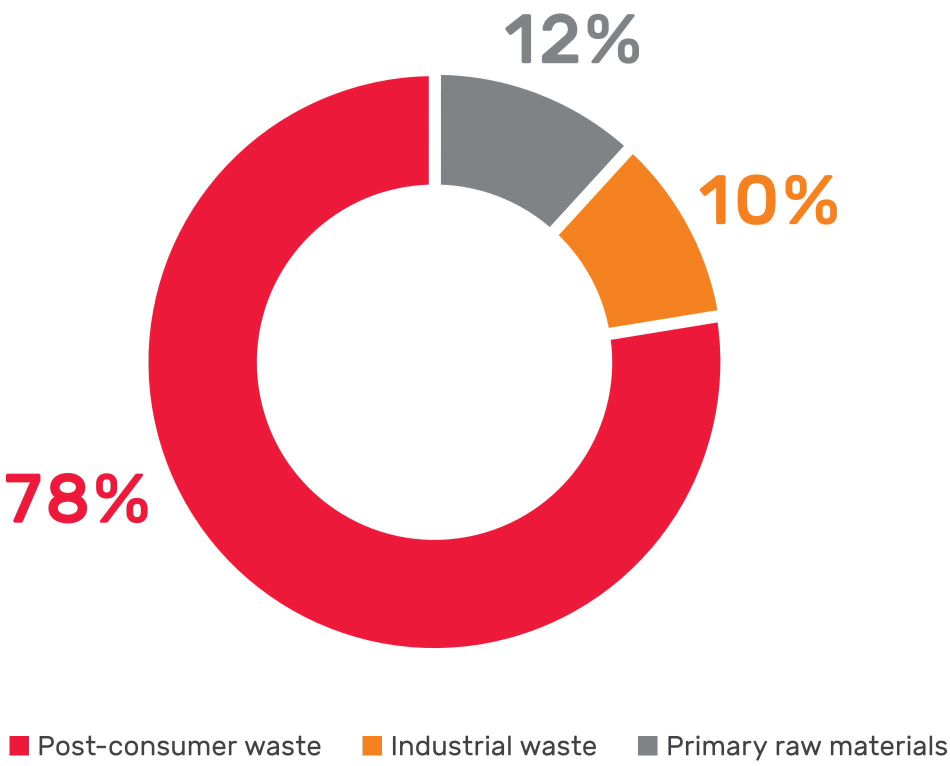




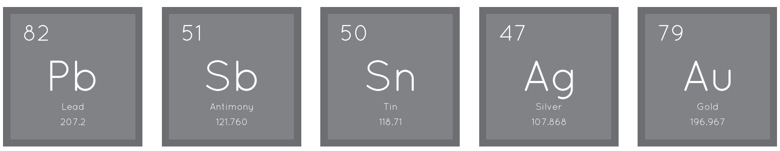
powder wetted micro masterbatch

Circular economy

OVER 88% OF THE INCOMING MATERIALS ARE WASTE PRODUCTS



RECYCLED METALS



Logistics and supply chain

The past year can be described as peculiar in the field of logistics and purchasing (supply chain). The economic recovery, which had already started during the COVID year, has continued in the course of 2021. The exponential continuation of this recovery has generated enormous tensions throughout the entire supply chain. Campine has however managed to keep most disruptions under control based on proactive management decisions.

Various market shortages have had major consequences on the continuity and availability of logistics services. Port closures, staff shortages (resulting in fewer ships and fewer trucks) combined with disrupted container availability are some of the consequences of the COVID pandemic that have led to an imbalance in this sector. The totally unexpected closure of the Suez Canal has shaken the global logistics sector to its foundations, resulting in capacity shortages and sharp price increases. Rapidly rising post-COVID demand has further stimulated this phenomenon. Thanks to many years of cooperation with regular logistics partners Campine was able to limit consequences to some extent and to keep the price increases under control. In addition, these higher transport costs were passed on to the market. Various trade agreements and large logistical price differences have also helped Campine to supply certain regions more competitively.

> "Various market shortages have had major consequences on the continuity and availability of logistics services."

The prospects for 2022 certainly do not look easy from a logistics point of view. The shipping companies have expanded their fleet (containers

Nicolas De Backer
Procurement manager

and ships) to meet the increased demand, but these will not become operational until 2023. Some improvement can therefore only be expected in the course of next year.

The gigantic and unprecedented increase in energy prices has also affected Campine's operational production costs. Both gas and electricity prices have seen a record rise from the second half of 2021 and have more than quadrupled. Our energy-saving plan, which was started a few years ago, has certainly paid off here. Thanks to our professional tools, the price increase in the energy sector was limited and slowed down in the short term. Moreover, the majority of these cost increases were passed on to our customers, although with some delay. Given the current uncertainties, we do not expect a significant price reduction for gas and electricity before 2023. Campine will continue the efficiency improvements in its production methods to further gradually reduce overall energy consumption in the future as well as investing in our own green energy production with a solar panel park.

Finally, Campine is fully engaged in the digital automation of its processes. The mandatory home working days have steered Campine further towards digitization. In the meantime, additional projects have been launched to simplify remaining manual processes and convert them into digital versions. This will benefit the processing, accessibility and follow-up of data and help us further in our automation process. Extensive digitization also means reducing our ecological footprint.

> "The unprecedented price increases for energy have affected the complete supply chain. Efficiency seeking activities were prioritized to try to mitigate the consequences and to minimize the impact."

The board of directors of Campine nv reports to the shareholders on the company's activities and results over the financial year 2021. The consolidated annual accounts and this annual report were approved by the board of directors on 25 February 2022 and will be presented to the general meeting of 25 May 2022.

Annual review 2021

1. A perfect storm gives Campine tailwind in 2021

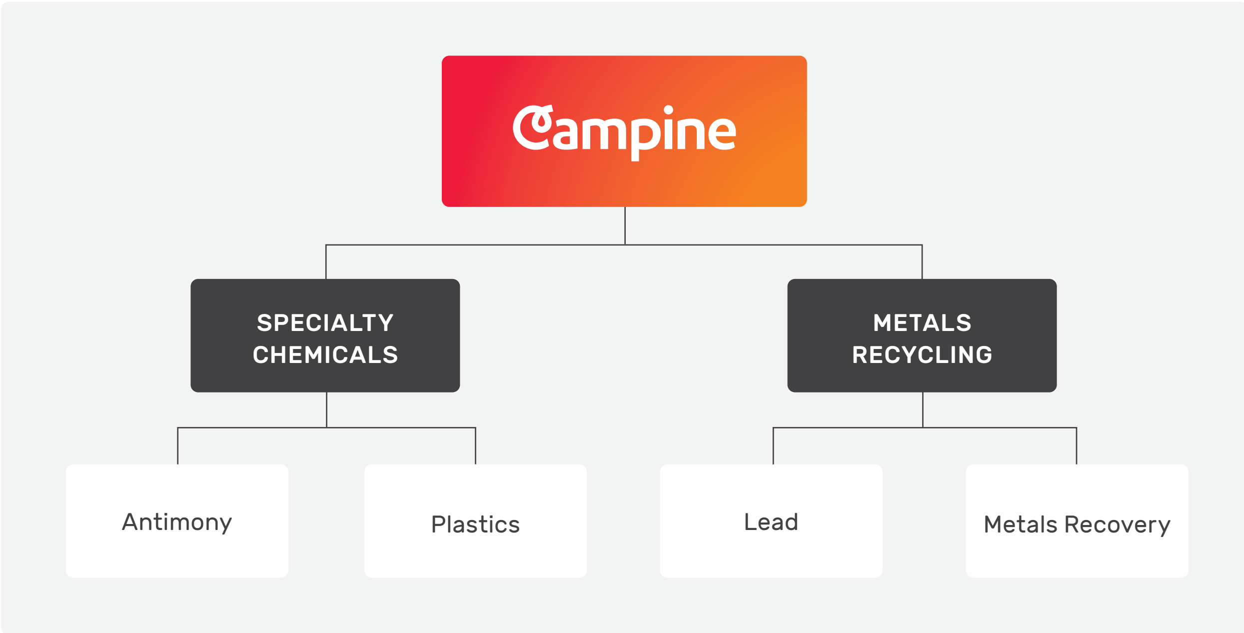
Despite a year with lots of challenges, **Campine** took advantage of the high demands for all of its products in 2021 and turned some market hurdles into real opportunities. This resulted in historical record profits, with the EBITDA reaching € 22.6 mio.

Campine had to cope with many extreme factors and difficulties related to the post-COVID economic revival. Campine was not spared from the shortages in different materials and the serious price hikes related to it. The disruptions in global logistics and related cost increases posed a challenge to Campine, which imports and exports thousands of tons of material globally. On top, the absence of personnel due to COVID illness and quarantine overturned the production planning constantly. Thanks to our professional and flexible staff, we were able to successfully tackle this.

The boosting energy prices, general inflation and increased service costs contrasted with the high demand for all Campine's products.

The demand in the **Specialty Chemicals** remained extremely high throughout the year. Antimony metal prices surged to a 5-year high and rallied from roughly 6,000 $/ton in the last quarter 2020 to about 13,000 $/ton a year later. This fierce price increase is related to the tight situation in the antimony ore concentrates supply. COVID reduced output or even closed some antimony mines and additionally the extracted ore concentrates could not find their way easily to the smelters, due to the limited availability of transports and congestions in the Asian ports.

Campine had to adjust its purchasing tactics regularly and adapt constantly its sales prices. Management was confronted with a lot more detailed aspects of the business this year, as it had to dive into the smallest details of our operations to remain agile and maximize profitability. It was important to react very fast and seize every opportunity to keep our business with high demands running at the lowest possible cost. Asian low-cost antimony trioxide competitors faced huge logistic issues and higher transportation costs, which made many customers turn to Campine as a reliable Western quality supplier. Campine's capacity expansion in



2019 in its Plastics Masterbatch department proved to be really necessary as market demand was extremely high and sales volumes grew with almost 17%.

The **Metals Recycling** division likewise benefitted from the recent capacity expansions in its Metals Recovery business unit. Profits in this unit were propelled by the higher metal prices. Despite the high demand for lead in 2021 Campine's Lead BU output reduced slightly, because technical issues limited the output in the first semester. Lead LME prices increased in the 2nd semester of 2021 towards € 2,100/ton, as the largest lead smelting factory in Europe was hit by the flooding in Germany, limiting European lead metal supply. This factory is still not operational.

David Wijmans, division director Metals Recycling

2. Group results

Campine realised a total revenue of € 226.3 mio in comparison with € 166.9 mio in 2020 (+36%). This higher revenue is mainly related to the higher volumes in the Specialty Chemicals division and the overall increased metal prices, which form the basis of Campine's sales prices.

The EBITDA reached € 22.6 mio, which is 215% higher compared to the € 7.2 mio of 2020 and the EBIT ended at € 19.1 mio (427% higher than in 2020). The net result (EAT) for 2021 amounted to € 13.5 mio compared to € 2.8 mio in 2020 (+385%).

Our financial ratios continued to remain very solid during 2021 despite the increased need for working capital, in view of the high material prices and increased volumes. With a solvency rate of 52% (equity/balance sheet total) we have the financial resources to continue financing future expansions and renewals.

Volume
15.598 ton

EBITDA
12,2 mio €

3. Specialty Chemicals division

This division (business segment) is composed of the business units Antimony and Plastics.

3.1 VOLUMES

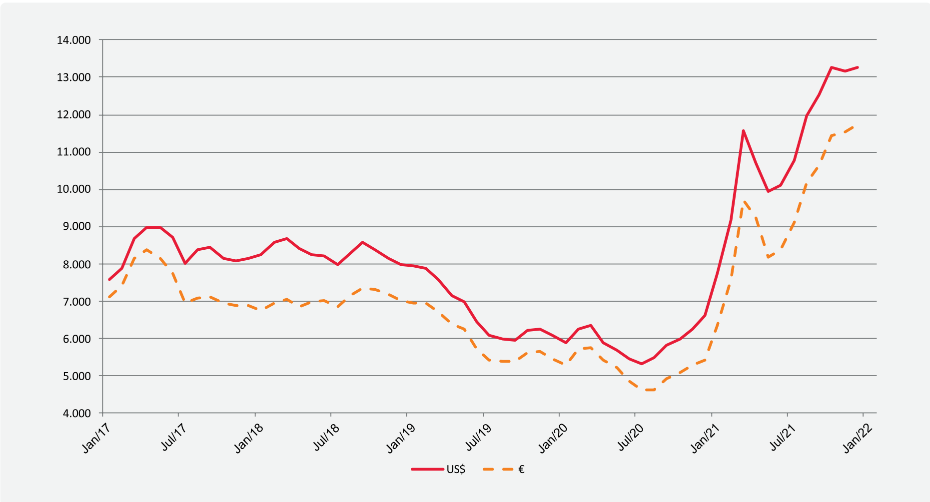
The sales volume in the Specialty Chemicals division grew with 17% to 15,598 tons from about 13,350 tons in the previous years 2020 and 2019.

3.2 REVENUE AND EBITDA

Revenue is also linked to the evolution of antimony metal prices, hence our sales revenue increased drastically. The average antimony Metal Bulletin price in 2020 of $ 5,912/ton almost doubled during 2021, when the average price amounted to $ 11,187/ton. Consequently our revenue amounted to € 106.4 mio (+65% vs 2020).

The very good results were supported by higher volumes, better margins and also a stock value increase due to the fast and fierce material price increases. The EBITDA reached € 12.2 mio, up 422% from € 2.3 mio one year earlier. The EBIT increased to € 10.6 mio compared to € 1.1 mio in 2020.

Antimony free market 99.6% in $/ton and €/ton



4. Metals Recycling division

This division (business segment) is composed of the business units Lead and Metals Recovery.

4.1 VOLUMES

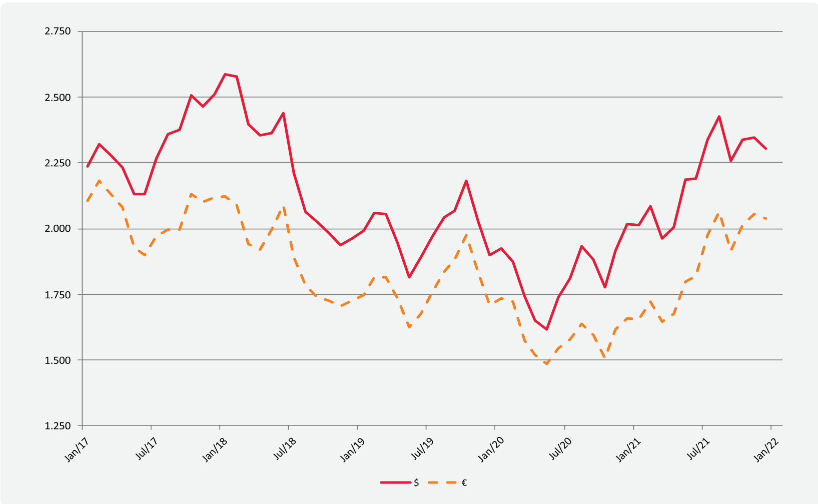
We concluded the year with a sales volume of approx. 63,850 ton, which is similar compared to 2020 (+2%). This small volume increase came entirely from our Metals Recovery unit, as the lead department suffered from technical issues. Due to the higher throughputs in recent years, one of the gas treatment elements of the shaft furnace, which normally has a 5-year replacement span, was showing increased wear, limiting output.

4.2 REVENUE AND EBITDA

The higher LME prices contributed positively to the higher revenue and operational result. Our margins are typically under pressure when LME has a downward trend but recover during upward movements. Just like all other metals, the lead LME price increased substantially during the economic revival after the 2020 Covid pandemic dip. The average LME price in 2021 was about € 1,870/ton, which is about 17% higher than in 2020 (€ 1,600/ton).

Consequently, the revenue increased by 26% to € 142.2 mio whereas the EBITDA grew to € 10.5 mio (+116%) and the EBIT to € 8.5 mio (234%).

Lead LME cash/ton in $ and in €



5. 5. Perspectives for 2022

The high demand for all Campine's products remains in the first quarter 2022 and we expect this situation to last at least until the summer.

The **Specialty Chemicals division** gained some new customers in 2021, which will contribute further to keeping or even growing the high sales volumes. Antimony metal prices remained stable so far around 13,000 $/ton, but global logistics remain complicated.

In our **Metals Recycling division** lead LME prices remained on average above 2,000 €/ton level until end of February and we expect prices to remain relatively high as a consequence of the limited supply in Europe and the USA. Campine successfully increased its price premiums to recover some of the higher raw material and energy prices, but inflation will keep pressure on profit margins during 2022.

Campine will continue its investment plan which contains some renewal and replacement as well as small expansion projects. These should further increase operational efficiency and improve our safety and environmental KPI's.

6. Diversity policy

Our workforce is one of the key-factors to our success. Each employee is unique thanks to his/her personal and specific knowledge, life experience, talents and other characteristics. All genders are considered equal in case of vacancies.

Based on our diversity policy we have built up a strong workforce with complementary teams. There are men and women of different nationalities, age, thoughts and belief …

Campine also complies with the corporate governance legislation regarding gender diversity in the board of directors.

7. Corporate matters

SIGNIFICANT EVENTS AFTER THE CLOSE OF THE YEAR

It is unclear at this point if and how the current conflict in Eastern Europe could impact Campine's business. There are only limited to no direct purchases or sales to Ukraine and Russia. However, Russia is an important producer (and exporter) of antimony ore (mainly to China) and this could induce further price increases and reduced availability on the antimony metals market. We see an increase in most metal prices in the first period of the conflict, but if the conflict escalates it is hard to estimate the impact on demand and commodity prices for the mid-term. Campine does monitor this situation very closely.

No other significant events occurred after the close of the year.

USE OF FINANCIAL INSTRUMENTS BY THE COMPANY, TO THE EXTENT THAT THESE ARE SIGNIFICANT IN EVALUATING ITS ASSETS, LIABILITIES, FINANCIAL SITUATION AND EARNINGS

No deviating valuation rules have been used compared to the standard IFRS rules. For a detailed description of the valuation rules we refer to our "Consolidated financial statements 2021 – 5.2.6 Financial instruments".

CIRCUMSTANCES WHICH COULD SIGNIFICANTLY INFLUENCE THE DEVELOPMENT OF THE COMPANY

There were no changes in circumstances which could substantially influence the development of the company.

RESEARCH AND DEVELOPMENT

Research and development is a constant theme in the improvement of the mastering of our production processes and the applicability of our products in specific markets. In each business unit, research projects were started up in collaboration with customers to develop new innovative products.

DIVIDEND

The board proposes that the company pays a dividend of 2.8 € per share, amounting to a total of 4.2 mio € based on the 2021 result. A dividend of 0.975 mio € was paid on the basis of the 2020 result.

STATUTORY AUDITOR

In 2021 the statutory auditor fee for audit and non-audit services reached 119,750 € for the Group. The non-audit services amounted to 29,500 €.

Furthermore, non-audit services amounting to 131,000 € were provided by the network of the auditor.

DISCHARGE TO DIRECTORS AND STATUTORY AUDITOR

The board of directors proposes granting discharge to all directors and the statutory auditor in respect of the exercise of their mandates in 2021.

STATUTORY APPOINTMENTS

See composition board of directors.

8. Fairness statement

The board of directors declares that to the best of their knowledge:

- the financial statements, prepared in accordance with the IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and the results of the company, including its consolidated subsidiaries;
- the annual report gives a true and fair view of the development and results of the company, including its consolidated subsidiaries, together with a description of principal risks and uncertainties that they face.
- the tagging of the annual financial report, executed in accordance with the ESEF-format according to the regulatory technical standards set by the European Delegated Regulation no 2019/815 of 17 December 2018, gives a true and fair view of the financial statements of the company.

Corporate governance statement

Campine's corporate governance charter is established in accordance with the principles of the Belgian Corporate Governance Code 2020. This code can be found on the website of the Commission Corporate Governance (www.corporategovernancecommittee.be). Our charter describes amongst others the current procedures and rules regarding corporate governance, the functioning of the board of directors and its committees (audit committee, nomination & remuneration committee and strategy committee). Our charter was adjusted in compliance with the new Code 2020. It is updated in case of changes to the Belgian Corporate Governance Code or to Campine's corporate governance model. The current version was approved by the board of directors on 25 February 2022. Our charter can be found on the website (www.campine.com) at 'Investors/Shareholder information'.

This corporate governance statement mentions the actual implementation of our corporate governance charter in 2021. It is established in accordance with the 'comply or explain'-principles. The recommendations 3.4 and 4.3 of the Corporate Governance Code are only partially followed. The explanation for these deviations can be found further in this Statement. The recommendations 7.6 and 7.9 of the Corporate Governance Code are not followed. The explanation for this can be found further in the remuneration report.

1. Corporate capital and shareholding

1.1. CORPORATE CAPITAL

The corporate capital is set at 4,000,000 € represented by 1,500,000 shares without nominal value. The capital is fully paid up. One share represents one vote. There are no statutory nor legal restrictions regarding the transfer of shares, no special voting rights nor shareholders' agreements.

1.2. SHAREHOLDING STRUCTURE ON BALANCE SHEET DATE

Name	Number of shares	% of the voting rights
F.W. Hempel Metallurgical GmbH Weißensteinstraße 70, 46149 Oberhausen, Germany	1,077,900	71.86%

The ultimate controlling person is Mr Friedrich-Wilhelm Hempel.

The remaining shares (28.14%) are, as far as the company knows, held by the public. The company has until now not received any notices from other shareholders, who are compelled to disclose their shareholdings pursuant to Belgian law governing the notification of major shareholdings.

Public takeover bid

Proceedings in case of a public takeover bid are mentioned in articles 7 (Authorised capital) and 12 (Acquisition of own shares) of the articles of association.

Rules regarding the exercise of the voting rights

Rules regarding the exercise of the voting rights are mentioned in article 10 (Exercise of the rights attached to the shares) of the articles of association. No shareholder has any special rights. There are no statutory restrictions regarding the exercise of voting rights.

2. The board of directors

2.1 COMPOSITION

Rules for the appointment and replacement of the directors are mentioned in articles 13 (Composition of the board of directors) and 14 (Premature vacancy) of the articles of association. On 12/31/2021 the Company's board was composed of six members, being one executive director and five non-executive directors, of whom are two independent directors.

DELOX BV, chairman of the board

- Non-executive director represented by its permanent representative Mr Patrick De Groote (appointed on 05/28/2019 for a period of 4 years) and hereafter referred to as "DELOX".
- Director of various companies.

Friedrich-Wilhelm Hempel

- Non-executive director (appointed on 05/26/2021 for a period of 4 years).
- Shareholder and director of various private companies in Europe.

Hans-Rudolf Orgs

- Non-executive director (appointed on 05/22/2018 for a period of 4 years). A proposal to renew the mandate of Mr H.-R. Orgs for a period of 4 years will be submitted to the general meeting.
- Managing director of the holding company F.W. Hempel & Co Erze & Metalle.

FLG BELGIUM SRL

- Non-executive and independent director represented by its permanent representative Ms Dina Brughmans (appointed on 05/26/2021 for a period of 4 years) and hereafter referred to as "FLG BELGIUM".
- HR and Change Management senior Advisor.

YASS BV

- Non-executive and independent director represented by its permanent representative Ms Ann De Schepper (appointed on 05/27/2020 for a period of 3 years) and hereafter referred to as "YASS".
- CFO, Agilitas Group.

ZENDICS BV

- Managing director represented by its permanent representative Mr Willem De Vos (appointed on 05/28/2019 for a period of 4 years) and hereafter referred to as "ZENDICS".
- Director and advisor to boards of various companies.

None of the directors has an additional mandate in a Belgian company listed on the stock exchange.;

Campine applies the independence criteria as mentioned in our corporate governance charter. The independent directors declare that they comply with art. 7:87 §1 of the Belgian Code on Companies and Associations.

The Corporate Governance Code 2020 (art 3.4) requires that the board should comprise at least three independent directors. In view of the limited size of the board – which consists of 6 directors in total - there were 2 independent directors on 12/31/21. This number represents one third of the total number of directors. The board is of the opinion that this ratio is sufficient. With a 6-person board of directors we have efficient decision-making whilst all directors can largely contribute to the discussions with their experience and knowledge.

Diversity policy: There are currently two female directors, which represents one third of the total number of directors. In composing the board, we ensure that the directors have a complementary set of competences and talents. All genders are considered equal in case of vacancies. Thanks to our diversity policy, our board of directors is a compact yet divers group of men and women of different nationalities, age, thoughts and belief …

At the start of the nomination process, the nomination & remuneration committee draws up a profile - based on an evaluation of skills, experience and knowledge – which the candidates must meet.

Ms Karin Leysen acts as company secretary. She assists the board in most compliance matters and makes sure the board adheres to its obligations under the law, the Articles of Association and the internal rules and regulations.

2.2 FUNCTIONING

The board meets on average four times a year. This frequency enables the board to keep regular and continuous track of the consolidated and unconsolidated results, the general state of business and developments at both Campine and its subsidiary, investment programmes of Campine, acquisitions and divestments by the Group, development of the management, etc. The board shall be called by the chairman or the managing director whenever the company's corporate interest so requires. Upon request of at least two directors additional meetings are convened.

The board of directors met five times in 2021:

	03/18/21	05/26/21	09/02/21	11/09/21	12/16/21
DELOX	✓	✓	✓	✓	✓
ZENDICS	✓	✓	✓	✓	✓
F.-W. Hempel	✓	✓	✓	✓	✓
H.-R. Orgs	✓	✓	✓	✓	✓
YASS	✓	✓	✓	✓	✓
FLG Belgium	✓	✓	✓	✓	✓

The following subjects were discussed:

- Strategy.
- Discussion and determination of actions regarding the long-term impact of COVID-19 on the business strategy.
- Results of Campine and its subsidiary Campine Recycling.
- Evaluation of last and current year's budget.
- Determination of next year's budget.
- Composition and evaluation of the board of directors.
- Approval of new investments.
- Evaluation of running and completed investments.
- Determination of the annual accounts for approval by the general meeting.
- Composition of the annual report to the general meeting.
- Composition remuneration report to the general meeting.
- Approval of the invitation of the general meeting.
- Approval of press releases to be published.
- Proposal of the nominations to the general meeting.
- Evaluation and determination of the risk position of lead and antimony, credit risk.
- Evaluation of the general risks and exposures to risks.
- Credit loans and bank balances.
- Status of the different business units.
- Status: personnel and organisation.
- Status: safety, health and environment.

2.3 EVALUATION

Campine has historically opted for a 'one-tier' governance structure with a board of directors. In view of the new Corporate Governance code 2020, this structure was evaluated and confirmed by the board in December 2019. At least every five years, the board will assess this structure. If this structure is considered as not appropriate anymore, it will propose a new governance structure to the general meeting.

Every 3 years the functioning of the board, its committees, the chairman and the individual directors are evaluated in the framework of good corporate governance practices. Formal evaluation interviews covering the functioning in the period 1.1.2019 -31.12.2021 have been held with the directors and with selected individuals of the executive management team and the company secretary, covering the following headlines:

- Composition and quality of the board.
- Understanding the business and risks.
- Processes and procedures.
- Specialized committees: audit, nomination/remuneration and strategy.
- ESG (Environmental - Social responsibility - Governance).
- Interaction and communication with executive management team and company secretary.
- Recommended actions for the next evaluation period.

In summary there is a unanimous feeling of good functioning of the board with freedom of speech and in line with corporate governance rules. Recent developments concerning ESG matters are either covered or under preparation. Recommendations for points of attention in the coming years relate to persistent safety policy, ESG reporting, cyber-security, focus on long term strategy, retention plan for senior management and information/learning sessions for directors on governance developments in the market.

Evaluation of the interaction with the executive management team

The various members of the executive management team are regularly invited to the meetings of the board of directors and the committees during which they present specific aspects regarding their responsibilities. They also have the opportunity to consult with the non-executive directors. Everyone considers this active interaction between the executive management team and the board of directors positive.

3. Board committees

3.1 THE NOMINATION & REMUNERATION COMMITTEE

The nomination & remuneration committee (acting as a remuneration committee within the meaning of article 7:100 of the Belgian Code on Companies and Associations) assists the board in all matters related to the appointment and remuneration of the directors and the executive management team.

The nomination & remuneration committee advises the board regarding adjustments to the remuneration policy, prepares the remuneration report and clarifies it during the general meeting.

The managing director participates in the committee with an advisory vote, each time the nomination & remuneration committee is dealing with the remuneration of the members of the executive management team and when the committee invites him.

On 12/31/2021 the nomination & remuneration committee consisted of the chairman of the board (DELOX), the independent director FLG BELGIUM and the independent director YASS.

All members have the necessary expertise in the field of remuneration as a result of their yearlong experience in the business environment and in business associations.

The nomination & remuneration committee met two times in 2021:

	03/17/21	12/15/21
DELOX	✓	✓
YASS	✓	✓
FLG Belgium	✓	✓

The following subjects were discussed:

- Composition of the board of directors.
- Preparation of the remuneration report for the board.
- Director's remuneration: tantième and director's remuneration.
- Composition, evaluation and remuneration of the executive management team.
- Evaluation and functioning of the board committees and directors.

3.2 THE AUDIT COMMITTEE

The audit committee has, at least, the following tasks:

- Monitoring the financial reporting process.
- Monitoring the effectiveness of the company's internal control and risk management systems.
- Monitoring the internal audit and its effectiveness.
- Monitoring the statutory audit of the annual and consolidated accounts, including any follow-up on any questions and recommendations made by the statutory auditor.
- Reviewing and monitoring the independence of the statutory auditor, in particular regarding the provision of additional services to the company.
- Risk management of the company.

Furthermore, the audit committee monitors the functioning of the executive management team. The audit committee reports all matters in respect of which it considers that action or improvement is needed to the board.

On 12/31/2021 the audit committee consisted of Mr H.-R. Orgs and the independent director FLG Belgium.

The Group complies with the requirements of the law and confirms that the independent directors comply with the law as to independence and competence criteria in the field of accounting and audit thanks to their extensive experience in a production environment and broad knowledge of finance and metal trading.

Pursuant to the Corporate Governance Code 2020 (article 4.3) each committee should have at least three members. In 2021, the audit committee only consisted of two directors – of which one independent director - due to the limited size of the company and the board of directors. The CEO and the CFO are invited to join each audit committee meeting.

In 2021, the audit committee met 4 times in the presence of the statutory auditor:

	03/11/21	05/20/21	08/31/21	12/09/21
H.-R. Orgs	✓	✓	✓	✓
FLG Belgium	✓	✓	✓	✓

The following subjects were discussed:

- Evaluation of the results of the current year.
- Preparation of the credit risk for the board.
- Preparation of the risk position of lead and antimony for the board.
- Risk analysis 'market risks'.
- Examination of the year and half-year figures and evaluation of the accounting estimates and judgements as a result of the closure of the financial year.
- Further transformation of the annual results as to ESEF-regulations.
- Internal control.
- Examination legal cases.
- Preparation of next year's budget for the board.
- Evaluation of the current budget.
- Press releases to be published: year results, half-year results …

3.3 THE STRATEGY COMMITTEE

The strategy committee assists the board in all matters related to the general management of the company and its subsidiary.

On 12/31/2021 the strategy committee consists of the director DELOX, the independent director YASS and the managing director ZENDICS.

Due to the COVID-19 situation, no separate strategy committee meetings were held in 2021 as the strategic topics were integrated in the meetings of the board of directors. From 2022, the strategic matters will be taken up again by the strategy committee itself. The committee's regulations can be found in annex of our corporate governance charter.

4. Executive management team

4.1 COMPOSITION

Willem De Vos	as permanent representative of ZENDICS BV managing director / Chief Operating Decision Maker
Leo Cazaerck	Maintenance manager
Nicolas De Backer	Procurement manager
Hilde Goovaerts	Operational Excellence manager
Jan Keuppens	Finance and Control manager
Hans Vercammen	division director Specialty Chemicals
David Wijmans	division director Metals Recycling

4.2 FUNCTIONING

The managing director's responsibilities include developing and monitoring of the business plans for each business unit, as approved by the board, the implementation of the decisions of the board and the setting up of the necessary investment programmes, which are then presented to the board for approval. Furthermore, the managing director ensures that valid legislation is respected and that the company works in compliance with all valid safety, health and environmental regulations.

The managing director is assisted by the executive management team. The executive management team reports to the managing director and enables the managing director to properly perform his duties of daily management.

5. Internal control and risk management system

Campine organises the management of internal control and corporate risks by defining its control environment (general framework), identifying and classifying the main risks to which it is exposed, analysing its level of control of these risks and organising 'control of control'. It also pays particular attention to the reliability of the financial reporting and communication process.

5.1 CONTROL ENVIRONMENT

- Company organisation: The company is organised into a number of departments as set out in an organisation chart. Each person has a job description. There is a power of attorney procedure. The company's representation in different areas like human resources, purchase, sales, is integrated in the 'internal powers' document. In cases where the 'potential' risks as a result of commitments taken, can fluctuate due to price volatility of the product (energy, raw materials, foreign currency, …) specific procedures apply. Management control is the responsibility of the controllers. The Finance & Control manager is in charge of organising the risk management.
- Organisation of internal control: The audit committee has a specific duty in terms of internal control and corporate risk management. The audit committee annually carries out an analysis of risks and associated action plans for which an external party examines a specific process/part in detail. Detailed information regarding the activities of the audit committee can be found under item 3.2 above mentioned and in our corporate governance charter.
- Ethics: In 2006 the board of directors has drawn up our corporate governance charter and code of conduct (annex of our charter). The current version can be consulted on the website of Campine (www.campine.com). The board checked whether the code of conduct is complied with and is of the opinion that all persons concerned respect the code of conduct.

5.2 RISK ANALYSIS AND CONTROL ACTIVITIES

All processes, from administration to effective production, are managed in a documented management system that is based on the different risk analyses systems. The risks regarding safety, health, environment & quality are inventoried, evaluated, managed and controlled in a dynamic way based on 'continuous improvement'. The audit committee reviews the risk analysis twice a year. The main risks are described in the note 'market risks' in the annual report.

Major risks and uncertainties inherent to the sector. The management aims to tackle these in a constructive way and pays particular attention to:

- Fluctuations of the prices of raw materials and metal; Prices fluctuate as a result of changing supply and/or demand of raw materials and end products, but also because of pure speculation.
- Fluctuations in availability and cost of the energy.
- Changes in regulations (Flemish, Belgian, European and global) in the field of environment and safety/health including legislation related to sale (REACH) and storage (SEVESO) of chemical products.
- Market risks include interest risk,(see note 5.26.1), foreign exchange risk (see note 5.26.2 and valuation rule 5.2.5), price risk (see note 5.26.3) and credit risk (see note 5.13.1);
- Global pandemic or disease outbreak could affect market demand and supply and metal prices (COVID 19). Although no issues of any significance occurred until now, management's major area of focus and concern are:
  - Health & well-being and availability of personnel.
  - Interruptions of production and disruptions in the supply chain.

Further estimation of the impact of the Covid-19 pandemic was made based on publicly available information and more specifically with regard to our experience with the pandemic during 2020. A further escalation of this or other pandemics could lead to interruptions in production due to, among other things, scarcity of raw materials, illness of a large number of employees, etc… The collapse in demand for our products and metal prices can also have consequences. The likelihood that such problems will arise remains very unlikely. Scenarios have already been evaluated on how we can deal with this to guarantee the continuity of the company. In our view, the consequences of the COVID-19 pandemic will not impact the company's going concern.

5.3 FINANCIAL INFORMATION AND COMMUNICATION

The process of establishing financial information is organised as follows:
A planning chart sets out the tasks with deadlines to be completed for the monthly, half-yearly and annual closures of the company and its subsidiary. Campine has a checklist of actions to be followed up by the financial department. The accounts team produces the accounting figures under the supervision of the Finance & Control manager. The controllers check the validity of these figures and produce the reporting. The figures are checked using the following techniques:

- Coherence tests by comparison with historical or budget figures.
- Sample checks of transactions according to their materiality.

5.4 SUPERVISION AND ASSESSMENT OF INTERNAL CONTROL

The quality of internal control is assessed over the fiscal year:

- By the audit committee. Over the fiscal year, the audit committee reviewed the half-yearly closure and the specific accounting methods. It also reviewed the disputes and main risks facing the company.
- By the auditor in the context of their review of the half-yearly and annual accounts. When appropriate, the auditor makes recommendations concerning the keeping of the financial statements.
- By the board of directors in the context of the day-to-day management. Furthermore, the board of directors supervises the performance of the duties of the audit committee in that connection, notably through that committee's reporting.

5.5 DEALING CODE REGARDING TRANSACTIONS OF THE COMPANY'S SHARES

The dealing code – part of our code of conduct – stipulates the rules regarding transactions of shares of the company. In compliance with the Regulation (EU 596/2014 of the European parliament and of the council of 16 April 2014 on market abuse (market abuse regulation), it sets limitations for 'key-persons' regarding transactions in specific periods ('closed periods' and 'prohibited periods') and imposes a disclosure obligation to the FSMA and our compliance officer in case of transactions outside these periods.

The board of directors has appointed Mr Willem De Vos as compliance officer.

5.6 TRANSACTIONS COVERED BY THE LEGAL PROVISION ON CONFLICTS OF INTEREST

All related party transactions are conducted on a business base and in accordance with all legal requirements and our corporate governance charter. During the financial year no conflict of interest (Articles 7:96 and 7:97 of the Belgian Code on Companies and Associations) occurred.

Nore Claessens (lab scientist Metals Recycling)

Remuneration report

1. Remuneration policy

The remuneration policy mentions the basic principles of the remuneration of the board of directors, the managing director, the executive management team and all other employees of the company. The remuneration policy is approved by the general meeting at least every 4 years and at any material change.

The principle of our remuneration policy aims to pay the directors and our employees in line with the market conditions with a basic remuneration. In addition, each employee is incentivised with a variable salary, depending on personal and group objectives (both short and long term) to be achieved and their performance in relation to our values.

Campine also implemented a job classification and evaluation system in which each employee is classified according to his/her job and experience. The evolution of the fixed remuneration of each employee is based on this system.

Both the directors' fees as the base remuneration and variable compensation of the executive management are regularly benchmarked with the market, the evolution of such compensations at companies of similar size and complexity and within the sectors in which Campine operates.

The variable remuneration ensures that the results of the company are in line with the objectives and strategy of the company. Some of the objectives take into account the long-term development of the company.

In addition to their basic remuneration, the non-executive directors can also benefit from a tantième when the company achieves a basic profitability.

Appreciation of employees and their performance is crucial in motivating our employees. In addition to ensuring the most pleasant working environment possible, we offer opportunities for personal and professional development, we organise team buildings at all levels, social activities after working hours, etc.

NON-EXECUTIVE DIRECTORS
The remuneration of the non-executive directors and the chairman is set in the articles of association of the company – which are approved by the extraordinary meeting of shareholders.
This remuneration consists of:

- The director's remuneration which is paid in the related financial year for the performance of their mandate as to article 23: The directors who fulfil their mandate for the entire financial year, receive a compensation which amounts for the financial year 2019 to twenty thousand euro (20.000 €) gross, gross irrespective of any profits made or losses sustained by the company. The aforementioned amount is automatically increased by two hundred and fifty euro (250 €) on the first day of each new financial year. The chairman of the board of directors who fulfils his mandate for the entire financial year, receives a compensation which amounts for the financial year 2019 to forty thousand euro (40.000 €) gross irrespective of any profits made or losses sustained by the company. The aforementioned amount is automatically increased by five hundred euro (500 €) on the first day of each new financial year. Directors who did not fulfil their mandate for the entire financial year will be paid on a pro rata basis of full months performed.

- The additional compensation which is paid in the related financial year for participating in the meetings of the different board committees, as set in article 23: The members of the audit committee, strategy committee and nomination and remuneration committee receive for the financial year 2019 each a compensation which amounts to one thousand two hundred and fifty euro (1.250 €) per attended meeting unless the meeting of a committee is held immediately prior to or after a board meeting or unless the meeting is held per telephone conference. The aforementioned amount is automatically increased by twenty five euro (25 €) on the first day of each new financial year directors who are invited to a meeting of a committee of which they are not members receive in 2019 a compensation of one thousand two hundred and fifty euros (1.250 €) per meeting in which they participate, unless the meeting of the committee takes place immediately after or before a meeting of the board of directors or if the meeting is held by telephone. The aforementioned amount of 1.250 € will automatically be increased by 25 € on the first day of each financial year.

- The tantième which is paid the year following the related financial year as set in article 39 of the articles of association: If the company's net profit amounts to one and a half million euro (1.500.000 €) or more after deduction of taxes and part of the legal reserve capital, a tantième of fifteen thousand euro (15.000 €) will be granted to each director with the exception of the managing director, whereas he is already compensated in his capacity of managing director. Only the directors that have served on the board of directors for at least six months during the financial year to which this tantième relates are entitled to the tantième and not pro rata the term of their mandate in the relevant financial year. Directors having served less than six months on the board during the relevant financial year will not be entitled to any tantième unless the annual shareholders' meeting decides otherwise. The managing director may receive a tantième as stipulated in this article in the event the annual shareholders' meeting decides so upon proposition of the board of directors and such by separate vote. The tantième granted to the chairman of the board of directors will amount to the double of the tantième granted to the directors in accordance with this paragraph.

If in a specific case, the board of directors requests the assistance of a director, the latter is entitled to a remuneration for actual working hours and expenses made.

Non-executive directors did not receive any shares, share options or other rights to acquire shares of the company or Group nor any benefits in kind nor do they participate in a pension plan.

Pursuant to the Corporate Governance Code 2020 (article 7.6) the non-executive directors should receive part of their remuneration in the form of shares in the company. Campine's board of director decided to not do so for the time being.
The possibilities to trade shares are somewhat limited in time given the potential risks of inside information and market abuse at a rather small-scale company like Campine.

MANAGING DIRECTOR AND OTHER MEMBERS OF THE EXECUTIVE MANAGEMENT TEAM

The obligation mentioned in articles 7:91 and 7:121 of the Belgian Code on Companies and Associations does not apply to executive directors, the persons who, alone or together, are charged with the day-today management and other leaders of the company mentioned in article 3:6 of the Belgian Code on Companies and Associations.

Pursuant to article 7.9 of the Corporate Governance Code 2020, the board of directors should set a minimum threshold of shares to be held by the executives. Campine's board of directors decided to not set this for the time being; the possibilities to trade shares are somewhat limited in time given the potential risks of inside information and market abuse at a rather small-scale company like Campine.

MANAGING DIRECTOR

The board of directors decides upon the remuneration of the managing director within the remuneration policy approved by the general meeting. The board oversees that the performance of the above is related to the continuity and long-term results of the company and that their remuneration is in relation to their performance and in the interest of all stakeholders.

The managing director does not receive any compensation for his duty as mere director. As to article 23 of the articles of association, the managing director may be granted a compensation if the annual shareholders' meeting agrees to this by separate vote upon proposition of the board of directors.

The managing director's remuneration for the execution of his function consisting of both a fixed and a variable compensation is based on market references.

The variable part consists of:

- A non-financial component (limited to 10% of the gross annual remuneration).
- A financial result-related component (limited to 100 K€).

The objectives linked to the variable part of the remuneration are set by the board of directors after recommendation of the nomination & remuneration committee. The objectives are set up annually and apply for the entire financial year and some possibly over multiple financial years. The choice of objectives can change every year depending on economic circumstances, regulations, organisation, strategy and other factors.

The nomination & remuneration committee assesses the performance of the managing director including the realisation of the criteria to obtain the variable remuneration and submits this assessment to the board of directors for approval.

During a board meeting – where the managing director is not present – the chairman of the nomination & remuneration committee informs the members about this assessment which is consequently discussed.

The managing director does not participate in a group and health insurance nor in any pension plan.

Other benefits are a monthly lump sum – which is indexed annually - for the reimbursement of all renting costs and daily travel costs. Furthermore all costs incurred for the execution of the function are reimbursed.

The contractual terms of hiring and termination arrangements of the managing director do not provide any specific compensation commitments, other than a term of notice of 12 months.

The company has no right to reclaim the variable remuneration when the variable remuneration was granted to the managing director based on incorrect financial data.

OTHER MEMBERS OF THE EXECUTIVE MANAGEMENT TEAM

The nomination & remuneration committee – in consultation with the managing director - advises on the nomination, remuneration and removal of the members of the executive management team within the remuneration policy approved by the general meeting. The board oversees that the performance of the above is related to the continuity and long-term results of the company and that their remuneration is in relation to their performance and in the interest of all stakeholders.

The remuneration of the members of the executive management team, consisting of both fixed and variable compensation, is based on a market study.

The variable salary of the Management Team members consists of 3 parts, each part with a maximum equivalent of 1 month of salary.

- Linked to the financial performance of the company.
- Linked to personal objectives, functioning as to the company's values and performance throughout the year.
- Linked to a set KPI's in their area of responsibility.

The objectives comprise both financial and nonfinancial targets. The objectives are set up annually and apply for the entire financial year and some possibly over multiple financial years. The choice of objective areas can change every year depending on economic circumstances, regulations, organisation, strategy and other factors.

The objectives linked to the variable part of the remuneration are set by the managing director. The performance of the executive management team is assessed by the managing director – in consultation with the nomination & remuneration committee.

The members of the executive management team participate in a pension plan based on fixed contributions with the exception of the members who execute their function through services of a management company.

The members of the executive management team participate – as do all employees of the company – in a group and health insurance. Other benefits are representation allowance, company car, internet connection, company phone in compliance with local market practices contributions with the exception of the members who execute their function through services of a management company.

The contractual terms of hiring and termination arrangements of the members of the executive management team provide in the standard notice periods as foreseen by the law, with possible deviation to max 12 months in case of early termination.

The company has no right to reclaim the variable remuneration in favour of the company when the variable remuneration was granted to the executive management team based on incorrect financial data.

At remaining circumstances, this remuneration policy is also applicable for the next two financial years. Every adjustment to the remuneration policy will be submitted for approval to the general meeting.

PROCEDURE DEVIATIONS FROM APPROVED REMUNERATION POLICY

A deviation from the approved remuneration policy regarding the managing director and Other members of the Management Team is only possible in exceptional situations and if the following procedure is followed.

Campine’s remuneration policy does not specify the components that can be deviated from. On the one hand because a list would have an exhaustive effect and on the other hand because the company cannot foresee all exceptional situations (just think of the sudden COVID-19 situation).

Any deviation is submitted for approval by the nomination and remuneration committee to the board of directors, stating:

- The current, existing remuneration;
- The part of the policy that has been deviated from;
- The amount and magnitude of the deviation;
- An explanation of the nature of the exceptional circumstances and why the deviation was necessary to serve or ensure the long-term interest and sustainability of the company.

The board of directors examines the proposal and decides upon it. If the board of directors approves, the deviation will be implemented. The deviation is stated in the remuneration report to the general meeting.

2. Remuneration report 2021

The remuneration report displays the implementation of the remuneration policy in 2021.

2021 was again characterised by circumstances caused by the COVID-19 pandemic. Workforce planning was drastically disrupted several times by rapidly changing market and health parameters. Campine took advantage of the special temporary unemployment measures (by Corona) for both blue-collar and white-collar employees.

At year-end, management awarded a premium to the entire staff for their dedication and flexibility during this difficult year 2021. This premium corresponded to a maximum 500 € value of consumption checks and a maximum 200 € value of eco checks.

NON-EXECUTIVE DIRECTORS

The non-executive directors receive the following gross compensation over the financial year 2021:

	Fixed remuneration				Ratio	
	Director's remuneration	Participation committees	Tantième (*)	Total	fixed /	tantième
DELOX chairman	41,000 €	0 €	30,000 €	**71,000 €**	57.7%	42.3%
year -1	40,500 €	1,275 €	30,000 €	**71,775 €**	58.2%	41.8%
F.-W. Hempel	20,500 €	0 €	15,000 €	**35,500 €**	57.7%	42.3%
year -1	20,250 €	0 €	15,000 €	**35,250 €**	57.4%	42.6%
H.-R. Orgs	20,500 €	5,200 €	15,000 €	**40,700 €**	63.1%	36.9%
year -1	20,250 €	5,100 €	15,000 €	**40,350 €**	62.8%	37.2%
FLG BELGIUM	20,500 €	5,200 €	15,000 €	**40,700 €**	63.1%	36.9%
year -1	20,250 €	5,100 €	15,000 €	**40,350 €**	62.8%	37.2%
YASS	20,500 €	0 €	15,000 €	**35,500 €**	57.7%	42.3%
year -1	11,813 €	1,275 €	15,000 €	**28,088 €**	46.6%	53.4%

(*) Criterion tantième: (see remuneration policy) If the net profit is 1.5 million €, the non-executive directors who have exercised their mandate for more than 6 months during the financial year receive a tantième of 15 K€. The chairman receives the double.

(1) DELOX: The chairman receives a double director's remuneration and tantième.

MANAGING DIRECTOR AND OTHER MEMBERS OF THE EXECUTIVE MANAGEMENT TEAM

			Variable remuneration				Ratio	
	Fixed remuneration	Other benefits	One year	Multiple years	Pension cost	Total	fixed /	variable
Zendics, CEO	308,546 €	15,609 €	127,769 €	50,000 €	0 €	**501,924 €**	64.6%	35.4%
payable in 2024				*100,000 €*				
year -1	307,285 €	15,545 €	74,335 €	0 €	0 €	**397,165 €**	81.3%	18.7%
Other members executive man. team	1,102,582 €	37,003 €	209,634 €	150,000 €	38,000 €	**1,537,219 €**	76.6%	23.4%
payable in 2024				*150,000 €*				
year -1	1,029,639 €	44,293 €	169,719 €	0 €	55,250 €	**1,298,901 €**	86.9%	13.1%

The fixed and variable components include the total cost for the employer, all employer contributions included for members with employee status and the total invoiced remuneration fee for members utilising a management company. The one year variable remuneration is the remuneration earned for the performance in 2021 but which will only be paid out in 2022.

The Board of Directors decided to grant an additional multi-year bonus – payable over several years - to the management to express its appreciation for the positive evolution of recent years and to assure a continuous retention of the team for the future.

During the financial year closed on 12/31/21, the managing director nor the members of the Executive Management (Leo Cazaerck, Nicolas De Backer, Hilde Goovaerts, Jan Keuppens, Hans Vercammen, David Wijmans) received any shares, share options or other rights to acquire shares of the company or Group.

EVOLUTION FIGURES

The evolution of the remunerations and results of the company are presented in % as relative ratios are more clearly than absolute figures.

Evolution of the remunerations and results of the company

Company results	2017 (1)	2018	2019 (2)	2020	2021
Net result of the financial year '000 €	7,008	5,830	8,015	2,784 €	**13,511 €**
Δ Net result vs previous financial year	284%	-17%	37%	-65%	**385%**

(1) The high % in 2017 is due to the initial European Commission fine which was booked in 2016.
(2) In 2019, the reduction of the European Commission fine was booked (3.88 mio €).

Evolution criterion on which the tantième is based (see 1. Remuneration policy)

	2017	2018	2019	2020	2021
Net profit of the company	8%; max 10 K€	> 1.5 mio €	> 1.5 mio €	> 1.5 mio €	**> 1.5 mio €**

Evolution total remuneration board members, managing director and other members of the executive management team

	2017 (1)	2018	2019 (2)	2020	2021
Total remuneration	1,756,846 €	1,400,305 €	1,907,180 €	1,920,316 €	**2,262,543 €**
Δ Total remuneration vs previous financial year	26%	-20%	36%	1%	**18%**

(1) 2017: including severance pay of previous CEO (339 K€) hence the difference with 2018.
(2) 2019: increase executive management team from 5 to 7 persons and increase board remunerations (both fixed as tantième).

Evolution criteria representing the long term objectives of the company on which the variable remuneration of the executive management team is based

Profit before taxes	50%	Annual targets per BU also for the consolidated level
Others	50%	Non-financial or other indicators showing the LT strategy ao safety, environment, research and development…

The board of directors determines the long-term objectives of the company. In order to achieve these financial and non-financial objectives, an implementation plan, being the business plan, is required. The global business plan is worked out in detail per division and even per department and contains various projects and actions to achieve the ultimate goals. Short-term targets per department are added or adjusted annually. The evolution towards the targets is monitored via KPIs (Key Performance Indicators) in different areas such as safety, health, environment, absenteeism, retention, (new) customers, (new) products, production processes, etc.

These KPIs are set per department known to all employees. They can be adjusted in function of changing (economic) circumstances, regulations, etc. This allows employees to identify themselves more quickly with annual goals. This way each employee is continuously involved in the implementation of the global long-term development of the company within his/her field and responsibilities. The annual variable remuneration of each employee is based on the progress and achievement of these targets.

The KPIs and actual objectives are not disclosed in detail as the publication of this confidential information about the company's strategy would significantly weaken our competitive position.

Average remuneration employees on FTE basis

	2017	2018	2019	2020	2021
Average remuneration employees on FTE basis	170	179	188	185	**191**
Average remuneration employees on FTE basis	78,841	76,056	74,787	72,941	**80,907**
Δ avg remuneration employees on FTE basis vs previous financial year	5%	-4%	-2%	-2%	**11%**

Ratio lowest/highest remuneration in 2021: 12.48% (2020: 14.51%).

Calculation salary costs: total gross annual salary incl. employer contributions and supplementary pension contribution paid by the employer incl. all other employee benefits (group & hospitalisation insurance, meal vouchers, year-end bonus, holiday pay, ...).

SHAREHOLDERS' VOTE
The shareholders' vote on the remuneration report during the general meeting. At the next vote, Campine will explain to the shareholders how the votes on the previous remuneration report were taken into account.

3. Dividend policy

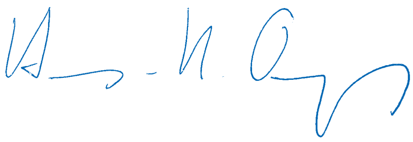
Campine's dividend policy is to pay out yearly dividends to its shareholders. The level of the dividend depends on certain financial parameters such as net profit level, availability of cash, future cash needs, etc. The targeted level of dividends should be about one third of the net profit, distributed over all shares.

The board of directors requests the general meeting of shareholders to approve the annual report of the board including the corporate governance statement and the remuneration report.

DELOX BV,
represented by its permanent
representative Mr Patrick De Groote

ZENDICS BV,
represented by its permanent r
epresentative Mr Willem De Vos

Dhr. Friedrich-Wilhelm Hempel



Dhr. Hans-Rudolf Orgs

YASS BV,
represented by its permanent
representative Mrs Ann De Schepper

FLG BELGIUM SRL,
represented by its permanent
representative Mrs Dina Brughmans

Consolidated financial statements 2021

1. Consolidated income statement for the year ended 12/31/2021

'000 €	Notes	**12/31/2021**	12/31/2020
Revenue from contracts with customers	5.4	**226,317**	166,947
Other operating income	5.5	**1,407**	1,095
Raw materials and consumables used		**-174,510**	-136,436
Employee benefits expense	5.25	**-15,416**	-13,494
Depreciation and amortisation expense	5.9/5.10	**-4,335**	-3,253
Changes in restoration provision	5.21	**-50**	-45
Other operating expenses	5.5	**-14,316**	-11,188
Operating result (EBIT)		**19,097**	3,626
Hedging results	5.14	**-786**	300
- Closed Hedges		***-628***	*498*
- Change in open position		***-158***	*-198*
Finance costs	5.6	**-346**	-258
Net financial result		**-1,132**	42
Result before tax (EBT)		**17,965**	3,668
Income tax expense	5.7	**-4,454**	-884
Result for the year (EAT)		**13,511**	2,784
Attributable to: equity holders of the parent		**13,511**	2,784
RESULT PER SHARE (in €)	5.8		
Number of shares		**1,500,000**	1,500,000
Result for the year (basic & diluted)		**9.01**	1.86

CONSOLIDATED OVERVIEW OF THE TOTAL RESULT

'000 €	**Notes**	**12/31/2021**	12/31/2020
Result for the year		**13,511**	2,784
Other comprehensive income:	5.25	**16**	-49
Comprehensive income not to be reclassified to the profit or loss statement in the future (actuarial results of retirement benefit obligations) net of tax			
Total result for the year		**13,527**	2,735
Attributable to: equity holders of the parent		**13,527**	2,735

EBITDA

Adding the financial target EBITDA, which is a non-IFRS term, allows to focus more on the importance of cash and should not influence negatively a decision on investments for future growth.

Calculation EBITDA:

'000 €	**12/31/2021**	12/31/2020
Result before tax (EBT)	**17,965**	3,668
Finance costs	**346**	258
Depreciation and amortisation expense	**4,335**	3,253
EBITDA	**22,646**	7,179

2. Consolidated balance sheet on 12/31/2021

'000 €	Notes	**12/31/2021**	12/31/2020
ASSETS			
Non-current assets			
Property, plant and equipment	5.9	**22,770**	18,514
Right-of-use assets	5.14	**373**	402
Intangible assets	5.10	**103**	130
Deferred tax assets	5.17	**104**	86
		23,350	19,132
Current assets			
Inventories	5.12	**45,403**	26,345
Trade receivables	5.13	**21,754**	17,173
Other receivables	5.13	**1,915**	1,198
Derivatives	5.14	**0**	93
Cash and cash equivalents		**153**	190
		69,225	44,999
TOTAL ASSETS		**92,575**	64,131
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	5.15	**4,000**	4,000
Legal reserves		**965**	965
Retained results		**43,008**	30,546
Equity attributable to equity holders of the parent		**47,973**	35,511
Total equity		**47,973**	35,511
Non-current liabilities			
Retirement benefit obligation	5.25	**1,192**	1,176
Deferred tax liabilities	5.17	**219**	-
Provisions	5.21	**1,185**	1,135
Bank loans	5.16	**1,500**	4,125
Obligations under leases	5.14	**206**	234
		4,302	6,670
Current liabilities			
Retirement benefit obligation	5.25	**31**	52
Trade payables	5.18	**24,251**	12,921
Other payables	5.18	**5,217**	2,973
Derivatives	5.14	**65**	-
Current tax liabilities		**121**	96
Obligations under leases	5.14	**167**	168
Bank overdrafts and loans	5.16	**2,802**	3,085
Advances on factoring	5.16	**7,646**	2,655
		40,300	21,950
Total liabilities		**44,602**	28,620
TOTAL EQUITY AND LIABILITIES		**92,575**	64,131

3. Consolidated statement of changes in equity for the year ended 12/31/2021

'000 €	Share capital	Retained earnings	Attributable to equity holders of the parent	Total
Balance on 31 December 2019	4,000	31,491	35,491	35,491
Total result of the year	-	2,735	2,735	2,735
Dividends and tantième	-	-2,715	-2,715	-2,715
Balance on 31 December 2020	4,000	31,511	35,511	35,511
Total result of the year	-	13,527	13,527	13,527
Dividends and tantième (note 5.8)	-	-1,065	-1,065	-1,065
Balance on 31 December 2021	**4,000**	**43,973**	**47,973**	**47,973**

4. Consolidated cash flow statement for the year ended 12/31/2021

'000 €	Notes	12/31/2021	12/31/2020
OPERATING ACTIVITIES			
Result for the year (EAT)		**13,511**	2,784
Adjustments for:			
Other gains and losses (investment grants)		**-**	-
Other gains and losses (hedging results)	5.14	**786**	-300
Finance costs	5.6	**346**	258
(Deferred) tax expenses	5.7	**4,454**	884
Depreciations and write-downs	5.9/5.10	**4,335**	3,253
Change in provisions (incl. retirement benefit)		**67**	-108
Change in inventory value reduction	5.12	**333**	-456
Change in trade receivables value reduction	5.13	**-**	-
Others		**-**	-
Operating cash flows before movements in working capital		**23,832**	6,315
Change in inventories	5.12	**-19,391**	53
Change in receivables	5.13	**-5,298**	-3,140
Change in trade and other payables	5.18	**12,918**	789
Cash generated from operations		**12,061**	4,017
Hedging results		**-628**	498
Interest paid	5.6	**-346**	-258
Income taxes paid		**-4,453**	-908
Net cash (used in) / from operating activities		**6,634**	3,349
INVESTING ACTIVITIES			
Purchases of property, plant and equipment	5.9	**-8,364**	-8,599
Purchases of intangible assets	5.10	**-13**	-1
Investment grants - not included in the result		**656**	0
Investment grants - deferred tax obligations		**219**	0
Net cash (used in) / from investing activities		**-7,502**	-8,600
FINANCING ACTIVITIES			
Dividends paid and tantième paid	5.8	**-1,065**	-2,715
Repayments of borrowings	5.16	**-3,000**	-1,500
Repayments of obligations under leases	5.14	**-187**	-149
New bank loans raised	5.16	**0**	4,500
Change in cash restricted in its use		**0**	0
Change in bank overdrafts	5.16	**92**	-35
Change in advances on factoring	5.16	**4,991**	2,655
Net cash (used in) / from financing activities		**831**	2,756
Net change in cash and cash equivalents		**-37**	-2,495
Cash and cash equivalents at the beginning of the year		**190**	2,685
Cash and cash equivalents at the end of the year		**153**	190

5. Notes to the consolidated financial statement for the year ended 12/31/2021

5.1. GENERAL INFORMATION

Campine nv ('the company') is a limited liability company incorporated in Belgium. The addresses of its registered office and principal place of business are disclosed in the Corporate Data. The principal activities of the company and its subsidiaries ('the Group') are described in this annual report.

5.2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared based on the International Financial Reporting Standards as adopted by the EU ("IFRS").

The accounting policies adopted in the preparation of the condensed consolidated financial statements of the Group are consistent with those followed in the preparation of the annual consolidated financial statements of the Group for the year ended 31 December 2020, except for the adoption of amended standards effective as of 1 January 2021. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

This year, the Group has applied all new and revised standards and interpretations that are relevant to its business and that are effective for the annual reporting period commencing on January 1, 2021.

Following standards and interpretations became applicable for 2021:

- Amendments to IFRS 4 Insurance Contracts – deferral of IFRS 9, effective 1 January 2021.
- Amendments to IFRS 9 Financial Instruments, IFRS 7 Financial Instruments: Disclosures, IAS 39 Financial Instruments: Recognition and measurement, IFRS 4 Insurance contracts and IFRS 16 Leases- Interest Rate Benchmark Reform – Phase 2, effective 1 January 2021.
- Amendments to IFRS 16 Leases – Covid-19 related rent concessions beyond 30 June 2021, effective 1 April 2021.

These changes had no significant impact on Campine's consolidated financial statements.

Standards and interpretations issued but not yet effective on 1 January 2021:

- Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current, effective 1 January 2023.
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies, effective 1 January 20231.
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates, effective 1 January 20231.
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction, effective 1 January 2023[1].
- Amendments to IAS 16 Property, plant and equipment – Proceeds before intended use, effective 1 January 2022.
- Amendments to IAS 37 Provisions, contingent liabilities and contingent assets – onerous contracts—cost of fulfilling a contract, effective 1 January 2022.
- Amendments to IFRS 3 Business combinations – References to the conceptual framework, effective 1 January 2022.
- Amendements to Insurance contracts:Initial application of IFRS 17 and IFRS 9 – Comparative information, effective 1 January 2023[1].
- IFRS 17 Insurance Contracts, effective 1 January 2023[1].
- Annual Improvements Cycle - 2018-2020, effective 1 January 2022.

With regard to the standards effective from 1 January 2022, the Group is currently analyzing the impact of these amendments on Campine's consolidated financial statements. With regard to the standards that will become effective from January 1, 2023, the group will start this analysis during the first half of 2022.

[1] Not yet approved by the EU on December 28, 2021. On November 19, 2021, the IASB published a new draft for discussion on the following topic: Amendments to IAS 1 Presentation of Financial Statements – Classification of Short or Long Term Debt

5.2.1. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the company (its subsidiaries). An investor controls an investee when it 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. The results of subsidiaries acquired or disposed of during the year are included in the financial information from the effective date of acquisition and up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. re-classified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders may be initially measured either at fair value or at the noncontrolling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to noncontrolling interests even if this results in the noncontrolling interests having a deficit balance.

5.2.2. Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of acquisition, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 ("Business combinations") are recognised at their fair values at the acquisition date, except for noncurrent assets (or disposal groups) that are classified as held for sale, which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss. The interest of minority shareholders in the acquire is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Acquisition-related costs are recognised in profit or loss as incurred. Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRS.

Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquire prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

5.2.3. Revenue from Contracts with Customers

IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers:

- Identify the contract.
- Identify the performance obligations.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract.
- Recognise revenue when or as the Group satisfies a performance obligation.

Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Nature of sales transactions: The Group is active in the metal business and thus contracts with customers generally concern the sale of these metal products, which qualify as separate performance obligations. Ancillary services, such as transport, are not material. As a result, revenue recognition generally occurs at a point in time, when control of the products is transferred to the customer, generally on delivery of the goods and considering the underlying incoterm.

The Group is not involved in transactions and/or contracts including volume rebates, trade discounts, (ancillary) services, customer assistance services or bundled sales contracts of a material nature.

Campine works with direct sales people for most of its sales in Europe and with distributors and agents in the rest of the world.

5.2.4. Leases

Definition of 'lease'

A contract is or contains a lease if it conveys a right to control the use of an identified asset for a period of time in exchange for a consideration.

To determine whether a lease confers the right to control use of a determined asset for a determined period of time, the entity must appreciate whether, throughout the period of use, it has the right to:

- Obtain substantially all of the economic benefits from the use of the asset.
- Direct the use of the asset.

To determine the duration of the leases, any options for renewal or termination have been considered as required by IFRS 16 taking into account the probability of exercising the option and only if it is under the control of the lessee.

At the start of the lease, the lessee recognises a right-of-use asset and a lease liability. For leases with a maximum duration of 12 months or leases of assets with low value, Campine applies the practical exemption in IFRS 16. Hence, these leases are not presented on the balance sheet.

Right-of-use assets

The Group recognises right-of-use assets on the commencement date of the contract, i.e. the date on which the asset becomes available for use. These assets are valued at the initial cost of the lease liability minus depreciation and any impairment, adjusted to take into account any revaluations of the lease liability. The initial cost of the right-of-use assets includes the present value of the lease liability, the initial costs incurred by the lessee, rent payments made on the start date or before that date, minus any incentives obtained by the lessee. These assets are depreciated over the estimated lifetime of the underlying asset or over the duration of the contract if this period is shorter, unless the Group is sufficiently certain of obtaining ownership of the asset at the end of the contract.

Right-of-use assets are presented separately from other assets as a different line under non-current assets.

Lease liabilities

The lease liability is valued at the present value of the rent payments that have not yet been paid. The present value of the rent payments must be calculated using the interest rate implicit in the lease if it is possible to determine that rate. If not, the lessee must use its incremental borrowing rate.

The incremental borrowing rate is the interest rate that the lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment.

Over the duration of the contract, the lessee values the lease obligation as follows:

- By increasing the carrying amount to reflect the interest on the lease liabilities.
- By reducing the carrying amount to reflect the rent payments made.
- By revaluing the carrying amount to reflect the new value of the lease obligation or modifications to the lease.

Lease liabilities are presented in a separate line on the balance sheet. Payments for the capital reimbursement and the interests are presented under financing activities in the statement of cash flows.

5.2.5. Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). Currently, the Group only consists of Campine NV and its subsidiary Campine Recycling NV. For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in EUR, which is the functional currency of the company, and the presentation currency for the consolidated financial statements. In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions.

At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency remain at historical rate. Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period (within other operating income/expenses).

5.2.6. Financial instruments

Classification and measurement of financial assets and financial liabilities

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Trade receivables, cash and cash equivalents, bank loans and lease obligations are classified and measured at amortised cost under IFRS 9.

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principle and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Classification and measurement of financial liabilities of the Group has not been modified by the requirements of IFRS 9. All financial liabilities of the Group are subsequently measured at amortised cost using the effective interest rate method.

Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets.

Specifically, IFRS 9 requires the Group to recognise a loss allowance for expected credit losses on trade receivables and cash and cash equivalents. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

IFRS 9 provides a simplified approach for measuring the loss allowance at an amount equal to lifetime expected credit losses for trade receivables without a significant financing component (short-term trade receivables). The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

All bank balances are assessed for expected credit losses at each reporting date as well.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the counterparty; or
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group)

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or the borrower.
- A breach of contract, such as a default or past due event.
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concessions(s) that the lender(s) would not otherwise consider.
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation. or
- The disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to commodity price risk.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

Depending on the market situation, in combination with the established purchase and sales contracts, both purchase and sales hedging contracts are used. The remaining volumes are partially offset against long-term financial hedging.

5.2.7. Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred, unless they are directly attributable to qualifying assets, in which case they are capitalised.

5.2.8. Government grants

Government grants are recognised in profit or loss (in other operating income) over the periods necessary to match them with the related costs. Government grants related to later periods are presented in the financial statements as deferred income.

If the government grant relates directly to an investment, it is deducted from the investment costs or taken to the income statement as other debts over the depreciation period of the asset to which it relates.

5.2.9. Retirement benefit costs and termination benefits

For defined benefit retirement benefit plans, the cost of providing benefits - as well as the defined contribution plans - is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- Net interest expense or income.
- Remeasurement.

The Group presents the first 2 components of benefit costs in profit and loss in the line item employee benefits expense. Curtailment gains and losses are accounted for as past service costs. The 3rd component is recognised directly to equity.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

5.2.10. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

5.2.11. Property, plant and equipment

Property, plant & equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Properties in the course of construction for production, rental or administrative purposes, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

5.2.12. Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from the Group's development is recognised only if all of the following conditions are met:

- An asset is created that can be identified (such as software and new processes).
- It is probable that the asset created will generate future economic benefits and.
- The development cost of the asset can be measured reliably.

Internally-generated intangible assets are amortised on a straight-line basis over their estimated useful lives. Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

5.2.13. Patents, trademarks and software purchased

Patents, trademarks and software purchased are measured initially at purchase cost and are amortised on a straight-line basis over their estimated useful lives.

5.2.14. Impairment of tangible and intangible assets excluding goodwill

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. 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 (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

5.2.15. Inventories

Cost of the raw materials includes both the purchasing price (using the principle of First in First out ("FIFO")), and the direct purchasing costs, like import duties, transportation and completion costs.

Cost of work in progress and finished products comprises all direct and indirect costs necessary that have been incurred in bringing the inventories to their present location condition on balance sheet date. Direct costs include, among others, the cost of the used raw materials and the direct labour costs.

Indirect costs include a systematical impute of fixed and variable indirect production costs proceeded from the conversion of raw materials in end products. The impute of fixed indirect production costs is based on the normal capacity of the production facilities.

For the determination of the cost, the standard cost price method is used. The standard cost price takes into account the normal use of raw and auxiliary materials, labour, efficiency and capacity. The standard cost price is frequently being evaluated and, if necessary, revised in consideration with the present conditions. The standard cost price of the raw and auxiliary materials, as also the appreciation of it in work in progress and in raw materials, will be revised every month on the basis of the new determined FIFO value of these raw and auxiliary materials.

The inventories are valued at the lower of cost, determined as described above, or market value. The market value represents the estimated selling price in normal circumstances less estimated cost of completion and costs to be incurred to realise sales (marketing, selling and distribution). The estimated selling price is based on the LME quotation (London Metal Exchange) for lead. For the antimony price we refer to the current prices in combination with the already contracted purchase and sales contracts.

Value reductions are made for the old and slow moving inventories.

5.2.16. Trade receivables

Trade receivables are measured at initial recognition at fair value. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. Based on a regular age analysis of the assets, it is determined case per case if a liability for doubtful debtors is needed.

Factoring

The Group entered into a factoring agreement with a credit institution, whereby the credit institution pays advances to the Group on trade receivables. As the credit risk of these receivables remains with the Group, not all risks and rewards of the transferred receivables are transferred. As a consequence, the receivables remain on the balance sheet of the Group and the advances received are recorded in the balance sheet under the short term advances on factoring.

5.2.17. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits. Cash and cash equivalents are included at fair value.

5.2.18. Bank borrowings

Interest-bearing bank loans and overdrafts are measured at fair value. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see above).

5.2.19. Trade payables

Trade payables are measured at cost.

5.2.20.Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

5.2.21. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM"). The CODM is the CEO (assisted by the executive management team).

5.3. JUDGEMENT AND USE OF ESTIMATES

The preparation of financial statements requires the use of estimates and assumptions to determine the value of assets and liabilities, to assess the positive and negative consequences of unforeseen situations and events at the balance sheet date, and to form a judgment as to the revenues and expenses of the fiscal year.

The basis of the judgement and use of estimates is consistent to our annual report 2020.

Significant estimates made by the Group in preparation of the financial statements relate mainly to:

- Valuation of the recoverable amount of stocks (see note 5.12.). The inventories are valued at cost, determined as described above, or at market value, if the latter is lower.
- Valuation of sanitation provisions (see note 5.21.). The Group has set up a provision for soil sanitation and other environmental items.
- Pension and related liabilities (see note 5.26.). The estimated liability arising from defined contribution retirement benefit plans of the Group, is based on actuarial assumptions. The pre-tax discount rate and estimated salary expectations are actuarial assumptions which can significantly affect the liability.
- Deferred tax assets are recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. In making its judgement, the board takes into account long-term business strategy. A major uncertainty in the determination of the future taxable result concerns the volatility and unpredictability of raw material prices.
- Others; litigation and lawsuits. The Group is, and can in the future become, involved in legal disputes. Until now, Campine is – as plaintive or defendant – involved in some legal proceedings which can have no important global impact on Campine – as to the information upon which the Group disposes on the date of this report: the probability of resulting assets or liabilities is particularly low and / or it concerns relatively insignificant amounts.

Due to the uncertainties inherent in all valuation processes, the Group revises its estimates on the basis of regularly updated information. Future results may differ from these estimates. As well as the use of estimates, Group management also uses judgment in defining the accounting treatment for certain operations and transactions not addressed under the IFRS standards and interpretations currently in force.

5.4. OPERATIONAL SEGMENTS

5.4.1. Geographical segments

The Group's registered office and manufacturing operations are located in Belgium, Nijverheidsstraat 2, 2340 Beerse.

The following table provides an analysis of the Group's sales by geographical market.

	12/31/2021 '000 €	**%**	12/31/2020 '000 €	%
Belgium	**6,924**	**3.1%**	5,938	3.6%
Germany	**82,908**	**36.6%**	60,585	36.3%
Switzerland	**19,448**	**8.6%**	13,054	7.8%
Italy	**18,566**	**8.2%**	13,521	8.1%
Romania	**10,832**	**4.8%**	7,637	4.6%
France	**9,340**	**4.1%**	7,296	4.4%
The Netherlands	**7,574**	**3.3%**	5,590	3.3%
United Kingdom	**1,988**	**0.9%**	1,676	1.0%
Other European countries	**19,830**	**8.8%**	8,148	4.9%
North America	**27,930**	**12.3%**	14,277	8.6%
Asia	**19,810**	**8.8%**	28,577	17.1%
Others	**1,168**	**0.5%**	647	0.4%
	226,317	**100%**	166,946	100%

92% of the turnover of Metals Recycling was realised in Europe whereas 63% of the turnover of Specialty Chemicals was achieved in Europe.

5.4.2. Business segments/divisions

Our reportable segments reflect the significant components of our operations. We evaluate our business operations in two segments, called divisions: “Specialty Chemicals” and “Metals Recycling”. Discrete financial information on these two segments is provided to the CODM.

- **Specialty Chemicals** hosts all businesses which serve end-markets with chemical products and derivates. The manufacturing of antimony trioxide used as flame-retardant, polymerization catalyst and pigment reagent and the production of different types of polymer and plastic masterbatches. The Specialty Chemicals division comprises the business units (BU’s) Antimony and BU Plastics.

Speciality Chemicals	**2021** BU Antimony	2020	Δ	**2021** BU Plastics	2020	Δ	**2021** Total Speciality Chemicals	2020	Δ
Turnover € ‘000	**72,411**	42,030	72.3%	**33,941**	22,539	50.6%	**106,352**	64,569	64.7%

The total (external and cross-business unit) turnover of the Specialty Chemicals division represents a volume of 15,598 ton (12/31/2020: 13,353 ton) (+16.8%). The split between external sales and cross-business unit sales can be found in the table on the next page.

- **Metals Recycling** hosts the businesses in which metals are being recovered from industrial and postconsumer waste streams. The main activity is the manufacturing of lead alloys. To this business is added the growing activity of the recycling of other metals such as antimony and tin. This division comprises the business units (BU’) Lead and BU Metals Recovery.

Metals Recycling	**2021** BU Metals Recovery	2020	Δ	**2021** BU Lead	2020	Δ	**2021** Total Metals Recycling	2020	Δ
Turnover € ‘000	**14,945**	8,491	76%	**127,226**	104,618	21.6%	**142,171**	113,109	25.7%

The total (external and cross-business unit) turnover of the Metals Recycling division represents a volume of 63,873 ton (12/31/2020: 62,628 ton) (+2%). The split between external sales and cross-business unit sales can be found in the table on the next page.

There is one customer in the BU Lead who represents more than 10% of the Group’s turnover (19%).

'000 €	Specialty Chemicals 12/31/2021	Metals Recycling 12/31/2021	Unallocated 12/31/2021	Total 12/31/2021
REVENUE				
External sales	106,352	119,965	-	226,317
Cross-business unit sales in the same segment	-	22,206	-22,206	0
Total revenue	**106,352**	**142,171**	**-22,206**	**226,317**
RESULT				
Segment operating result	10,583	8,514	-	19,097
Unallocated expenses				
Operating result (EBIT)				19,097
Investment revenues	-	-	-	-
Hedging results	-	-786	-	-786
Other gains and losses	-	-	-	0
Finance costs	-	-	-346	-346
Result before tax				17,965
Income tax expense				-4,454
Result for the period				**13,511**

'000 €	Specialty Chemicals 12/31/2021	Metals Recycling 12/31/2021	Unallocated 12/31/2021	Total 12/31/2021
OTHER INFORMATION				
Capital additions	1,038	5,621	1,718	8,377
Depreciation and amortisation (incl. right-of-use assets)	-1,225	-2,277	-833	-4,335
BALANCE SHEET				
Assets				
Fixed assets (incl. right-of-use assets)	4,072	14,815	4,359	23,246
Deferred tax	-	-	104	104
Stocks	25,807	17,221	2,375	45,403
Trade receivables	14,376	7,340	38	21,754
Other receivables			1,915	1,915
Derivatives	-	-	-	0
Cash and cash equivalent	-	-	153	153
Total assets	**44,255**	**39,376**	**8,944**	**92,575**
Long term liabilities				
Retirement benefit obligation	-	-	1,192	1,192
Deferred tax liabilities	-	-	219	219
Bank loans	-	-	1,500	1,500
Obligations under leases	-	-	206	206
Provisions	-	-	1,185	1,185
Short term liabilities				
Retirement benefit obligation	-	-	31	31
Trade payables	5,800	14,610	3,841	24,251
Other payables			5,217	5,217
Derivatives	-	65	-	65
Current tax liabilities	-	-	121	121
Obligations under leases	-	-	167	167
Bank overdrafts and loans*	-	-	10,448	10,448
Total liabilities	**5,800**	**14,675**	**24,127**	**44,602**

* Advances on bank overdrafts and loans are always withdrawn in function of the necessary working capital. They are considered to relate to the whole of the group's two legal entities and are therefore not allocated at segment level.

'000 €	Specialty Chemicals 12/31/2020	Metals Recycling 12/31/2020	Unallocated 12/31/2020	Total 12/31/2020
REVENUE				
External sales	64,569	102,378	-	166,947
Cross-business unit sales in the same segment	-	10,731	-10,731	0
Total revenue	**64,569**	**113,109**	**-10,731**	**166,947**
RESULT				
Segment operating result	1,079	2,547	-	3,626
Unallocated expenses				
Operating result (EBIT)				3,626
Investment revenues	-	-	-	-
Hedging results	-	300	-	300
Other gains and losses	-	-	-	0
Finance costs	-	-	-258	-258
Result before tax				3,668
Income tax expense				-884
Result for the period				**2,784**

'000 €	Specialty Chemicals 12/31/2020	Metals Recycling 12/31/2020	Unallocated 12/31/2020	Total 12/31/2020
OTHER INFORMATION				
Capital additions	1,718	5,848	1,034	8,600
Depreciation and amortisation (incl. right-of-use assets)	-959	-1,638	-656	-3,253
BALANCE SHEET				
Assets				
Fixed assets (incl. right-of-use assets)	4,259	11,471	3,316	19,046
Deferred tax	-	-	86	86
Stocks	11,635	12,040	2,670	26,345
Trade receivables	9,034	8,139	0	17,173
Other receivables			1,198	1,198
Derivatives	-	93	-	93
Cash and cash equivalent	-	-	190	190
Total assets	**24,928**	**31,743**	**7,460**	**64,131**
Long term liabilities				
Retirement benefit obligation	-	-	1,176	1,176
Deferred tax liabilities	-	-	-	-
Bank loans	-	-	4,125	4,125
Obligations under leases	-	-	234	234
Provisions	-	-	1,135	1,135
Short term liabilities				
Retirement benefit obligation	-	-	52	52
Trade payables	3,385	8,116	1,420	12,921
Other payables			2,973	2,973
Derivatives	-	-	-	-
Current tax liabilities	-	-	96	96
Obligations under leases	-	-	168	168
Bank overdrafts and loans*	-	-	5,740	5,740
Total liabilities	**3,385**	**8,116**	**17,119**	**28,620**

* Advances on bank overdrafts and loans are always withdrawn in function of the necessary working capital. They are considered to relate to the whole of the group's two legal entities and are therefore not allocated at segment level.

5.5. OTHER OPERATING EXPENSE AND INCOME

'000 €	12/31/2021	12/31/2020
OTHER OPERATING EXPENSE		
Office expenses & IT	**937**	770
Fees	**678**	333
Insurances	**541**	509
Interim personnel	**1,868**	1,397
Expenses related to personnel	**121**	146
Carry-off of waste	**4,066**	3,441
Travel expenses	**126**	116
Transportation costs	**2,998**	2,169
Other purchase and sales expenses	**721**	471
Negative operating hedge result	**687**	410
Research & development	**422**	116
Renting	**141**	155
Subscriptions	**472**	391
Advertising - publicity	**68**	58
Other taxes (unrelated to result)	**125**	94
Financial costs (other than interest)	**125**	426
Others	**220**	186
	14,316	11,188

The "carry-off of waste" cost is reduced by the recovery of metal-rich waste streams that arise from our production process and often only a toll conversion fee is charged.
Some of these waste streams are now also sold externally. Consequently the carry-off cost increases while on the other hand these external sales generate additional income.

'000 €	12/31/2021	12/31/2020
OTHER OPERATING INCOME		
Positive operating hedge result	**806**	308
Finance income (other than interest)	**0**	1
Claims	**12**	8
Subsidies	**228**	193
Produced assets - own construction	**294**	379
Recuperation of costs from third parties	**32**	158
Others	**35**	48
	1,407	1,095

5.6. FINANCE COSTS

'000 €	**12/31/2021**	12/31/2020
Interest on bank overdrafts, loans and factoring	**335**	248
Interest cost on leasing	**11**	10
Total borrowing costs	**346**	258

5.7. INCOME TAX EXPENSE

'000 €	**12/31/2021**	12/31/2020
Current tax	**4,478**	860
Deferred tax	**-24**	24
Income tax expense for the year	**4,454**	884

Domestic income tax is calculated at 25% (2020: 25%) of the estimated assessable result for the year.

'000 €	**12/31/2021**	12/31/2020
Result before tax	**17.965**	3.668
Tax at the domestic income tax rate of 25% (2020: 25%)	**4,491**	917
Tax effect of expenses that are not deductible in determining taxable result	**48**	-9
Tax effect of Notional Interest Deduction (NID)	**0**	0
Tax settlement previous years	**-90**	-37
Tax effect of utilisation of tax losses previously not recognised and timing differences	**-39**	5
Tax penalty (insufficient prepayments)	**44**	10
Effect of different tax rates of subsidiaries operating in other jurisdictions	**0**	-2
Tax expense and effective tax rate for the period	**4,454**	884

On 12/31/2021 deferred tax assets amount to 104 K€ (86 K€ on 12/31/2020) and the deferred tax liabilities amount to 219 € (0 € on 12/31/2020). The deferred tax liability relates to the investment grant of € 1 million that Campine received in 2021.

5.8. DIVIDENDS AND TANTIÈME

The board proposes to pay a dividend amounting to 4.2 mio € based on the 2021 results. A total dividend of 0.975 mio € was paid based on the 2020 result.

The board proposes to pay the non-executive directors a tantième for the financial year closed on 12/31/2021 as follows:

	F.-W. Hempel	FLG BELGIUM	YASS	DELOX chairman	H.-R. Orgs	Total
Tantième	15,000 €	15,000 €	15,000 €	30,000 €	15,000 €	90,000 €

For the financial year closed on 12/31/2020 a total tantième of 90 K€ was paid.

5.8.1. Result per share

As no potential shares – which could lead to dilution – were issued and no activities were ceased, the diluted result per share equals the basic result per share. The calculation of the basic and diluted result per share attributable to the ordinary equity holders of the parent is based on the following data:

'000 €	**12/31/2021**	12/31/2020
RESULT		
Result for purposes of basic and diluted results per share (result for the year attributable to equity holders of the parent)	**13,511**	2,784
NUMBER OF SHARES		
Weighted average number of ordinary shares for the purposes of basic and diluted results per share	**1,500,000**	1,500,000

5.9. PROPERTY, PLANT AND EQUIPMENT

'000 €	Land and buildings	Properties under Construction	Fixtures and equipment	Total
COST OR VALUATION				
On 31 December 2019	14,385	1,045	68,935	84,365
Additions	1,011	1,857	5,731	8,599
Transfers	381	-983	602	0
Disposals	-	-	-45	-45
On 31 December 2020	15,777	1,919	75,223	92,919
Additions	769	386	7,209	8,364
Transfers	405	-1,919	1,514	0
Disposals	-	-	0	0
On 31 December 2021	**16,951**	**386**	**83,946**	**101,283**
ACCUMULATED DEPRECIATION				
On 31 December 2019	12,816	-	58,572	71,388
Depreciation charge for the year	229	-	2,834	3,063
Eliminated on disposals	-	-	-45	-45
On 31 December 2020	13,045	-	61,361	74,406
Depreciation charge for the year	293	-	3,815	4,108
Eliminated on disposals	-	-	-	0
On 31 December 2021	**13,338**	**0**	**65,176**	**78,514**
CARRYING AMOUNT				
On 31 December 2021	**3,613**	**386**	**18,771**	**22,770**
On 31 December 2020	2,732	1,919	13,863	18,514

We always depreciate until residual value 0. The following depreciation rates are used for property, plant and equipment:

Industrial, administrative, commercial buildings	5%
Furniture	20%
Vehicles	25%
Installations, machinery and equipment	min 5% – max 33% depending on the life time

The Group has not pledged land and buildings to secure banking facilities granted to the Group.

5.10. INTANGIBLE ASSETS

'000 €	Patents, trademarks and software purchased
COST	
On 31 December 2019	1,926
Additions	1
On 31 December 2020	1,927
Additions	13
On 31 December 2021	**1,940**
ACCUMULATED DEPRECIATION	
On 31 December 2019	1,756
Charge for the year	41
On 31 December 2020	1,797
Charge for the year	40
On 31 December 2021	**1,837**
CARRYING AMOUNT	
On 31 December 2021	**103**
On 31 December 2020	130

The intangible assets included in the table have finite useful lives. Intangible assets are, depending on the category, depreciated over 3 to 8 years.

5.11. SUBSIDIARIES

Details of the Group's subsidiaries on 12/31/2021 are as follows:

Name of subsidiary	Place of incorporation (or registration) and operation	Proportion of ownership interest	Proportion of voting power held	Principal activity
Campine Recycling nv BTW: BE0474.955.451	Belgium	99.99%	100%	Lead recycling

There are no restrictions on the access to and use of the assets of the subsidiaries nor on the proceedings to settle commitments of the Group.

5.12. INVENTORIES

'000 €	**12/31/2021**	12/31/2020
Raw materials	**12,738**	9,252
Work-in-progress	**9,603**	6,409
Finished goods	**23,062**	10,684
	45,403	26,345

The inventory per year-end includes an amount written-off of 636 K€ (2020: 303 K€) because of the lower of cost and market value. The market value is the estimated selling price under normal circumstances less the estimated conversion cost and the estimated costs of realizing the sale (marketing, sales and distribution). The estimated sales price is determined using the LME (London Metal Exchange) quotations for lead. For the antimony price we refer to the current prices in combination with the already contracted purchase and sales contracts.

5.13. FINANCIAL ASSETS

The board of directors confirms that the carrying amount of trade and other receivables approximates their fair value as those balances are short-term.

During 2021 no negative effect caused by COVID-19 in the collection of trade and other receivables was experienced. Management does not expect any future problems in this regard.

5.13.1. Trade receivables

'000 €	**12/31/2021**	12/31/2020
Amounts receivable from the sale of goods	**21,754**	17,173
	21,754	17,173

An allowance has been recorded for estimated irrecoverable amounts from the sale of goods of 1,011 K€ (2020: 1,011 K€). This allowance has been determined on a case-by-case basis. Balances are written off when sufficiently certain that the receivable is definitely lost.

The total amount from sales of goods amounting to 21,754 K€ includes 17,419 K€ subject to commercial factoring by a credit institute. Based on these receivables the credit institute can deposit advances on the account of Campine (7,646 K€ on 12/31/2021, see note 5.16. Bank borrowings) and afterwards collects the receivables itself. The credit risk stays at Campine and is covered by a credit insurance.

There are no significant overdue amounts, older than 30 days, which are not provided for and/or are not fully covered by a credit insurance. Management has evaluated the expected loss provision on trade receivables but concluded that there was no need for a (material) additional provision on top of the specific bad debt provisions already recorded.

5.13.2. Other receivables

'000 €	**12/31/2021**	12/31/2020
Other receivables	**1,915**	1,198
	1,915	1,198

Other receivables principally comprise amounts reclaimed V.A.T.

5.13.3. Bank balances and cash

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

5.13.4. Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are after allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

Concentrations of credit risk with respect to trade receivables are limited due to the Group's customer base being large and unrelated. Due to this, the board of directors believes that there is no further credit risk provision required in excess of the allowance for bad and doubtful debts.

Roll-forward of the allowances for doubtful debtors:

'000 €	**12/31/2021**	12/31/2020
Opening allowance doubtful debtors	**1,011**	1,011
Additions	**-**	-
Reversals	**-**	-
Closing allowance doubtful debtors	**1,011**	1,011

Included in the Group's trade receivable balance are debtors with a carrying amount of 2,430 K€ (2020: 694 K€) which are past due at the reporting date but for which the Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group has taken out a credit insurance for these amounts. The average age of these receivables is 20 days past due (2020: 10 days).

5.14. OTHER FINANCIAL ASSETS AND LIABILITIES

5.14.1. Derivatives

For a detailed description we refer to accounting policy 5.2.6 Financial instruments mentioned in this report.

The table below summarises the net change in fair value – realised and unrealised – of the positions on the LME lead / tin futures market where it sells forward lead and tin via future contracts.

'000 €	Fair value of current instruments	Underlying lead volumes (in ton)
On 31 December 2020	93	1,600
On 31 December 2021	**-65**	**2,650**

The change in fair value in income statement amounts to -786 K€ (2020: 300 K€).

The fair value of the derivatives are included in the balance sheet as current liabilities – derivatives for 65 K€.

The classification of the fair value of the hedge instruments is level 1 (unadjusted quoted prices in an active market for identical assets or liabilities) in the "fair value hierarchy" of IFRS 13.

5.14.2 Lease obligations

Roll forward of right-of-use assets:

'000 €	12/31/2021
Per 31 December 2019	355
Additions	196
Depreciation charge for the year	-149
Disposals	-
On 31 December 2020	402
Additions	158
Depreciation charge for the year	-187
Disposals	-
On 31 December 2021	373

Leased assets relate to company cars. The repayments of operating lease liabilities during 2021 amount to 198 K€. The depreciation charges reached 187 K€ and the financial charges amounted to 11 K€.

The Group also applies the practical expedients for operating leases of which the contract has a limited duration or operating leases where the underlying assets have a low value.

There were no restrictions or purchase options related to the agreements which are not index related. Lease arrangements are negotiated for an average term of four years.

5.15. SHARE CAPITAL

'000 €	**12/31/2021**	12/31/2020
Authorised		
1,500,000 ordinary shares of par value of 2.67 € each	**4,000**	4,000
Issued and fully paid	**4,000**	4,000

The company has one class of ordinary shares which carry no right to fixed income.

5.16. BANK BORROWINGS (LEASE OBLIGATIONS EXCLUDED)

'000 €	12/31/2021	12/31/2020
Bank loans- investment credit	**4,125**	7,125
Bank overdrafts	**177**	85
Advances on factoring	**7,646**	2,655
	11,948	9,865
Repayable borrowings		
Bank loans after more than one year	**1,500**	4,125
Bank loans within one year	**2,625**	3,000
Bank overdrafts	**177**	85
Advances on factoring	**7,646**	2,655
	11,948	9,865
Average interest rates paid		
Bank loans- investment credit	**1.50%**	1.50%
Bank overdrafts	**1.58%**	1.57%
Advances on factoring	**1.32%**	1.33%

Bank loans are arranged at fixed interest rates. Other borrowings (bank overdrafts and advances on factoring: 7,823 K€ on 12/31/2021 (on 12/31/2020: 2,740 K€)) are arranged at floating rates, thus exposing the Group to an interest rate risk (see note 5.26.1.). On 12/31/2021, the Group had available 17,359 K€ (12/31/2020: 17,539 K€) of undrawn committed borrowing facilities.

In the credit agreements with our banks a number of covenants are agreed upon based on equity, solvency and stock rotation. On 12/31/2021 Campine complied with all covenants:

- The equity (corrected for intangible fixed assets and deferred taxes) amounted to 47,985 K€ on 12/31/2021 compared to the required minimum of 22,000 K€.
- The solvency ratio on 12/31/2021 (52%) is in compliance with the required ratio of 30%.
- With a stock rotation of 60 days Campine complied to the stock rotation ratio (< 90 days) on 12/31/2021.

Roll-forward van de financiële verplichtingen en de aansluiting met cash-flow:

'000 €	12/31/2021	Financing cash-flow	12/31/2020
Bank overdrafts	**177**	92	85
Advances on factoring	**7,646**	4,991	2,655
Bank loans- investment credit	**4,125**	-3,000	7,125
	11,948	2,083	9,865

5.17. DEFERRED TAX

The following are the major deferred tax liabilities and assets recognised by the Group, and the movements thereon, during the current and prior reporting periods.

'000 €	Timing differences on fixed assets	Positive fair value derivatives	Retirement benefit obligations	Fiscal losses	Others	Total
On 31 December 2019	4	73	-106	-	-64	-93
Charge/(credit) to result for the year	-1	-50	10	-	64	23
Charge/(credit) to other comprehensive income	-	-	-16	-	-	-16
On 31 December 2020	3	23	-112	-	0	-86
Charge/(credit) to result for the year	-2	-23	-11		12	-24
Charge/(credit) to other comprehensive income	-	-	6	-	-	6
On 31 December 2021	**1**	**0**	**-117**	**-**	**12**	**-104**

The balance of 104 K€ consists completely out of a deferred tax asset ad 104 K€.
The deferred tax liability of 219 K€ is related to the capital grants.

5.18. TRADE AND OTHER PAYABLES

5.18.1 Trade payables

Trade creditors and accruals principally comprise amounts outstanding for trade purchases. The board of directors considers that the carrying amount of trade payables approximates their fair value as those balances are short-term.

There are no trade payables older than 60 days (with the exception of disputes), hence an age analysis is irrelevant.

'000 €	**12/31/2021**	12/31/2020
Trade creditors and accruals	**24,251**	12,921
	24,251	12,921

5.18.2 Other payables

'000 €	**12/31/2021**	12/31/2020
Other payables and accruals	**5,217**	2,973
	5,217	2,973

Other payables and accruals principally comprise amounts outstanding for ongoing costs as well as the capital grant received, which is spread in the proceeds.

5.19. LIQUIDITY RISK

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

	12/31/2021			12/31/2020		
'000 €	**< 1 year**	**1-5 year**	**> 5 year**	< 1 year	1-5 year	> 5 year
Trade liabilities	**24,251**	**-**	**-**	12,921	-	-
Other liabilities	**5,217**	**-**	**-**	2,973	-	-
Bank overdrafts and loans	**2,802**	**1,500**	**-**	3,085	4,125	-
Advances on factoring	**7,646**	**-**	**-**	2,655	-	-
Lease obligations	**167**	**206**	**-**	168	234	-

5.20. FINANCIAL INSTRUMENTS

The major financial instruments of the Group are financial and trade receivables and payables, investments, cash and cash equivalents as well as derivatives.

The financial instruments as on 12/31/2021 are presented below:

'000 €	Categories	Book value	Fair value	Level
I. Fixed assets				
II. Current Assets				
Trade receivables	A	21,754	21,754	2
Other receivables	A	1,915	1,915	3
Cash and cash equivalents	B	153	153	1
Derivatives	C	0	0	1
Total financial instruments on the assets side of the balance sheet		**23,822**	**23,822**	
I. Non-current liabilities				
Interest-bearing liabilities	A	1,500	1,500	2
Obligations under leases	A	206	206	2
II. Current liabilities				
Interest-bearing liabilities	A	10,448	10,448	2
Current trade debts	A	24,251	24,251	2
Current other debts	A	5,217	5,217	3
Obligations under leases	A	167	167	2
Derivatives	C	65	65	1
Total financial instruments on the		**41.854**	**41.854**	
liabilities side of the balance sheet		**41,854**	**41,854**	

The financial instruments as on 12/31/2020 are presented below:

‘000 €	Categories	Book value	Fair value	Level
I. Fixed assets				
II. Current Assets				
Trade receivables	A	17,173	17,173	2
Other receivables	A	1,198	1,198	3
Cash and cash equivalents	B	190	190	1
Derivatives	C	93	93	1
Total financial instruments on the assets side of the balance sheet		**18,654**	**18,654**	
I. Non-current liabilities				
Interest-bearing liabilities	A	4,125	4,125	2
Obligations under leases	A	234	234	2
II. Current liabilities				
Interest-bearing liabilities	A	5,740	5,740	2
Current trade debts	A	12,921	12,921	2
Current other debts	A	2,973	2,973	3
Obligations under leases	A	168	168	2
Total financial instruments on the		**26.161**	**26.161**	
liabilities side of the balance sheet		**26,161**	**26,161**	

The categories correspond with the following financial instruments:

A. Financial assets or liabilities held until maturity, at the amortised cost.
B. Investments held until maturity, at the amortised cost.
C. Assets or liabilities, held at the fair value through the profit and loss account.

The aggregate financial instruments of the Group correspond with levels 1 and 2 in the fair values hierarchy.

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities.
- Level 2: the fair value based on other information, which can, directly or indirectly, be determined for the relevant assets or liabilities.

The valuation techniques regarding the fair value of the level 2 financial instruments are the following:

- The fair value of the other level 2 financial assets and liabilities is almost equal to their book value:
  - either because they have a short-term maturity (like trade receivables and debts),
  - or because they have a variable interest rate.
- For fixed-income payables the fair value was determined using interest rates that apply to active markets.

5.21. PROVISIONS AND CLAIMS

'000 €	Soil sanitation cost	Other	Total
On 31 December 2020	945	190	1,135
Additional provision	50		
On 31 December 2021	**995**	**190**	**1,185**

'000 €	**12/31/2021**	12/31/2020
Analysed as:		
Current liabilities	**-**	-
Non-current liabilities	**1,185**	1,135
	1,185	**1,135**

The provisions amounted to 1,185 K€ on 12/31/2021. These mainly relate to the soil sanitation obligation (995 K€) on and around the site of the Group and other environmental items. In 2021, 50 K€ was added to the provision for soil sanitation as a result of new investment activities in which an existing building was demolished and the fallow land has to be remediated. The provisions were determined in compliance with the requirements of OVAM – by an independent study bureau.

Campine is subject to proceedings, lawsuits and other claims related to products and other matters. We are required to assess the likelihood of any adverse judgments or outcomes to these matters as well as potential ranges of probable and reasonably possible losses. A determination of the amount of liability to be recorded, if any, for these contingencies is made after careful analysis of each individual issue.

There are currently no claims for which the probability of a cash outflow is considered possible or probable.

5.22. CONTINGENT LIABILITIES

The power to pledge the trade fund was granted to the banks for an amount of 18,525 K€ (12/31/2020: 17,715 K€).

5.23. SHARE-BASED PAYMENTS

During the financial year closed on 12/31/2021 none of the members of the executive management team received any shares, share options or other rights to acquire shares of the company or Group.

5.24. EMPLOYEE BENEFITS EXPENSE

'000 €	**12/31/2021**	12/31/2020
Long term		
Pension cost (incl. early retirement)	**496**	378
Short term		
Salaries	**11,189**	9,687
Contribution social security	**3,048**	2,895
Structural reduction social contribution	**-910**	-822
Other employee benefits expense	**1,593**	1,355
	15,416	13,493
Average number of FTE's	**191**	188

5.25. POST RETIREMENT BENEFITS

Following amounts with regard to the (early) retirement are booked on the balance sheet:

'000 €	**12/31/2021**	12/31/2020
Defined benefit plan	**1,168**	1,118
Early retirement provision	**55**	110
	1,223	1,228

5.25.1. Pension benefit plan

The Group operates a funded pension benefit plan for qualifying employees of Campine and its subsidiary in Belgium. The pension benefit plan foresees an amount based on the salary and seniority payable as of the age of 65. For the financed plans, plan assets consist of mixed portfolios of shares, bonds or insurance contracts. The plan assets do not contain direct investments in Campine shares or in fixed assets or other assets used by the Group.

The current plans for which active contributions are paid consist only of “defined contribution” plans. Just for white-collar workers with a higher seniority there are still ongoing “defined benefit” plans, but no active contributions are being paid for these anymore.

The current value of the retirement benefit obligations and the assets has evolved as follows:

'000 €	Pension obligation (IAS 19)	Plan Assets	Deficit	Net liability / (asset)
On 31 December 2020	7,326	-6,208	1,118	1,118
Components of defined benefit cost				
Service cost in P/L	-	-	-	-
Current service cost (net of employee contributions)	516	-	-	516
Past service cost (incl. effect of curtailments)	-	-	-	-
Settlement (gain)/loss	-	-	-	-
Service cost				**516**
Net interest on the net liability / (asset) in P/L				
Interest cost on pension obligation	25	-	-	25
Interest income on plan assets	-	-22	-	-22
Interest on effect of the asset ceiling	-	-	-	-
Net interest				**3**
Administration costs paid from plan assets in P/L				-
Components of defined benefit cost recognised in P/L				**519**
Remeasurements of the net liability / (asset) in OCI				
Actuarial (gain) / loss arising from				
• Changes in demographic assumptions	-	-	-	-
• Changes in financial assumptions	-699	-	-	-699
• Experience adjustments	80	-	-	80
Return on plan assets (excl. amounts in net interest)	-	598	-	598
Change in effect of the asset ceiling (excl. amounts in net interest)	-	-	-	-
Total remeasurement recognised in OCI				**-21**
Defined benefit cost (total amount recognised				**498**
Cash Flows				
Employee contributions	-	-	-	-
Employer contributions to plan assets (incl. 4.4% taxes)	-	-448	-	-448
Benefit payments from plan assets	-206	206	-	0
Direct benefit payments by employer	-	-	-	-
-	-	-	-	
Taxes paid from plan assets (4.4%)	-17	17	-	0
Taxes paid directly by employer (8.86%)	-35	35	-	0
On 31 December 2021	**6,990**	**-5,822**	**1,168**	**1,168**

'000 €	Pension obligation (IAS 19)	Plan Assets	Deficit	Net liability / (asset)
On 31 December 2019	6,472	-5,412	1,060	1,060
Components of defined benefit cost				
Service cost in P/L	-	-	-	-
Current service cost (net of employee contributions)	479	-	-	479
Past service cost (incl. effect of curtailments)	-	-	-	-
Settlement (gain)/loss	-	-	-	-
Service cost				**479**
Net interest on the net liability / (asset) in P/L				
Interest cost on pension obligation	49	-	-	49
Interest income on plan assets	-	-42	-	-42
Interest on effect of the asset ceiling	-	-	-	-
Net interest				**7**
Administration costs paid from plan assets in P/L				-
Components of defined benefit cost recognised in P/L				**486**
Remeasurements of the net liability / (asset) in OCI				
Actuarial (gain) / loss arising from				
• Changes in demographic assumptions	-	-	-	-
• Changes in financial assumptions	452	-	-	452
• Experience adjustments	4	-	-	4
Return on plan assets (excl. amounts in net interest)	-	-391	-	-391
Change in effect of the asset ceiling (excl. amounts in net interest)	-	-	-	-
Total remeasurement recognised in OCI				**65**
Defined benefit cost (total amount recognised in P/L and OCI)				**551**
Cash Flows				
Employee contributions	-	-	-	-
Employer contributions to plan assets (incl. 4.4% taxes)	-	-493	-	-493
Benefit payments from plan assets	-72	72	-	0
Direct benefit payments by employer	-	-	-	-
-	-	-	-	
Taxes paid from plan assets (4.4%)	-20	20	-	0
Taxes paid directly by employer (8.86%)	-38	38	-	0
On 31 December 2020	**7,326**	**-6,208**	**1,118**	**1,118**

The average duration of the benefit plan with fixed income is 13 years.
The average duration of the benefit plan with fixed costs is 16 years.

Major actuarial assumptions in use at balance sheet date:

	12/31/2021	12/31/2020
Discount rate	**0.98%**	0.34%
Expected rate of salary increases	**2.90%**	2.70%
Inflation	**1.90%**	1.70%

Split of the plan assets on balance sheet date:

	12/31/2021	12/31/2020
Equity securities, incl. cash	**5%**	8%
Fixed income securities	**95%**	92%
	100 %	100 %

Sensitivity analysis of a percentage increase or decrease in the discount rate or an increase in salary to the retirement benefit obligation:

Discount rate	**-0.50%**		**0.50%**
Assumptions	**0.48%**	0.98%	**1.48%**
Pension obligation (K€)	**7,558**	6,990	**6,479**

Salary increase	**-0.50%**		**0.50%**
Assumptions	**2.40%**	2.90%	**3.40%**
Pension obligation (K€)	**6,828**	6,990	**7,068**

The Group expects to contribute 380 K€ to its defined benefit plans in 2022.

5.25.2. Early retirement provisions

Early retirement provisions are set up based on agreements with those affected on amounts to be paid until the age of 65 year. The provision on 12/31/2021 amounts to 55 K€ (on 12/31/2019: 110 K€).

5.26. MARKET RISK

5.26.1. Interest risk

Funding of the company is done through bank loans, bank overdrafts and factoring. On 12/31/2021 bank loans amounted to 4,125 K€, bank overdrafts and advances on factoring amounted to 7,823 K€. Bank loans are arranged at fixed rates. The bank overdrafts and advances on factoring are arranged at variable rates (see note 5.16.).

An increase or decrease of the interest with 10% would have an impact on the income statement of -10 K€ (in case of 10% increase) or +10 K€ (in case of 10% decrease) based upon the amount on 12/31/2021. The retained earnings will also be influenced.

5.26.2. Foreign Exchange risk

The Group is managing its foreign currency risk by matching foreign currency cash inflows with foreign cash outflows (USD is our main foreign currency).

An increase or decrease of the USD/EUR rate with 10% would have an impact on the income statement of -296 K€ (in case of 10% increase) or +296 K€ (in case of 10% decrease) based upon the assets and liabilities denominated in USD on 12/31/2021. The retained earnings will also be influenced.

5.26.3. Price risk

The value of these fixed price contracts and the future LME commitments are both shown in the balance sheet; changes in the values will be shown in the profit and loss account (see note 5.14.1. Derivatives).

There is no price risk on the fixed price contracts as the impact of price fluctuation on respective fixed purchase and sell contracts are compensated by the impact on the respective sell and purchase contracts on the LME.

A movement of the LME lead- and tin futures price by 10% would have impacts on the income statement. The immediate effect based on the underlying open position on 12/31/2021 of a price fall of 10% would be +545 K€ or of a price raise of 10% would be -545 K€.

5.27. EVENTS AFTER THE BALANCE SHEET DATE

It is unclear at this point if and how the current conflict in Eastern Europe could impact Campine's business. There are only limited to no direct purchases or sales to Ukraine and Russia. However, Russia is an important producer (and exporter) of antimony ore (mainly to China) and this could induce further price increases and reduced availability on the antimony metals market. We see an increase in most metal prices in the first period of the conflict, but if the conflict escalates it is hard to estimate the impact on demand and commodity prices for the mid-term. Campine does monitor this situation very closely.

No other significant events occurred after the close of the year.

5.28. RELATED PARTIES

As to the transparency notification of 9 July 2019 the current shareholder structure of Campine is:

Name	Number of shares	% of the voting rights
F.W. Hempel Metallurgical GmbH Weißensteinstraße 70, 46149 Oberhausen, Germany	1,077,900	71.86%

Mr. Friedrich-Wilhelm Hempel is the ultimate controlling person with 71.86% of Campine NV's voting rights.

Transactions between the company and its subsidiary, which are related parties of the company, have been eliminated on consolidation and are not disclosed in this note. Transactions between the Group and the management and key-management are disclosed in the Remuneration report. Details of transactions between the Group and other related parties are disclosed below.

5.29. RELATED PARTY TRANSACTIONS

All related party transactions are conducted on a business base and in accordance with all legal requirements and the Corporate Governance Charter.

5.29.1. Trading transactions

In 2021, Group entities entered into the following trading transactions with related parties that are not members of the Group:

- Purchase of lead wastes from Hempel Legierungsmetalle GmbH for 930 K€ (2020: 1,351 K€). There is no open amount on 12/31/2021.

5.29.2. Other transactions

The companies below passed through personnel and IT expenses to the Campine Group:

- F.W. Hempel Metallurgical: 341 K€ (2020: 264 K€). Open amount on 12/31/2021: 17 K€.
- F.W. Hempel & Co Erze und Metalle: 103 K€ (2020: 108 K€). There is no open amount on 12/31/2021.

The Campine Group passed through personnel and IT expenses to F.W. Hempel & Co Erze und Metalle: 8 K€ (2020: 8 K€). There is no open amount on 12/31/2021.

5.30. RIGHTS AND OBLIGATIONS NOT INCLUDED IN THE BALANCE SHEET

Commercial commitments: There are firm commitments to deliver or receive metals to customers or from suppliers at fixed prices.

‘000 €	**12/31/2021**	12/31/2020
Commercial commitments for metals purchased (to be received)	**10,026**	8,077
Commercial commitments for metals sold (to be delivered)	**18,378**	12,547

5.31. COMPENSATION OF KEY MANAGEMENT PERSONNEL

The total remuneration of the executive management team including the board members amounts to 2,263 K€ (2020: 1,920 K€). For further details, we refer to the Remuneration report.

None of the above-mentioned persons received any shares, share options or other rights to acquire shares of the company or Group. The remuneration of the members of the executive management team is decided upon by the Nomination and Remuneration committee, based on market trends and individual performances.

5.32. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors and authorised for issue on 25 February 2022.

Statutory auditor report

to the shareholders' meeting of Campine nv for the year ended on 31 December 2021

As required by law and the Company's articles of association, we report to you as statutory auditor of Campine NV (the "Company") and its subsidiary Campine Recycling NV (together the "Group"). This report includes our opinion on the consolidated balance sheet as at 31 December 2021, the consolidated income statement, the consolidated overview of the total result, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and the disclosures (all elements together the "Consolidated Financial Statements") as well as our report on other legal and regulatory requirements. These two reports are considered one report and are inseparable.

We have been appointed as statutory auditor by the shareholders' meeting of 26 May 2021, in accordance with the proposition by the Board of Directors following recommendation of the Audit Committee and following recommendation of the workers' council. Our mandate expires at the shareholders' meeting that will deliberate on the Consolidated Financial Statements for the year ending 31 December 2023. We have performed the audit of the Consolidated Financial Statements of the Group for the first time during this year.

Report on the audit of the Consolidated Financial Statements

UNQUALIFIED OPINION

We have audited the Consolidated Financial Statements of Campine NV, that comprise the consolidated balance sheet as at 31 December 2021, the consolidated income statement, the consolidated overview of the total result, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and the disclosures, which show a consolidated balance sheet total of K€ 92,575 and for which the consolidated income statement, shows a profit for the year of K€ 13,511.

In our opinion, the Consolidated Financial Statements give a true and fair view of the consolidated net equity and financial position as at 31 December 2021, and of its consolidated results for the year then ended, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS") and with applicable legal and regulatory requirements in Belgium.

BASIS FOR THE UNQUALIFIED OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the Consolidated Financial Statements" section of our report.

We have complied with all ethical requirements that are relevant to our audit of the Consolidated Financial Statements in Belgium, including those with respect to independence.

We have obtained from the Board of Directors and the officials of the Company the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER MATTER

The Consolidated Financial Statements of the Group for the year ended 31 December 2020 were audited by another statutory auditor who issued an unqualified audit opinion on these Consolidated Financial Statements in his report dated 2 April 2021.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current reporting period.

These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon, and consequently we do not provide a separate opinion on these matters.

Significant impact of metal price fluctuations on the valuation of inventory, operating profit, and group hedging results

Description of the Key Audit Matter

The market prices of metals (mainly lead and antimony) may be subject to significant fluctuations due to supply and demand changes relating to these metals on the markets. This has a significant impact on the Group's valuation of the inventory, the operating result, and of the hedging results, and is therefore a key audit matter.

Inventory:

The inventory is valued according to the FIFO method, which means that the valuation closely matches the evolution of market prices. Consequently, significant price evolutions have a direct impact on the valuation of the inventory at the end of the closing period. As per 31 December 2021, the inventory consists of the following components: (i) raw materials (K€ 12,738), (ii) work in progress (K€ 9,603), and (iii) finished products (K€ 23,062).

As a result of frequent price changes in the market, the Group performs a monthly so-called '-"lower of cost or market" - or net recoverability analysis. The resulting "lower of cost or market" -provision is calculated on the raw materials of metals, the by-products and the finished goods. In calculating this provision, the Group compares the valuation of the aforementioned inventory items against independent market benchmarks (such as for example, the "London Metal Exchange" or "LME" for lead prices) or the Group uses its own valuation method that is close to the market price when the market price is not publicly available (such as for antimony, for example).

Operational and hedging result:

Since there is a time delay between the moment of a purchase and of a sale, there is a risk that the operating margin will be subject to the impact of price fluctuations for metals in the period between the purchase of the metal as a raw material and the sale of the finished products. In order to reduce that price risk, the Group uses derivatives whereby a distinction must be made between the metals for which a liquid market exists (e.g. lead) and those for which there is no such market (e.g. antimony).

Hedging metals for which there is no liquid market is mainly done by means of natural hedging of physical positions, trying to align the buying and selling positions as closely as possible in order to minimize price risk. On the other hand, derivatives are used for metals for which there is a liquid market in order to limit the price risk on open inventory positions and future sales transactions. Due to the fact that the Group does not apply hedge accounting, the impact of the derivatives used, is recognized in the income statement, in accordance with the principles set out in IFRS 9 "Financial Instruments".

How our Audit addressed the Key Audit Matter

- Evaluation of the design of internal controls with regard to the valuation of inventory (and the related derivatives);
- Verifying the calculations of the net realization values as well as the reasonableness and consistency of the inputs used by the management (such as contracted and expected sales, estimates of price evolutions, price sensitivity analysis, etc.);
- Substantive audit procedures through sampling, on the valuation of raw materials inventory of metals and of the valuation of these raw materials included in the manufacturing price

of work in progress and of finished goods;
- Substantive audit procedures of the calculations, as well as market value determination and analysis by management in determining the lower of cost or market provision, by reconciliation with independent market data for lead prices and alternative evidence for antimony prices;
- An assessment of the detailed margin analysis per business unit, as prepared by management, and in which the operational results of these business units are discussed in relation to the evolution of the market prices;
- Verifying the completeness, existence, and valuation of the open hedging transactions by agreeing these positions with the confirmations received from the brokers;
- Verifying the accuracy of the hedge results recorded by agreeing these results with the confirmations received from the brokers for a sample of closed hedging transactions;
- Monitoring the application of the IFRS 9 accounting principles of the aforementioned hedging transactions and related hedge results;
- Assessment of the appropriateness of the information on derivatives in Notes 5.20 "Financial Instruments and 5.14.1 "Derivatives" and assessment of the appropriateness in Note 5.26.3 of management's market risk and description of price risk and the related sensitivity analysis.

ACCOUNTING TREATMENT OF THE SOIL REMEDIATION PROVISION

Description of the Key Audit Matter

The total provision for risks and costs as per 31 December 2021 amounts to K€ 1,185, of which K€ 995 relates to a provision for soil remediation.

The decision to recognize the provision is mainly determined by the expected liability and associated remediation obligation that exists at the balance sheet date or will take effect in the event that the Group starts its existing investment plans, which are then accompanied by the need for soil remediation.

The evaluation of the extent of the remediation (and associated estimated cost) is determined on the basis of a report by an external environmental expert and calculations made by competent government authorities that monitor compliance with environmental legislation.

The final settlement of this provision may be significantly affected by (i) the effective pollution and the related remediation costs, (ii) any changes in managements decisions regarding investment plans (and related remediation) or (iii) changes in legislation. As a result, the final settlement of the provision made may differ significantly from what was recorded based on previous estimates, which may have a material effect on the Group Financial Statements, and is therefore a key audit

How our Audit addressed the Key Audit Matter

- Evaluation of management's assessment and used (investment) plans, regarding the probable outcome and possible financial risk of the relevant soil remediation;
- We assessed the competence, expertise, and objectivity of the external environmental expert appointed by management to substantiate the assumptions and calculations regarding the determination of the provision;
- Assessing the completeness of the inventory of soil remediation as well as the evolutions, through discussions with management and the audit committee, as well as where possible through direct confirmations from the external advisor of the Group or relevant public authorities;
- Analyzing the minutes of the board of directors and of the audit committee, in which the environmental provisions and developments in this regard are discussed;
- Reading and analyzing pertinent and new correspondence between the parties involved (such as neighboring companies in the area, OVAM, local governments, etc.) that are important in the final settlement of the costs associated with these soil remediations;
- Assessment of the recognition and valuation of soil remediation provisions in accordance with IAS 37 Provisions;
- Assessment of the adequacy of the soil remediation information as included in Note 5.21 of the Consolidated Financial Statements

RESPONSIBILITIES OF THE BOARD OF DIRECTORS FOR THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors is responsible for the preparation of the Consolidated Financial Statements that give a true and fair view in accordance with IFRS and with applicable legal and regulatory requirements in Belgium and for such internal controls relevant to the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern. The Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Group or to cease business operations or has no realistic alternative but to do so.

OUR RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance whether the Consolidated Financial Statements are free from material misstatement, whether due to fraud or error, and to express an opinion on these Consolidated Financial Statements based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

In performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the Consolidated Financial Statements in Belgium. However, a statutory audit does not provide assurance about the future viability of the Company and the Group, nor about the efficiency or effectiveness with which the board of directors has taken or will undertake the Company's and the Group's business operations. Our responsibilities with regards to the going concern assumption used by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and we maintain professional skepticism throughout the audit. We also perform the following tasks:

- identification and assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements resulting from fraud is higher than when such misstatements result from errors, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining insight in the system of internal controls that are relevant for the audit and with the objective 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 and Company internal control;
- evaluating the selected and applied accounting policies, and evaluating the reasonability of the accounting estimates and related disclosures made by the Board of Directors as well as the underlying information given 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 or not a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or 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 auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are

inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going-concern;

- evaluating the overall presentation, structure and content of the Consolidated Financial Statements, and evaluating whether the Consolidated Financial Statements reflect a true and fair view of the underlying transactions and events.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the audits of the subsidiaries. In this respect we have determined the nature and extent of the audit procedures to be carried out for Group entities.

We communicate with the Audit Committee within the Board of Directors 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 provide the Audit Committee within the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee within the Board of Directors, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our report, unless the law or regulations prohibit this.

Report on 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 Board of Directors' report on the Consolidated Financial Statements, the separate report on the non-financial information, and other information included in the Annual report.

RESPONSIBILITIES OF THE AUDITOR

In the context of our mandate and in accordance with the additional standard to the ISAs applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, the separate report on the non-financial information, and other information included in the annual report, as well as to report on these matters.

ASPECTS RELATING TO BOARD OF DIRECTORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AND OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

In our opinion, after carrying out specific procedures on the Board of Directors' report, the Board of Directors' report (pages 18 to 23 of the Annual Report) is consistent with the Consolidated Financial Statements and has been prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the Consolidated Financial Statements, we are also responsible to consider whether, based on the information that we became aware of during the performance of our audit, the Board of Directors' report and other information included in the annual report, being:

- Message from the chairman and the CEO;
- 2021 Financials;
- The Corporate Governance statement;
- The remuneration report

contain any material inconsistencies or contains information that is inaccurate or otherwise misleading. In light of the work performed, there are no material inconsistencies to be reported.

INDEPENDENCE MATTERS

Our audit firm and our network have not performed any services that are not compatible with the audit of the Consolidated Financial Statements and have remained independent of the Company during the course of our mandate.

The fees for additional services which are compatible with the statutory audit of the Consolidated Financial Statements referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the Board of Directors' report to the Consolidated Financial Statements.

EUROPEAN SINGLE ELECTRONIC FORMAT ("ESEF")

In accordance with the standard on the audit of the conformity of the financial statements with the European single electronic format (hereinafter "ESEF"), we have carried out the audit of the compliance of the ESEF format with the regulatory technical standards set by the European Delegated Regulation No 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the Consolidated Financial Statements in the form of an electronic file in ESEF format in the official Dutch language as well as the free translation into English (hereinafter 'the digital consolidated financial statements') included on the portal of the FSMA (https://www.fsma.be/en/data-portal) in the official Dutch language as well as the free translation into English.

It is our responsibility to obtain sufficient and appropriate supporting evidence to conclude that the format and markup language of the digital consolidated financial statements comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on the work performed by us, we conclude that the format and tagging of information in the digital consolidated financial statements included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/data-portal) in the official Dutch language are, in all material respects, in accordance with the ESEF requirements under the Delegated Regulation, and we conclude that the format of the free translation of the digital consolidated financial statements included in annual report in English corresponds to the digital consolidated financial statements included in the annual financial report in the official Dutch language.

OTHER COMMUNICATIONS

- This report is consistent with our supplementary declaration to the Audit Committee as specified in article 11 of the regulation (EU) nr. 537/2014.

Antwerp, 25 March 2022

EY Bedrijfsrevisoren BV
Statutory auditor
Represented by

Harry Everaerts *
Partner
*Acting on behalf of a BV

Corporate Data

Corporate data

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EY Bedrijfsrevisoren BV
Represented by Harry Everaerts*
partner
* acting on behalf of a BV/SRL

Financial calendar

25 May 2022	General meeting of shareholders
10 June 2022	Payment of dividend
9 June 2022	Record date
8 June 2022	Ex-date
Last week of August 2022	Announcement of half-year results 2022
Last week of February 2023	Announcement of annual results 2022

Recover.
Renew.
Repeat.

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