

UMICORE
Limited Company (Société anonyme/Naamloze Vennootschap)
1000 Brussels, rue du Marais 31 Broekstraat
VAT BE 0401.574.852 - RLE Brussels

STATUTORY ANNUAL REPORT– FISCAL YEAR 2013

To the shareholders,

In accordance with legal and statutory obligations, we hereby report to you on the execution of our appointment for the year ended 31 December 2013 and submit the annual accounts for your approval.

1. RESULT AND POSITION OF THE COMPANY

1.1. PROFIT AND LOSS STATEMENT

1.1.1. RESULT

For the past year 2013, the annual accounts of the company show a net profit after taxes of 87,990 KEUR versus a profit of 146,723 KEUR in the comparable period 2012. This means a decrease of 58,733 KEUR, as detailed below:

Profit	31/12/2013	31/12/2012	Delta
Operating result	109,937	159,559	-49,622
Financial result	8,817	-15,407	24,224
Result from the ordinary activities	118,754	144,152	-25,398
Exceptional result	-26,440	2,549	-28,989
Profit before taxes	92,314	146,701	-54,387
Income taxes	-4,324	22	-4,346
Net profit of the year	87,990	146,723	-58,733

1.1.2. OPERATING RESULT

The decrease in 2013 vs. 2012 is mostly attributable to a lower contribution from the Recycling activity at Hoboken and some one-off costs related to the alignment to IFRS of the statutory valuations rules for the pension liabilities (see also §1.2.9. below).

1.1.3. ECONOMIC CONTEXT BY ACTIVITY

A. RECYCLING

Revenues of the segment Recycling decreased in 2013 compared to 2012, mainly as a result of a decline in metal prices. Income from refining charges was higher compared to last year: despite a second maintenance shutdown, the business unit processed higher volumes.

In industrial by-products, processed volumes increased compared to 2012 supported by high arrivals of residues from the non-ferrous metal industry. While this market segment has become more competitive, Umicore managed to secure additional supply streams and expand its client portfolio.

The supply of end-of-life materials decreased year on year. Increased competition led to lower availability of scraps, especially in the market of less complex materials. The arrivals of spent automotive catalysts and commercial conditions in this segment remained under pressure in 2013. Umicore strengthened its position in the market of industrial catalysts.

Most metal prices were substantially down in comparison to previous year, with palladium as notable exception. Forward contracts entered into in previous years that locked in a significant portion of the metal price component in Recycling's earnings and cash flows partly mitigated the price effect for some metals. Decreases in spot prices of specialty metals such as selenium, tellurium, ruthenium and iridium continued to have a negative impact on margins as these cannot be hedged.

The company managed to successfully strengthen its position with (H)EV manufacturers for the processing of end of life rechargeable batteries.

B. ENERGY MATERIALS

Revenues for the Cobalt and Specialty Materials business unit were up year on year.

The Ceramics & Chemicals business line recorded higher revenues, benefiting from increased sales volumes for cobalt and nickel compounds which offset lower premiums. The business line Battery Grade Oxydes delivers precursors to the Rechargeable Battery Materials business unit. Revenues in Rechargeable Battery Materials were well up compared to 2012. Sales volumes for high density cathode materials increased significantly, which can be largely attributed to the growing demand for polymer cells used in high-end portable electronics, such as tablets and smart phones. The demand for materials used in lower-end portable devices, such as traditional notebook PC's which use the more standard NMC (nickel-manganese-cobalt)-grades decreased. Umicore reduced its sales to this market segment characterized by overcapacity and strong competition. Demand from the automotive sector benefited from the gradual increase in sales of electrified vehicles. Sales of metal carboxylates further increased and products were successfully introduced in new markets.

Sales of cobalt powders in the Tool Materials business line remained stable compared to the volumes seen in 2012. This activity has been influenced by lower demand from the construction sector. The strong competition in these markets continued to have an adverse effect on the margins.

The cobalt and nickel recycling and refining services achieved again high production levels during the year.

Results of the business unit Electro-Optic Materials were down compared to previous year, impacted by adverse market conditions in blank optics and substrate activities. The effect of decreased revenues was mitigated by cost reduction measures that were initiated in 2012, selective price increases in certain segments and a higher contribution from the refining and recycling activity.

Revenues in the germanium substrates business decreased, impacted by a further deterioration in the terrestrial concentrator photovoltaics market. Also sales to the LED lighting market were lower as Umicore took a more selective approach towards this segment. Sales to the space solar industry showed an increase as Umicore secured a number of contracts with various customers.

The high purity chemical business benefited from a strong increase in demand for germanium tetrachloride used in optical fibres thanks to an increasing market share.

Sales of finished optics were also higher compared to last year, influenced by demand in commercial infrared applications, such as automotive and security. Demand for germanium blanks remained low in a highly competitive market.

C. PERFORMANCE MATERIALS

Revenues for the business unit Zinc Chemicals were at similar levels to the previous year.

Sales volumes decreased for Fine Zinc Powders, impacted by lower demand for anti-corrosive pigments in the European market. Demand for chemical applications remained at comparable level to last year. Demand for Zinc Oxide products also decreased compared to previous year, due to lower order levels from the tyre and chemical industries. This was partly compensated by higher sales for feed-grade materials and ceramics producers.

Lower availability of recyclable materials negatively impacted the margins for the recycling activities, influenced by lower zinc prices.

In Zinc Battery Materials sales volumes of zinc powders for the primary batteries increased. The global demand for alkaline batteries remained stable, however Umicore successfully gained market share in Europe and Asia.

In Building Products sales volumes and revenues were at the same level as last year, despite the slow start of the year due to adverse weather conditions.

D. CORPORATE

Overall corporate costs were at the same level as in 2012.

1.1.4. FINANCIAL RESULT

The financial result amounted to 8,817 KEUR compared to a loss of 15,407 KEUR in 2012, or a variance of 24,223 KEUR. This variance is driven by the following factors:

Dividend income in 2013 (99,449 KEUR) increased versus 2012 (74,666 KEUR) or a variance of 24,783 KEUR. Last year's dividend income was lower, because of lower dividends received

from Umicore International, offset partially by an extra-ordinary dividend received in 2012 from Umicore France.

Interest charges in 2013 were comparable to last year (-90,178 KEUR vs. -91,381 KEUR).

Other financial income and other financial charges for a net amount of -1,121 KEUR (2012: -2,523 KEUR) mainly relate to foreign exchange results and miscellaneous expenses such as bank charges and financial discounts on sales invoices.

1.1.5. EXCEPTIONAL RESULT

The -26,440 KEUR exceptional result in 2013 includes amongst others a negative mark-to-market adjustment of -10,630 KEUR on the Nyrstar shares (end December 2013 closing price of 2.31 EUR/share compared to an end 2012 closing price of 4.49 EUR/share).

Based on their equity status and the weakening local currencies versus the Euro, impairments were booked for the following participations: Umicore USA (-5,800 KEUR) and Umicore Argentina (-3,070 KEUR). In the same context, a reversal of impairment was booked on Umicore Specialty Materials Brugge, amounting to 900 KEUR. An impairment was also booked on Umicore Australia (-7,850 KEUR) following the closure of the operations.

The 2012 +2,549 KEUR exceptional result included the impact of impairments booked on participations (-48,262 KEUR) and the posting of a provision for restructuring at Olen (-1,491 KEUR), which were completely offset by a capital gain realised on the sale of Umicore Financial Services shares to Umicore International (46,366 KEUR) and a positive impact of 5,461 KEUR on the contribution in kind in the joint venture beLife.

1.1.6. INCOME TAXES

The income tax charge relative to the year 2013 amounts to -4.324 KEUR. Umicore recovered in 2013 the last remaining part of its historical tax losses carried forward.

1.1.7. APPROPRIATION OF THE RESULT

Taking into account the profit of the year of 87,990 KEUR and the profit carried forward for an amount of 515,788 KEUR, the allocations to and release from the unavailable reserve related to the 2013 movements in the own shares for a total amount of -77,905 KEUR and the interim dividend of 55,884 KEUR paid out in September 2013, the result to be appropriated stands at 470,378 KEUR.

Umicore's Board of Directors will propose to the annual general meeting of shareholders a gross dividend of 1.00 EUR per share, with the pay-out taking into account the gross interim dividend of 0.50 EUR/share already distributed in September 2013.

1.2. BALANCE SHEET

1.2.1. MOVEMENTS OF THE CAPITAL AND SHARE PREMIUM

There were no movements on the capital and share premiums in 2013.

1.2.2. OWN SHARES

The own shares value increased from 219,259 KEUR on 31 December 2012 to 297,164 KEUR on 31 December 2013. The variance of 77,905 KEUR is detailed below:

Own shares	Number	KEUR
Balance per 01/01/2013	8,113,488	219,259
Exercises of options and grant of free shares 01/13 - 12/13	-322,212	-6,782
Purchases of own shares	2,437,385	84,687
Balance per 31/12/2013	10,228,661	297,164

The balance represents 8.52% of the total shares outstanding.

1.2.3. INVESTMENTS IN INTANGIBLE FIXED ASSETS

For the period ended 31 December 2013 investments in intangible assets amounted to 24,362 KEUR. These investments relate mainly to capitalised R&D projects (17,955 KEUR), capitalized IS costs (4,605 KEUR) and CO2-emission rights (1,802 KEUR).

1.2.4. INVESTMENTS IN TANGIBLE FIXED ASSETS

Investments in tangible fixed assets were booked for a total amount of 81,072 KEUR. The main investments were made at the Hoboken (53,298 KEUR) and the Olen sites (22,682 KEUR). The IS department recorded hardware investments amounting to 4,835 KEUR.

In Hoboken further progress was made to debottleneck the recycling plant: the first phase of the upgrade and expansion of the sampling facility was completed and became operational in the beginning of 2013; the second phase is on schedule and foreseen to be finalised by mid-2014. Investments to enhance the environmental performance of the plant are nearing completion. The improved gas cleaning equipment for the blast furnace has been installed, the commissioning of the biological water treatment installation has started and investments to reduce the emissions continued in 2013. A number of technical modifications to the UHT smelter are ongoing focusing on process improvements and increasing operational efficiency.

The main capital expenditures at Olen concern the investment in the new furnace for the production of ultra-fine cobalt powders for the business line Tool Materials and the revamping of the demineralisation line at the cobalt plant.

In the plant at Angleur the implementation of the investment program continued. Several adaptations were made to the new furnace in order to reduce energy consumption. In Zolder too investments were focussed on process improvements of the furnace.

1.2.5. FINANCIAL FIXED ASSETS

Financial assets decreased by 29,371 KEUR. Main movements on the upside are linked to capital increases in Umicore Korea (14,418 KEUR) and Umicore Specialty Materials Brugge (2,000 KEUR). Decreases are linked to the intercompany transfer of the participation held in Umicore Engineering (-18,570 KEUR) and the change in the value of the Nyrstar shares (-11,470 KEUR, of which -10,630 KEUR is the mark-to-market adjustment as referred to in §1.1.5 and -840 KEUR relates to a capital decrease cashed in). Furthermore impairment adjustments were booked amounting to -15,820 KEUR (see details also in §1.1.5 above).

1.2.6. INVENTORIES

The total inventories amount to 394,039 KEUR at the end of December 2013, a decrease of 71,357 KEUR compared to end 2012.

This decrease is mainly explained by lower Recycling inventories in Hoboken with lower metal prices only partially offset by higher volumes in stock. Inventory in transit from other affiliates also decreased.

Also at the Olen based activities, the value of inventories decreased: for Cobalt and Specialty Materials we notice a decrease compared to last year, impacted mainly by lower nickel inventories and at Electro-Optic Materials lower germanium inventories accounted for a reduction.

1.2.7. AMOUNTS RECEIVABLE WITHIN ONE YEAR

The amounts receivable within one year decreased from 259,282 KEUR at 31 December, 2012 to 220,493 KEUR at 31 December 2013 or a variance of -38,790 KEUR, reflecting lower commercial receivables (-21,620 KEUR) and decreased deposits with Umicore Financial Services (-17,741 KEUR).

1.2.8. TREASURY INVESTMENTS

The investments in own shares increased from 219,259 KEUR to 297,164 KEUR: see pt. 1.2.2 own shares.

1.2.9. PROVISIONS FOR LIABILITIES AND CHARGES

The provisions increased from 96,967 KEUR at 31 December 2012 to 105,843 KEUR at the end of 2013, or an increase of 8,877 KEUR year on year.

The main movement relates to the increase of the provisions for pensions (+13,920 KEUR), offset partially by lower maintenance provisions (-2,142 KEUR) and a decrease of the provisions for other liabilities and charges (-2,901 KEUR).

The introduction of the new IFRS accounting standards IAS 19 Revised, applicable also for Belgian statutory accounts, makes that the previously applied "corridor" method has been abandoned since 1 January 2013. Provisions in the statutory books are now fully aligned to the provisions included in the IFRS books, resulting in a onetime impact of - 9,710 KEUR on the operating profit. To note as well is that the actuarial gains and losses of the year, which are

included in equity in the IFRS books, have to be taken in the profit and loss statement in the Belgian books. For the year 2013 the actuarial losses accounted for an amount of -3,697 KEUR, booked under the operating result as well.

1.2.10. FINANCIAL DEBT (Long term and short term)

The financial debt compared to December 2012 increased by 44,106 KEUR.

Umicore reimbursed a loan of 80,000 KEUR to the banks and intercompany loans of 418,000 KEUR were repaid to various affiliates in the group.

New long-term intercompany loans for the same amount of 418.000 KEUR were installed for a period of 5 years and the short term loans received from Umicore Financial Services increased with 124,106 KEUR.

1.3. PERSONNEL (social balance)

The approach and policy on social management are determined at group level. For a more detailed analysis of the social engagement of the company we refer to the Umicore website www.umicore.com/sustainability/social and the annual report on the consolidated accounts.

Workforce

The total number of employees (full time equivalents) on Umicore's payroll in Belgium at year-end decreased from 2,967.9 in 2012 to 2,923.3 at the end of 2013. On average Umicore employed 2,922.5 FTE during the year 2013, compared to 2,978.7 FTE in the course of 2012.

People development

Training and development are considered as key investment in competence building. Umicore wants people to drive their career as well as to take initiatives to continue develop their own competencies at Umicore. The total number of formal and informal training hours remained at a high level (149,089 hours in 2013, comparable to the 151,598 hours in 2012). The tool MyCampus allowing people to manage their training needs was further rolled out in 2013.

Preferred employer

Umicore strives to be a preferred employer for both current and potential employees. In 2013 Umicore was once more recognized as top employer by the Top Employer Institute.

Occupational health and safety

In 2013 several initiatives and programs were implemented in the different sites, tailored to the business unit's requirements to further increase awareness around safety culture within Umicore and contributing to the ultimate goal of zero lost time accidents.

2. SUBSEQUENT EVENTS

There are no subsequent events to mention, that could influence the interpretation of the annual accounts as presented.

3. DEVELOPMENT OF THE COMPANY.

In 2013 Umicore continued the implementation of its new strategy Vision 2015, announced in June 2010. Vision 2015 is Umicore's strategy that sets out the economic, social and environmental goals of the company to 2015 and beyond. Key elements driving the Vision 2015 are resource scarcity, increasingly stringent emission control, the drive for renewable energy and the electrification of the automobile. Development efforts will be focussed on those areas

offering the possibility for exceptional growth. The organizational structure of the company was adapted as of June 2010 to reflect these growth drivers by introducing four new business groups: Catalysis, Energy Materials, Performance Materials and Recycling. For a broader overview of the Vision 2015 strategy and the particular 2013 achievements, we refer to the annual report on the consolidated accounts.

In line with the strategy to grow its recycling activities, Umicore has announced in October 2013 its intention to expand the treatment capacity in Hoboken to 500,000 tonnes a year – an increase of some 40%. Umicore has engaged with the authorities to obtain the necessary permits. The plan entails investments of some EUR 100 million over a period of two years. These would primarily enhance the capabilities of the smelter and the blast furnace by incorporating technical improvements, including those that have been developed at Umicore's pilot ultra-high temperature (UHT) facility.

4. RESEARCH AND DEVELOPMENT

The strategy and policy on research and development are determined at group level. For a more detailed analysis of the research and development activities we refer to the annual report on the consolidated annual accounts.

5. CORPORATE GOVERNANCE STATEMENT

5.1. CORPORATE GOVERNANCE CODE

Umicore has adopted the 2009 Belgian Code on Corporate Governance as its reference code. The English, Dutch and French versions of the Code can be found on the website of the Belgian Corporate Governance Committee (www.corporategovernancecommittee.be).

The Corporate Governance Charter describes in detail the governance structure of the Company, the policies and procedures of the Umicore Group. The Charter is available on the Umicore website (www.umicore.com/governance) and may be obtained on request from Umicore's Group Communications Department.

Umicore has articulated its mission, values and basic organizational philosophy in a document called "The Umicore Way". This document spells out how Umicore views its relationship with its customers, shareholders, employees and society.

In terms of organizational philosophy, Umicore believes in decentralization and in entrusting a large degree of autonomy to each of its business units. The business units in turn are accountable for their contribution to the Group's value creation and for their adherence to Group strategies, policies, standards and sustainable development approach.

In this context, Umicore believes that a good corporate governance structure is a necessary condition to ensure its long term success. This implies an effective decision-making process based on a clear allocation of responsibilities. It has to allow for an optimal balance between a culture of entrepreneurship at the level of its business units and effective steering and oversight processes. The Corporate Governance Charter deals in more detail with the responsibilities of the shareholders, the Board of Directors, the Chief Executive Officer and the Executive Committee and also the specific role of the Audit Committee and of the Nomination and Remuneration Committee. This Statement provides information on governance issues which relate primarily to the financial year 2013.

5.2. CORPORATE STRUCTURE

The Board of Directors is the ultimate decision-making body of Umicore save for those matters reserved to the shareholders' meeting pursuant to the Belgian Companies Code or Umicore's articles of association. The Board is assisted in its role by an Audit Committee and a Nomination and Remuneration Committee. The day-to-day management of Umicore has been delegated to the Chief Executive Officer, who is also the chairman of the Executive Committee. The Executive Committee is responsible for elaborating the overall strategy of Umicore and for submitting it to the Board for review and approval. It is responsible for implementing such strategy and for ensuring the effective oversight of the business units and corporate functions. The Executive Committee is also responsible for screening the various risks and opportunities that the Company might encounter in the short, medium or longer term (see Risk Management section) and for ensuring that systems are in place to address these. The Executive Committee is jointly responsible for defining and applying Umicore's approach to sustainable development.

Umicore is organized in business groups which in turn comprise business units that share common characteristics in terms of products, technologies and end-user markets. Some business units are further subdivided into market-focused business lines. In order to provide a Group-wide support structure, Umicore has regional management platforms in South America, China, North America and Japan. Umicore's corporate centre is based in Belgium. This centre provides a number of corporate and support functions in the areas of finance, human resources, internal audit, legal and tax, as well as public and investor relations.

5.3. SHAREHOLDERS

5.3.1. ISSUED SHARES – CAPITAL STRUCTURE

At 31 December 2013 there were 120,000,000 Umicore shares in issue. The history of the Umicore capital representation can be found at www.umicore.com/investorrelations. The following shareholders had declared a participation of 3 % or more on 31 December 2013:

- Umicore (own shares):	10,228,661 shares (8.52%)
- Family Trust Desmarais, Albert Frère and Groupe Bruxelles Lambert SA:	6,017,276 shares (5.01%)
- BlackRock Inc.:	5,957,971 shares (4.96%)
- Franklin Templeton Institutional LLC:	3,691,759 shares (3.08%)
- Vanguard Precious Metals and Mining Fund:	3,620,000 shares (3.02%)

On 31 December 2013 Umicore owned 10,228,661 of its own shares representing 8.52% of its capital. Information concerning the shareholders' authorization for Umicore to buy back its own shares and the status of such buy-backs can be consulted in the Corporate Governance Charter and on Umicore's website respectively.

During the year 296,912 own shares were used in the context of the exercise of employee stock options and 25,300 shares were used for a share grant, of which 2,900 to the Board members, 19,000 to the Executive Committee members and 3,400 following a partial conversion into shares of the bonus of the Chief Executive Officer.

5.3.2. DIVIDEND POLICY AND PAYMENT

Umicore's policy is to pay a stable or gradually increasing dividend. There is no fixed pay-out ratio. The dividend is proposed by the Board at the ordinary (or annual) general meeting of shareholders. No dividend will be paid which would endanger the financial stability of the Company.

In 2013 Umicore paid a gross dividend of € 1.00 per share relating to the financial year 2012. This equalled the gross dividend in respect of the financial year 2011.

In August 2013 the Board, in line with the Umicore dividend policy, decided to pay an interim dividend, equal to 50% of the total dividend declared for the previous financial year. As a result a gross interim dividend of € 0.50 per share was paid as from 5 September 2013. On 5 February 2014 the Board decided to propose to shareholders a total gross dividend of € 1.00 per share relating to financial year 2013. If the appropriation of profit proposed to the shareholders is approved, the gross pay out of the dividend in May 2014 shall amount to € 0.50 per share (i.e. the total dividend less the interim payment).

The System Paying Agent designated for the payment of the 2013 dividend is:

KBC Bank
Havenlaan / Avenue du Port 2
1080 Brussels

5.3.3. SHAREHOLDERS' MEETINGS 2013

According to Umicore's articles of association, the annual shareholders' meeting takes place on the last Tuesday of April at 5 p.m.

The annual shareholders' meeting of 2013 took place on 30 April 2013. At this meeting the shareholders approved the standard resolutions regarding the annual accounts, the appropriation of the results and the discharges to the directors and to the statutory auditor regarding their respective 2012 mandates. In addition Isabelle Bouillot was reappointed as director for a further three years, and Shohei Naito's mandate as independent director was renewed for one year. The shareholders appointed Frans van Daele as a new, independent director for three years, but he resigned in July 2013 following his appointment as chief of staff of HRH King Philippe. The shareholders also appointed Barbara Kux with effective date 1 January 2014 for a period expiring at the end of the annual shareholders' meeting of 2017. The annual shareholders' meeting furthermore approved the remuneration of the Board for 2013. Details of the fees paid to the directors in 2013 are disclosed in the Remuneration Report.

Finally, an extraordinary shareholders' meeting also held on 30 April 2013 renewed the authorization conferred to the Company and its subsidiaries to acquire, until 30 June 2015, Umicore shares on a regulated market within a limit of 10% of the subscribed capital, at a price per share between € 4 and € 75.

5.4. BOARD OF DIRECTORS

5.4.1. COMPOSITION

The Board of Directors, whose members are appointed by the shareholders' meeting resolving by a simple majority of votes without any attendance requirement, is composed of at least six members. The directors' term of office may normally not exceed four years. In practice, directors are elected for a (renewable) period of three years.

Directors can be dismissed at any time following a resolution of a shareholders' meeting deciding by a simple majority of the votes cast. There are no attendance requirements for the dismissal of directors. The articles of association provide for the possibility for the Board to appoint directors in the event of a vacancy. The next general shareholders' meeting must decide on the definitive appointment of the above director. The new director completes the term of office of his or her predecessor.

On 31 December 2013, the Board of Directors was composed of ten members: nine non-executive directors and one executive director. On the same date four directors were independent in accordance with the criteria laid down in Article 526ter of the Belgian Companies Code and provision 2.3 of the 2009 Belgian Code on Corporate Governance. Following the entry into force of the appointment of Barbara Kux as new, independent director on 1 January 2014 (as decided by the shareholders' meeting held on 30 April 2013), the Board of Directors will on that date consist of eleven members, including ten non-executive directors and five independent directors.

Two (i.e. 20%) of the ten Board members in function on 31 December 2013 are women. Following the entry into force of the appointment of Barbara Kux as director on 1 January 2014, this number will increase to three (or 27.27 %). Umicore is committed to reach the minimum representation threshold of one-third as imposed by the Belgian Companies Code and the recommendations of the Belgian Corporate Governance Committee well within the imposed time frame, i.e. before 1 January 2017. Both the Nomination and Remuneration Committee and the Board will in this respect seriously take into consideration the gender diversity requirement when examining Board mandate vacancies in the coming years.

The composition of the Board of Directors underwent the following changes in 2013:

- Frans van Daele was appointed as new, independent director for a period of three years as of 30 April 2013, but resigned in July 2013 following his appointment as chief of staff of HRH King Philippe;
- Barbara Kux was appointed as new, independent director with effective date 1 January 2014 for a period ending at the end of the 2017 annual shareholders' meeting.

5.4.2. MEETINGS AND TOPICS

The Board of Directors held five regular meetings in 2013. This is a decrease by one compared to the previous year, but can be explained by the postponement of a Board meeting initially scheduled for December 2013 to early January 2014. On one occasion the Board also took decisions by unanimous written approval.

Major matters reviewed by the Board in 2013 included:

- financial performance of the Group;
- approval of the annual and half-year financial statements;
- adoption of the statutory and consolidated annual accounts including the result allocation and annual dividend proposal, as well as the statutory and consolidated annual reports;
- approval of the agenda of an ordinary and extraordinary shareholders' meeting and calling of these meetings;
- Vision 2015 status report;
- investment projects;
- sustainable development review;
- strategic opportunities and operational challenges;
- business updates and technology review;

- mergers & acquisitions projects;
- EHS, Communications and Human Resources review;
- annual performance review of the Chief Executive Officer and the other members of the Executive Committee in respect of 2012;
- succession planning at the level of the Board;
- distribution of an interim dividend;
- renewal of the statutory auditor's mandate.

The Board also visited the Umicore automotive catalyst facility in Florange (France).

5.4.3. PERFORMANCE REVIEW OF THE BOARD AND ITS COMMITTEES

Every two years the Chairman conducts a performance review of the Board and its Committees. The last performance review took place in 2013, on the basis of an individual evaluation form. The directors were asked to assess the following items: composition of the Board, selection and appointment of directors, functioning of the Board (agenda, meetings, chairmanship and secretariat), quality of information, culture within the Board, performance of duties by the Board, relations with the Executive Committee, and finally the Audit Committee and the Nomination and Remuneration Committee.

The outcome of the evaluation was first discussed at the Board meeting held in September 2013 and was further discussed in depth during a Board meeting held in February 2014.

5.4.4. AUDIT COMMITTEE

The Audit Committee's composition and the qualifications of its members are fully in line with the requirements of Article 526bis of the Belgian Companies Code and the 2009 Belgian Code on Corporate Governance.

The Audit Committee consists of three non-executive directors, two of them being independent. Isabelle Bouillot, since she was no longer considered an independent director from 30 April 2013 onwards, was replaced by Rudi Thomaes as Committee member with effective date 30 April 2013. All the members of the Audit Committee, have extensive experience in accounting and audit as demonstrated by their curriculum.

The Committee met four times in 2013. Apart from the review of the 2012 full year accounts and those of the first half of 2013, the Committee also reviewed the following matters: the endorsement of the new head of the internal audit department, treasury items, the renewal of the statutory auditor's mandate, metal inventory methodology, the status on the minimum internal control requirements ("MICR"), an overview of the employee benefits liabilities in the Umicore Group and the internal audit activity reports. Furthermore, the Audit Committee conducted a review of the fees paid to the statutory auditor.

5.4.5. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of three members who are all non-executive directors, two of them being independent. It is chaired by the Chairman of the Board. Isabelle Bouillot, since she was no longer considered an independent director from 30 April 2013 onwards, was replaced by Shohei Naito as Committee member with effective date 30 April 2013. Two Nomination and Remuneration Committee meetings were held in 2013. During the same period the Committee discussed the remuneration policy for the Board members, the Board Committees members and Executive Committee members and the rules of the stock grant and option plans offered in 2013.

The Nomination and Remuneration Committee was actively involved in the appointment of Frans van Daele (who resigned in July 2013) and Barbara Kux as new directors, and in the performance review of the Board and its Committees. The Committee also discussed the succession planning at the level of the Board and the Executive Committee.

5.5. EXECUTIVE COMMITTEE

5.5.1. COMPOSITION

The Executive Committee has the form of a "Comité de Direction/Directiecomité" as meant under Article 524bis of the Belgian Companies Code.

The Executive Committee is composed of at least four members. It is chaired by the Chief Executive Officer, who is appointed by the Board of Directors. The members of the Executive Committee are appointed by the Board of Directors upon proposal by the Chief Executive Officer and recommendation of the Nomination and Remuneration Committee.

On 31 December 2013 the Executive Committee consisted of seven members including the Chief Executive Officer.

5.5.2. PERFORMANCE REVIEW

A review of the performance of each Executive Committee member is conducted annually by the Chief Executive Officer and discussed with the Nomination and Remuneration Committee. The results are presented to the Board of Directors and discussed by the Board.

The Board also meets annually in non-executive session (i.e. without the Chief Executive Officer present) to review and discuss the performance of the Chief Executive Officer.

The above performance reviews took place on 6 February 2013.

5.6. RELEVANT INFORMATION IN THE EVENT OF A TAKEOVER BID

5.6.1. RESTRICTIONS ON TRANSFERRING SECURITIES

Umicore's articles of association do not impose any restriction on the transfer of shares or other securities.

The Company is furthermore not aware of any restrictions imposed by law except in the context of market abuse regulations.

The options on Umicore shares as granted to the Chief Executive Officer, to the members of the Executive Committee and to designated Umicore employees in execution of various Umicore incentive programs may not be transferred inter vivos.

5.6.2. HOLDERS OF SECURITIES WITH SPECIAL CONTROL RIGHTS

There are no such holders.

5.6.3. VOTING RIGHT RESTRICTIONS

The Company's articles of association do not contain any restriction on the exercise of voting rights by shareholders, providing the shareholders concerned are admitted to the shareholders' meeting and their rights are not suspended. The admission rules to shareholders' meetings are

laid down in Article 17 of the articles of association. According to Article 7 of the articles of association the rights attached to shares held by several owners are suspended until one person is appointed as owner vis-à-vis the Company.

To the Board's best knowledge none of the voting rights attached to the shares issued by the Company were suspended by law on 31 December 2013, save for the 10,228,661 shares held by the Company itself on that date (Article 622 §1 of the Belgian Companies Code).

5.6.4. EMPLOYEE STOCK PLANS WHERE THE CONTROL RIGHTS ARE NOT EXERCISED DIRECTLY BY THE EMPLOYEES

The Company has not issued such employee stock plans.

5.6.5. SHAREHOLDERS' AGREEMENTS

To the Board's best knowledge there are no shareholders' agreements which may result in restrictions on the transfer of securities and/or the exercise of voting rights.

5.6.6. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Save for capital increases decided by the Board of Directors within the limits of the authorized capital, only an extraordinary shareholders' meeting is authorized to amend Umicore's articles of association. A shareholders' meeting may only deliberate on amendments to the articles of association – including capital increases or reductions, as well as mergers, de-mergers and a winding-up – if at least 50% of the subscribed capital is represented. If the above attendance quorum is not reached, a new extraordinary shareholders' meeting must be convened, which will deliberate regardless of the portion of the subscribed capital represented. As a general rule amendments to the articles of association are only adopted if approved by 75% of the votes cast. The Belgian Companies Code provides for more stringent majority requirements in specific instances, such as the modification of the corporate object or the company form.

The Company's articles of association were not amended in 2013.

5.6.7. AUTHORIZED CAPITAL – BUY-BACK OF SHARES

The Company's share capital may be increased following a decision of the Board within the limits of the so-called "authorized capital". The authorization must be granted by an extraordinary shareholders' meeting; it is limited in time and amount and is subject to specific justification and purpose requirements. The extraordinary shareholders' meeting held on 26 April 2011 (resolutions published on 10 June 2011) has authorized the Board to increase the Company's share capital in one or more times by a maximum amount of € 50,000,000. Up until 31 December 2013 this authorization had not been used. It will lapse on 9 June 2016.

Following a resolution of the extraordinary shareholders' meeting held on 30 April 2013 the Board is authorized to acquire own Company shares on a regulated market within a limit of 10% of the subscribed capital, at a price per share comprised between € 4.00 and € 75.00 and until 30 June 2015 (included). The same authorization was also granted to the Company's subsidiaries. A total of 2,437,385 own shares were purchased in 2013 by the Company in implementation of the above authorization (and of the previous authorization granted on 31 May 2012) during 2013.

5.6.8. AGREEMENTS BETWEEN THE COMPANY AND ITS BOARD MEMBERS OR EMPLOYEES PROVIDING FOR COMPENSATION IF THEY RESIGN, OR ARE MADE REDUNDANT WITHOUT VALID REASON, OR IF THEIR EMPLOYMENT CEASES BECAUSE OF A TAKE-OVER-BID

All the senior vice-presidents of the Group are entitled to a compensation equivalent to 36 months base salary in the event of a dismissal within twelve months of a change of control of the Company. As far as the members of the Executive Committee are concerned, reference is made to the Remuneration Report.

5.7. STATUTORY AUDITOR

At the annual shareholders' meeting held on 26 April 2011 the statutory auditor's mandate of PricewaterhouseCoopers Bedrijfsrevisoren/Réviseurs d'Entreprises BCVBA/SCCRL was renewed for a period of three years. The statutory auditor is jointly represented by BVBA Marc Daelman, represented by Marc Daelman, and Emmanuèle Attout for the exercise of this mandate.

The Umicore policy detailing the independence criteria for the statutory auditor may be requested from the Company.

5.8. CODE OF CONDUCT

Umicore operates a Code of Conduct for all employees, representatives and Board members. This Code of Conduct is fundamental to the task of creating and maintaining a relation of trust and professionalism with its main stakeholders namely its employees, commercial partners, shareholders, government authorities and the public.

The main purpose of Umicore's Code of Conduct is to ensure that all persons acting on behalf of Umicore carry out their activities in an ethical way and in accordance with the laws and regulations and with the standards Umicore sets through its present and future policies, guidelines and rules. The Code of Conduct contains a specific section on complaints and expressions of concern by employees and "whistle-blower" protection.

The Code of Conduct is published in Appendix 4 to Umicore's Corporate Governance Charter.

5.9. MARKET MANIPULATION AND INSIDER TRADING

Umicore's policy related to market abuse including insider trading can be found in Appendix 5 to the Corporate Governance Charter.

5.10. COMPLIANCE WITH THE 2009 BELGIAN CODE ON CORPORATE GOVERNANCE

Umicore's corporate governance systems and procedures are in line with the 2009 Belgian Code on Corporate Governance.

5.11. REMUNERATION REPORT

5.11.1. BOARD OF DIRECTORS' REMUNERATION

Remuneration policy for the Board of Directors

As a principle the remuneration of the non-executive members of the Board should be sufficient to attract, retain and motivate individuals who have the profile determined by the Board. The remuneration level should take into account the responsibilities and the commitment of the Board members as well as prevailing international market conditions. On the basis of the recommendation made by the Nomination & Remuneration Committee as to the form and structure of remuneration, the Board of Directors adopts the policy for remuneration of the non-executive Directors. The Nomination & Remuneration Committee bases its proposals on a review of prevailing market conditions for quoted companies which are part of the BEL 20 index as well as other European companies of similar size operating in the Chemicals, Metals and Materials sectors. The results of the survey are discussed within the Nomination & Remuneration Committee and the Board determines the remuneration for non-executive Directors and Board Committee's members to be proposed to the annual shareholders' meeting.

Non-executive directors' remuneration

The remuneration of the non-executive Board members in 2013 was maintained at the same level as in the prior year and comprised the following elements:

- **Chairman:** annual fixed fee: € 40,000 + € 5,000 per meeting attended + 300 Umicore shares.
- **Director:** annual fixed fee: € 20,000 + € 2,500 per meeting attended + 300 Umicore shares.

The remuneration of the Board Committee members was the following in 2013:

Audit Committee

- **Chairman:** annual fixed fee: € 10,000 + € 5,000 per meeting attended.
- **Member:** annual fixed fee: € 5,000 + € 3,000 per meeting attended.

Nomination and Remuneration Committee

- **Chairman:** € 5,000 per meeting attended.
- **Member:** € 3,000 per meeting attended.

2013 Board Remuneration overview.

Name		(in €)	Meetings attended
Thomas Leysen (Chairman) (non-executive director)	Board		
	Fixed annual fee	40,000	
	Fee per attended meeting	5,000	5/5
	Value of 300 granted shares	11,018	
	Nomination & Remuneration Committee		
	Fee per attended meeting	5,000	2/2
	Total remuneration	86,018	
	Benefits in kind company car	7,612	
	Board		

Marc Grynberg (executive director)	No remuneration as a director (see hereafter 2013 CEO remuneration)	-	5/5
Isabelle Bouillot (non-executive director)	Board Fixed annual fee Fee per attended meeting Value of 300 granted shares Nomination & Remuneration Committee Fee per attended meeting Audit Committee Fixed annual fee Fee per attended meeting Total remuneration	20,000 2,500 11,018 3,000 1,667 3,000 51,685	4/5 1/1 2/2
Uwe-Ernst Bufe (independent, non-executive director)	Board Fixed annual fee Fee per attended meeting Value of 300 granted shares Total remuneration	20,000 2,500 11,018 43,518	5/5
Arnoud de Pret (non-executive director)	Board Fixed annual fee Fee per attended meeting Value of 300 granted shares Audit Committee Fixed annual fee Fee per attended meeting Total remuneration	20,000 2,500 11,018 10,000 5,000 73,518	5/5 4/4
Ines Kolmsee (independent, non-executive director)	Board Fixed annual fee Fee per attended meeting Value of 300 granted shares Audit Committee Fixed annual fee Fee per attended meeting Total remuneration	20,000 2,500 11,018 5,000 3,000 60,518	5/5 4/4
Shohei Naito (independent, non-executive director)	Board Fixed annual fee Fee per attended meeting Value of 300 granted shares Nomination & Remuneration Committee Fee per attended meeting Total remuneration	20,000 2,500 11,018 3,000 46,518	5/5 1/1
Jonathan Oppenheimer (non-executive director)	Board Fixed annual fee Fee per attended meeting Value of 300 granted shares Total remuneration	20,000 2,500 11,018 43,518	5/5
Rudi Thomaes	Board		

(independent, non-executive director)	Fixed annual fee	20,000	
	Fee per attended meeting	2,500	5/5
	Value of 300 granted shares	11,018	
	Nomination & Remuneration Committee		
	Fee per attended meeting	3,000	2/2
	Audit Committee		
	Fixed annual fee	3,333	
	Fee per attended meeting	3,000	2/2
	Total remuneration	58,851	
Frans van Daele			
(independent, non-executive director)	Board		
	Fixed annual fee	10,833	
	Fee per attended meeting	2,500	1/1
	Value of 200 granted shares	7,345	
Appointed by the AGM of 30 April 2013 - Resigned on 23 July 2013	Total remuneration	20,678	
Klaus Wendel			
(non-executive director)	Board		
	Fixed annual fee	20,000	
	Fee per attended meeting	2,500	5/5
	Value of 300 granted shares	11,018	
	Total remuneration	43,518	

5.11.2. CEO AND EXECUTIVE COMMITTEE REMUNERATION

5.11.2.1. Remuneration policy for the CEO and the Executive Committee

The Nomination & Remuneration Committee defines the remuneration policy principles for the CEO and Executive Committee and submits them to the Board of Directors for approval. It strives to have a fixed remuneration to reflect the level of responsibility and in line with market practices, as well as an attractive variable remuneration to reward the performance of the company against financial and sustainability criteria.

The compensation & benefits package for the CEO and Executive Committee members includes the following components: fixed remuneration, variable remuneration, share based incentives (share grant and incentive stock option plans) subject to a lock-up period, pension plans and other benefits.

The inclusion of Umicore shares and stock options as part of the remuneration of the CEO and the Executive Committee reflects the commitment of the Board to create shareholder value. Shares and stock options are not linked to individual or business performance criteria. As a result the share based incentives should not be considered as a variable remuneration as meant under the Belgian Corporate Governance law of 6 April 2010 and are vested upon grant.

The remuneration of the CEO and Executive Committee members is reviewed on an annual basis by the Nomination & Remuneration Committee. A survey is conducted every year to assess the competitiveness of the remuneration packages. Umicore benchmarks the total remuneration of the Executive Committee members against BEL 20 companies and European peer companies.

In line with the Belgian law of 6 April 2010 on Corporate Governance, the payment of half of the variable remuneration is deferred and subject to multi-year targets or criteria.

CEO's remuneration package

The Nomination & Remuneration Committee of 1 February 2013 reviewed the remuneration package of the CEO based on a comparison with peer companies and BEL 20 companies. Given the challenging economic context and on proposal of the Nomination & Remuneration Committee, the Board of Directors of 6 February 2013 decided to leave the remuneration package of the CEO unchanged for 2013.

Executive Committee members' remuneration package

The Nomination & Remuneration Committee of 1 February 2013 reviewed the remuneration package of the Executive Committee members. As it was the case for the remuneration package of the CEO, the Board of Directors of 6 February 2013 followed the proposal of the Nomination & Remuneration Committee and decided to leave the remuneration package of the Executive Committee members unchanged for 2013.

5.11.2.2. CEO's compensation and benefits

Fixed remuneration

The CEO received a fixed gross remuneration of € 660,000 in 2013.

Variable cash remuneration scheme and evaluation criteria

As from the reference year 2012 the CEO's annual variable cash remuneration potential amounts to € 540,000, half of which relates to an undeferred pay-out based on the individual performance including the annual overall financial performance of the Group, the progress achieved against Group strategic and sustainable development objectives, and adherence to the values of the Group.

The other half of the variable remuneration, for which the pay-out is deferred, is based on the Umicore Group profitability criterion, i.e. the Return on Capital Employed (ROCE), as published in the annual report. The deferred pay-out is assessed over a multi-year timespan, with half of it paid after a period of two years based on the two year average ROCE. The other half is paid after a period of three years using as a reference the three year average ROCE. The ROCE range is set between 7.5 % (= payout of 0%) and a maximum of 17.5 % (= payout of 100%). When the achieved ROCE percentage falls between any of the above targets, the payout will be pro-rated. The payout percentage will be applied on the relevant annual variable cash remuneration potential i.e. a quarter of the annual variable cash remuneration potential of the reference year for each deferred pay-out year.

The variable cash remuneration may be converted partly or totally into Umicore shares at the discretion of the CEO.

There are no provisions allowing the Company to reclaim any variable remuneration paid to the CEO.

At the beginning of every reference year the individual objectives are discussed during a session of the Nomination & Remuneration Committee. During a Board session they are presented by the Chairman, discussed and approved by the Board.

The annual performance of the CEO is assessed by the Nomination & Remuneration Committee and the results of this assessment are presented by the Chairman and discussed during a Board session where the CEO is not present.

In 2014 the CEO will receive a gross cash variable remuneration totalling € 393,350. This total includes an amount of € 175,000 corresponding to the undeferred individual component of his

variable cash remuneration in respect of the performance achieved in 2013. The balance corresponds to deferred payments from prior years, calculated as follows. An amount of € 114,400 will be paid out as the second half of the deferred payment of his variable cash remuneration for the reference year 2011 based on the three year average ROCE for the years 2011, 2012 and 2013. The Group ROCE averaged 16.3% over these 3 years, giving rise to a percentage pay-out of 88% which applies to one quarter of the annual variable cash remuneration potential for the year 2011. An amount of € 103,950 will be paid out as the first half of the deferred payment of his variable cash remuneration for the reference year 2012 based on the two year average ROCE for the years 2012 and 2013. The Group ROCE averaged 15.2% over these two years, giving rise to a percentage pay-out of 77% which applies to one quarter of the annual variable cash remuneration potential for the year 2012.

Share-based incentives (stock grant and share options)

Umicore shares are granted to the CEO at the discretion of the Board of Directors in recognition of services rendered in the previous year. The number of shares granted to the CEO in 2014 for services rendered in 2013 was 3,000 with a price at grant of € 31.595 per share and a total value at grant of € 94,785. The grant was decided by the Board of Directors on 5 February 2014. The shares are subject to a three year lock-up and are not subject to forfeiture conditions.

In 2013, 75,000 stock options were granted to the CEO as part of the Umicore Incentive Stock Option Plan 2013, implemented by the Board of Directors on 6 February 2013. These options have a strike price of € 36.375 and had a notional value (calculated on the basis of the Present Economic Value model) at grant of € 436,115. There is no vesting period and the options can be exercised from 1 March 2016 until 10 February 2020. Stock options allow the beneficiary to acquire a specific number of Umicore shares at a fixed price (the exercise price) within a specific period of time.

Pension and other benefits

Pensions include both defined contribution plans and the service cost of defined benefit plans. Other benefits are representation allowance, benefits in kind (company car), and insurance benefits.

Total CEO remuneration for 2013

All components of the remuneration earned by the CEO for the reported year are detailed in the table below:

Total remuneration earned by the CEO Marc Grynberg - in €	2011	2012	2013
Status of the CEO	Self-employed	Self-employed	Self-employed
Fixed Remuneration	520,000	660,000	660,000
Variable Remuneration			
Current year	255,000	150,000	175,000
Deferred from previous year	125,000	130,000	103,950
Deferred from year prior to previous year *		125,000	114,400
Total gross cash remuneration	900,000	1,065,000	1,053,350
Non-cash elements			
- Notional value of the free shares granted (services rendered in the ref. year)	108,000	109,125	94,785

- Notional value at grant of the incentive stock options	997,200	551,768	436,115
- Pension			
Defined contribution plan	185,534	195,030	201,630
Defined benefits plan (service cost)	50,274	52,807	92,290
- Other Benefits : Representation allowance, company car, insurance benefits	30,747	47,092	47,519
Total	2,271,755	2,020,822	1,925,689
* On 25 March 2013 Marc Grynberg decided to convert the 2nd half of his deferred variable cash remuneration for the reference year 2011 or € 125,000 into 3,400 Umicore shares based on the closing share price of 25 March 2013 or € 36.185. The delta of the conversion or € 1,971 was paid in cash. ** On 10 February 2014 Marc Grynberg decided to convert the 2nd half of his deferred variable cash remuneration for the reference year 2011 or € 114,400 into 3,400 Umicore shares based on the closing share price of 7 February 2014 or € 32.98 The delta of the conversion or € 2.268 was paid in cash.			

5.11.2.3. Executive Committee member's compensation and benefits

Fixed remuneration

The fixed remuneration can be different for each Executive Committee member and depends on criteria such as experience. In aggregate in 2013 the Executive Committee (excluding the CEO) received € 2,330,000 in fixed gross remuneration.

Variable cash remuneration scheme and evaluation criteria

Umicore has adopted a variable cash remuneration scheme which aims to ensure that all Executive Committee members are rewarded in line with their annual individual performance as well as the overall performance of the Umicore Group. All the members of the Executive Committee are eligible for the same annual variable cash remuneration potential for the reference year 2013 amounting to € 300,000, half of which involves an undeferred pay-out based on the annual individual performance (including adherence to the values of the Group, environmental and social performance).

The other half, involving a deferred pay-out, is based on the Umicore Group ROCE profitability criterion, i.e. the Return on Capital Employed (ROCE), as published in the annual report. The deferred pay-out is assessed over a multi-year timespan, with half of it paid after a period of two years, using the two years average ROCE as the reference. The other half is paid after a period of three years based on the three years average ROCE. The ROCE range is set between 7.5% (= payout of 0%) and a maximum of 17.5% (= payout of 100%). When the achieved ROCE percentage falls between any of the above targets, the payout will be pro-rated. The payout will be applied to the relevant annual variable cash remuneration potential i.e. a quarter of the annual variable cash remuneration potential of the reference year for each deferred pay-out year.

There are no provisions allowing the Company to reclaim any variable remuneration paid to the Executive Committee members.

At the beginning of every reference year the annual individual objectives of each Executive Committee member are fixed by the CEO on basis of their areas of responsibility. The annual individual objectives are specific, measurable, agreed, realistic, time bound and take into account the group's sustainability objectives.

The annual performance of each Executive Committee member is initially assessed by the CEO. The results of the assessments and the individual variable cash remuneration proposals are

presented by the CEO to the Nomination & Remuneration Committee before approval by the Board.

In 2014 the Executive Committee members will receive an aggregate variable cash remuneration totaling € 630,000 in respect to the undeferred individual component of their 2013 variable cash remuneration.

In addition to the undeferred individual payment, the Executive Committee members will also receive in 2014 the 2nd half of the deferred payment of their variable cash remuneration for the reference year 2011 based on the three year average ROCE for the years 2011, 2012 and 2013. The Group ROCE averaged 16.6% over these 3 years, giving rise to a percentage payout of 88% which applies to one quarter of the annual variable cash remuneration potential for the year 2011, corresponding to € 70,000 for each member of the Executive Committee having served as Executive VP for the full year 2011, or a pro-rata of that amount in case of an incomplete year of service. The aggregate amount is € 246,400.

The Executive Committee members will also receive in 2014 the first half of the deferred payment of their variable cash remuneration for the reference year 2012 based on the two year average ROCE for the years 2012 and 2013. The Group ROCE averaged 15.2% over these years, giving rise to a percentage payout of 77% which applies to one quarter of the annual variable cash remuneration potential for the year 2012, corresponding to € 75,000 for each member of the Executive Committee having served as Executive VP for the full year 2012, or a pro-rata of that amount in case of an incomplete year of service. The aggregate amount is € 250,250.

Share-based incentives (stock grant and share options)

Umicore shares are granted to the Executive Committee members at the discretion of the Board of Directors in recognition of services rendered in the previous year. The number of shares granted to the Executive Committee in 2014 for services rendered in 2013 was 18,000 (3,000 per member). The total aggregate value at grant was € 568,710. The price at grant was € 31.595 per share. The grant was decided by the Board of Directors on 5 February 2014. The shares are subject to a three year lock-up and are not subject to forfeiture conditions.

In 2013, 87,500 stock options (17,500 options per member) were granted to the Executive Committee members as part of the Umicore Incentive Stock Option Plan 2013, implemented by the Board of Directors on 6 February 2013. The options have a strike price of € 36.375 for each Executive Committee members. The total notional value at grant (calculated on the basis of the Present Economic Value model) amounted to € 508,800. There is no vesting period and the options can be exercised from 1 March 2016 until 10 February 2020.

Pension and other benefits

Pensions include both defined contribution plans and the service cost of defined benefit plans. Other benefits include representation allowances, company cars and insurance benefits. In aggregate the pension costs of the Executive Committee members amounted to € 623,913 in 2013.

Total aggregate Executive Committee remuneration for 2013

Total remuneration earned, in aggregate, by members of the Executive Committee in 2013 (not including the CEO) – in €	2011	2012	2013
Fixed Remuneration (2012 includes termination indemnity)	2,005,260	3,029,251	2,330,000

Variable Remuneration			
Current year	655,000	395,000	630,000
Deferred from previous year	385,000	350,000	250,250
Deferred from year prior to previous year		315,000	246,400
Total gross cash remuneration	3,045,260	4,089,251	3,456,650
Non-cash elements			
- Notional value of the free shares granted (services rendered in the ref. year)	676,530	581,745	568,710
- Notional value at grant of the incentive stock options	1,662,000	772,476	508,800
- Pension			
Defined contribution plan	197,854	238,364	209,890
Defined benefits plan (service cost)	238,884	269,511	414,023
- Other Benefits : Representation allowances, company car, insurance benefits and in 2011 and 2012 including benefits linked to expatriation	351,054	394,701	361,926
Total	6,171,582	6,346,048	5,519,999

5.11.3. SHARE AND SHARE OPTION OWNERSHIP AND TRANSACTIONS 2013

Executive Committee share option ownership and transactions 2013

Name	Options at 31 Dec 2012	Options granted in 2013	Number of options exercised	Average exercise price (in €)	Year of grant of options exercised	Number of options forfeited	Options at 31 Dec 2013*
Marc Grynberg	390,000	75,000	0			0	465,000
Stephan Csoma							
**	21,000	0	5,000	22.30	2010	0	16,000
Denis Goffaux	46,000	17,500	0			0	63,500
Hugo Morel	67,500	17,500	25,000	22.30	2010	0	60,000
Filip Platteeuw							
**	17,500	17,500	0			0	35,000
Pascal Reymondet	92,500	17,500	15,000	22.30	2010	0	95,000
Marc Van Sande	92,500	17,500	21,162	22.30	2010	0	88,838

* These options can be exercised at strike prices between € 14.44 and € 39.25

** The number of options at 31 Dec. 2012 were granted in their capacity prior to appointment to the Executive Committee

Details of all options exercised and other share-related transactions of Executive Committee or Board members can be found on www.fsma.be

Executive Committee share ownership 2013

Name	Shares owned at 31/12/2011	Shares owned at 31/12/2012	Shares owned at 31/12/2013
Marc Grynberg	143,000	146,000	152,400
Stephan Csoma	2,000	0	500
Denis Goffaux	5,000	4,500	7,500
Hugo Morel	27,250	6,000	9,000
Filip Platteeuw	3,600	1,000	1,500
Pascal Reymondet	14,750	17,750	20,750

Marc Van Sande	21,800	15,000	9,000
Total	217,400	190,250	200,650

Board of Directors share ownership 2013

Name	Shares owned at 31/12/2011	Shares owned at 31/12/2012	Shares owned at 31/12/2013
Thomas Leysen	871,320	626,620	676,920
Isabelle Bouillot	300	600	900
Uwe-Ernst Bufe	300	600	900
Arnoud de Pret	5,300	5,600	5,900
Ines Kolmsee	205	505	805
Shohei Naito	300	600	900
Jonathan Oppenheimer	300	600	900
Rudi Thomaes	-	905	1,205
Klaus Wendel	7,425	7,725	8,025
Total	885,450	643,755	696,455

Contractual relationships

Contract between Umicore and Marc Grynberg, Chief Executive Officer

Taking into account Marc Grynberg's seniority in the Umicore Group, the Board resolved as follows in 2008:

- In case of termination of the contract by Umicore, a total compensation equivalent to 18 months of his annual base salary will be paid.
- A total compensation of three years of annual base salary as minimum indemnity will be paid to the Chief Executive Officer if his employment as Chief Executive Officer would be terminated within a 12 month period following a change of control due to a takeover bid (not cumulative with the previous provision).
- It is at the Board of Directors' discretion as to whether the variable cash remuneration would form part of any final indemnity.

Contracts between Umicore and Executive Committee members

Following a Board decision taken in 2007, in case the employment of an Executive Committee member should be terminated within twelve months of a change of control of the Company, that member would stand to receive a total compensation equivalent to 36 months' base salary. This applies for all Executive Committee members with the exception of Denis Goffaux whose employment agreement was signed on 1 July 2010, as well as Stephan Csoma and Filip Platteeuw whose employment agreements were signed on 1 November 2012.

Individual arrangements in case of termination of the contract by Umicore

Stephan Csoma and Filip Platteeuw were appointed Executive Committee members on 1 November 2012. Taking into account their seniority in the Umicore Group a total compensation equivalent to 18 months of their annual base salary will be paid in case of contract termination. In line with the Belgian Corporate Governance Law of 6 April 2010, these arrangements were approved by the Nomination & Remuneration Committee of 18 September 2012 subject to the absence of any objections of the Board, which were not formulated. It is at the Board of Directors' discretion as to whether the variable cash remuneration would form part of any final indemnity.

Denis Goffaux was appointed Chief Technology Officer on 1 July 2010. Taking into account Denis Goffaux's seniority in the Umicore Group a total compensation equivalent to 18 months

of his annual base salary will be paid in case of contract termination. In line with the Belgian Corporate Governance Law of 6 April 2010, the Nomination & Remuneration Committee recommended this arrangement and this was approved by the Board of Directors on 1 June 2010. It is at the Board of Directors' discretion as to whether the variable cash remuneration would form part of any final indemnity.

The contracts of Hugo Morel and Marc Van Sande were signed before the Belgian Corporate Governance Law of 6 April 2010 came into force. In case of termination the compensation is based on age, seniority in the Umicore Group and the total compensation and benefits.

Pascal Reymondet has a German employment agreement signed on 1 March 1989. There is no contractual arrangement in case of termination and German law will be applicable.

5.11.4. CHANGES TO THE REMUNERATION SINCE THE END OF 2013

Non-executive directors' remuneration

In order to determine adequate remuneration levels for its non-executive Directors Umicore conducted in 2013 a survey of director's fees of Umicore against those of quoted companies on the BEL 20 index as well as other European companies of similar size operating in the Chemicals, Metals and Materials sectors. The results of the survey which were reviewed by the Nomination & Remuneration Committee of 4 February 2014 demonstrated that as well as the positioning of the fees of the Chairman of the Board as those of the Board members are situated at the low end of the peer groups.

The Nomination & Remuneration Committee recommended to the Board to increase the number of Umicore shares granted to each non-executive director from 300 to 500, and for the Chairman of the Board from 500 to 1,000. The Board of Directors of 5 February 2014 followed this proposal and decided to submit these changes to the approval of the shareholders during the annual shareholders' meeting to be held on 29 April 2014.

CEO's remuneration package

On 4 February 2014 the Nomination & Remuneration Committee reviewed the remuneration package of the CEO based on a comparison survey with European peer companies and BEL 20 index companies.

On proposal of the Nomination & Remuneration Committee, the Board of Directors of 5 February 2014 decided to leave the fixed gross remuneration of € 660,000 unchanged in 2014.

Executive Committee Members' remuneration package

The Nomination & Remuneration Committee of 4 February 2014 reviewed the remuneration package of the Executive Committee members. On proposal of the Nomination & Remuneration Committee and taking into account that no salary increase was granted in 2013, the Board of Directors of 5 February 2014 decided to increase slightly the annual fixed remuneration of the Executive Committee members.

Composition of the CEO and Executive Committee Members' variable cash remuneration

The Nomination & Remuneration Committee of 4 February 2014 discussed the structure of the current variable cash remuneration of the CEO and the Executive Committee members.

In this context an analysis will be conducted and a proposal will be submitted to the Nomination & Remuneration Committee in the course of the 1st half-year 2014.

5.12. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

5.12.1. RISK MANAGEMENT

Taking calculated risks is an integral part of the development of any company. Umicore's Board of Directors is ultimately responsible for assessing the risk profile of the company within the context of the company strategy and external factors such as market conditions, competitor positioning, technology developments etc and ensuring that adequate processes are in place to manage these risks. Umicore's management is tasked with successfully exploiting business opportunities whilst at the same time limiting possible business losses. In order to achieve this, Umicore operates a comprehensive risk management system. The aim of this system is to enable the company to identify risks in a proactive and dynamic way and to manage or mitigate these identified risks to an acceptable level wherever this is possible. Internal control mechanisms exist throughout Umicore to provide management with reasonable assurance of the company's ability to achieve its objectives. These controls cover the effectiveness and efficiency of operations, the reliability of financial processes and reporting, the compliance with laws and regulations, and provide for the mitigation of errors and fraud risks.

5.12.1.1. Risk management process

Each of Umicore's business units operates in an environment which carries specific growth expectations and differing degrees of market and technological uncertainty. Therefore, the primary source of risk identification lies with the business units themselves.

The first step in the risk management process is to enable and channel the identification of the various material risks. Umicore has established a business risk assessment process to be undertaken by each business unit and corporate department. The process requires that all units carry out a risk scan in order to identify all significant risks (financial and non-financial) that might affect the ability of the business unit to meet its objectives as set out in its strategic plans. The process then requires that each of these risks be described in detail in a risk card. Besides the assessment of potential impact and likelihood, the risk card also contains information on the the status of any management action or mitigation plan and the ownership thereof.

These risk cards are then fed back to the member of the Executive Committee responsible for that peculiar business area. A consolidated review takes place at the level of the Executive Committee, the outcome of which is presented to the Audit Committee and to the Board of Directors. The Audit Committee, on behalf of the Board of Directors, carries out an annual review of the company's internal control and risk management systems and looks into specific aspects of internal control and risk management on an on-going basis.

Each business unit and corporate department is responsible for the mitigation of its own risks. The Executive Committee intervenes in cases where managing a certain risk is beyond the capacities of a particular business unit. The Executive Committee and the Chief Executive Officer are also responsible in a broader context for identifying and dealing with those risks that affect the broader group such as strategic positioning, funding or macroeconomic risks. A specific monitoring role is given to Umicore Internal Audit department in order to provide oversight for the risk management process.

5.12.1.2. Internal control system

Umicore adopted the COSO framework for its Enterprise Risk Management and has adapted its various controls constituents within its organization and processes. "The Umicore Way" (www.umicore.com/en/aboutUs/umicoreWay/) and the "Code of Conduct" are the cornerstones of the Internal Control environment; together with the concept of management

by objectives and through the setting of clear roles and responsibilities they establish the operating framework for the company.

Specific internal control mechanisms have been developed by business units at their level of operations, while shared operational functions and corporate services provide guidance and set controls for cross-organizational activities. These give rise to specific policies, procedures and charters covering areas such as supply chain management, human resources, information systems, environment, health and safety, legal, corporate security and research and development.

Umicore operates a system of Minimum Internal Control Requirements (MICR) to specifically address the mitigation of financial risks and to enhance the reliability of financial reporting.

Umicore's MICR framework requires all Group entities to comply with a uniform set of internal controls covering 165 control activities in 12 processes and 131 Group control entities. Within the MICR framework specific attention is paid to the segregation of duties and the definition of clear roles and responsibilities. A compliance threshold is established for each control activity with the ultimate goal being to achieve the target compliance level in all Umicore entities. The majority of entities made further progress in 2013 with the total average compliance scores improving by 2 percentage points. Priority was given to reach the target control maturity in those processes that are of particular importance to Umicore such as metal hedging and inventory management. MICR compliance is monitored by means of annual self-assessments to be signed off by the senior management and their outcome is reported to the Executive Committee and to the Audit Committee of the Board of Directors. The compliance assessments are also reviewed by the Internal Audit department during its missions.

5.12.2. RISK CATEGORIZATION

Umicore faces risks that in broad terms can be categorized as follows:

Strategic: including risks related to macro-economic and financial conditions, technological changes, corporate reputation, political and legislative environment.

Operational: including risks related to changing customer demand, supply of raw materials, distribution of products, credit, production, labour relations, human resources, IT infrastructure, occupational health and safety, emission control, impact of current or past activities on the environment, product safety, asset and data security, disaster recovery.

Financial: including risks related to treasury, tax, forecasting and budgeting, accuracy and timeliness of reporting, compliance with accounting standards, metal price and currency fluctuation, hedging.

Most industrial companies would normally expect to face a combination of the risks listed above. It is not the intention to provide exhaustive details on each risk posed to the company in this report. However, the most noteworthy strategic and operational risks either in their relevance to Umicore and its Vision 2015 targets or in the company's way of dealing with them have been highlighted below. Financial risks are discussed in greater detail in note F3 to the Consolidated Financial Statements.

5.12.3. RISK DESCRIPTIONS

5.12.3.1. Strategic and operational risks

Market risk

Umicore has a diverse portfolio of activities serving a number of different market segments and in most of its business has a truly global presence. Not one end-user market segment or

industry accounts for more than 50 % of Umicore's sales. In terms of overall exposure the main end markets served by Umicore are automotive, consumer electronics and construction. Umicore's business model also focuses on sourcing secondary or end-of-life materials for recycling. In many instances the availability of these materials is dependent on the levels of activity in specific industries or at specific customers where Umicore provides closed-loop recycling services. A diverse portfolio and wide geographical presence help to mitigate the risk of over-exposure to any one particular market.

Comments on 2013: Challenging economic conditions persisted in many of Umicore's end markets. Sales and revenues were below those of 2012. The main negative impact from a profitability point of view was the effect of lower metal prices on the earnings of the Recycling business group.

Technology risk

Umicore is a materials technology Group with a strong focus on the development of innovative materials and processes. The choice and development of these technologies represents the single biggest opportunity and risk for Umicore. In order to manage this risk and to enhance the effectiveness of technology screening and implementation processes Umicore has implemented a Group-wide Technology Innovation Management process and carries out technology reviews at Executive Committee level every year. All business units are also expected to carry out an annual technology review. The purpose of these technology reviews is to verify the suitability, potential and risks of those technologies that are screened and pursued and to ensure that they are in line with Umicore's strategic vision. In 2009 Umicore adopted a system to track the quality of its research and development efforts. This system is primarily based on a self-assessment tool for the business units and Group R&D.

In terms of organization Umicore's R&D efforts comprise initiatives at both Group and business unit level. The position of Chief Technology Officer (CTO) was created in 2005 with the aim of stimulating the various R&D efforts through the Group, ensuring the alignment of the R&D roadmap with strategic priorities and achieving a balance between current technology needs and longer-term opportunities. Five R&D platforms provide a framework for those elements that have a high degree of relevance across the Group namely Fine Particle Technology, Recycling & Extraction Technology, Scientific and Technical Operations Support, Environment Health and Safety and Analytical Competences. Efforts are also made to promote best practice in knowledge management, information sharing, training and networking throughout the R&D community at Umicore.

To the greatest extent possible, the financial support for the Group's R&D efforts is maintained irrespective of short-term fluctuations in the financial performance of the Group. With regard to intellectual property (IP) risk, a Group IP committee co-ordinates the protection of IP at Group level and promotes best practice in this regard at the level of the business units, which have their own IP committees.

Comments on 2013: Now that the main technology projects are well established, in 2013 the Executive Committee undertook six dedicated technology reviews compared to 14 reviews in 2012. These review focus on the technology developments that will be key to achieving Vision 2015 growth ambitions and cover both product and process development in automotive catalysis, fuel cell catalysts, rechargeable battery materials and recycling technologies.

Supply risk

Umicore is reliant on supplies of certain metals or metals-containing raw materials in order to manufacture its products. Some of these raw materials are comparatively rare. In order to mitigate the risk of supplies becoming difficult to source Umicore enters into longer-term contracts with its suppliers wherever possible. In some cases the company holds strategic reserve stocks of certain key raw materials. The company also attempts to source its materials

from a geographically diverse range of locations. Umicore's focus on recycling also means that its supply needs are only partially dependent on supplies of virgin material from mines - a significant proportion of the company's feed coming from secondary industrial sources or end-of-life materials. Where possible Umicore seeks to partner with customers in a "closed-loop" business model thereby integrating sales and the recycling of the customer's residues in one package. Umicore has developed a Sustainable Procurement Charter that has been designed to drive further improvements in the company's approach to sustainable procurement and is being rolled out towards Umicore's suppliers.

Comments on 2013: Umicore made further progress in 2013 with regards to its efforts to demonstrate compliance with the Dodd Frank Act in the US. While Umicore does not source conflict minerals and is not itself subject to the Dodd Frank Act, the company is proactively addressing the issue with a number of its customers and suppliers. In 2012 Umicore had already taken steps, together with relevant industry associations, to provide assurances to customers about the conflict-free nature of the gold that it recycles or which is used in its products. In Precious Metals Refining the company was awarded the conflict-free smelter certification by the London Bullion Market Association (LBMA) following an audit of its processes and supply streams. A similar process and certification was undertaken by Jewellery & Industrial Metals together with the Responsible Jewelry Council (RJC). In 2013 Umicore formally adopted a conflict minerals policy. For general comments on the progress in implementing Umicore's Sustainable Procurement Charter please see the annual report on the consolidated accounts.

Substitution risk

Achieving the best cost-performance balance for materials is a priority for Umicore and its customers. There is always a risk that customers will seek alternative materials to integrate in their products should those of Umicore not provide this optimum balance. The risk is especially present in those businesses producing materials containing expensive metals (especially those with historically volatile pricing characteristics). Umicore actively seeks to pre-empt this search for substitute materials by developing such substitutes itself using less costly materials with lower pricing volatility and where possible without impacting the performance provided for the customer's product.

Comments on 2013: No specific developments took place with regards to substitution risk during 2013.

Regulatory risk

Like all companies, Umicore is exposed to the evolution of the regulatory environment in the countries or regions within which it does business. It should be noted that Umicore's businesses stand to benefit from certain regulatory trends, notably those regarding more stringent emission controls for vehicles and enforced recycling of end-of-life products such as electronic goods.

However, some environmental legislation does present operational challenges. The REACH Directive came into force in the European Union in June 2007 and it introduced the need for new operational procedures regarding the registration, evaluation and authorization of chemical substances. Umicore has created an operational network of REACH managers from all of its business units, coordinated by a corporate REACH implementation manager.

Umicore monitors closely all changes in interpretation as well as guidance documents which might affect its REACH implementation strategy. Umicore is actively involved in industry association working groups to make sure a consistent approach is followed and that the metal specifics are understood by the regulators and the companies.

While the regulatory landscape may shift in the future, only a few of our substances feature today on the Candidate list for potential REACH authorization. In total, the products sold that contain these substances account for less than 0.5% of Umicore's revenues. The placing of a substance on the REACH "Candidate List" is designed as a first step in subjecting that substance

to robust and detailed scientific evaluation of risk as a basis for its continued use or substitution if economically and technically feasible alternatives to that substance exist.

Comments on 2013: By June 2013, the second REACH registration deadline, Umicore had submitted another 21 registrations for 17 different substances to the European Chemicals Agency (ECHA). The files were either jointly prepared with other companies acting in consortia or by Umicore alone. About a third of all dossiers is being updated in 2013 with additional information or newly available data.

5.12.3.2. Financial risk

As indicated above, Umicore has implemented a specific series of Minimum Internal Control Requirements to mitigate financial risks. The 12 specific areas covered by MICR are: Internal Control Environment, Financial Closing & Reporting, Fixed Assets, Procure-To-Pay, Order-To-Cash, Inventory Management, Hedging, Treasury, Tax, Information Systems Management, Human Resources, Travel & Entertainment. An internal guide - the Umicore Financial Reporting Standard – provides the framework for common understanding of Umicore's accounting policies, application of IFRS, and general reporting practices. Below three of the most salient financial risks have been summarized. A full description of pure financial risks and their management can be found in note F3 to Consolidated Financial Statements.

Debt and credit risk

Umicore aims to safeguard the business through sound financial management and by maintaining a strong balance sheet. Although there is no fixed target regarding debt levels the company aims to maintain an investment grade status at all times. We also seek to maintain a healthy balance between short term and longer term debt and between debt secured at fixed and floating interest rates. Umicore has a monitoring process to screen banks for counterparty risk. Umicore is exposed to the risk of non-payment from any counterparty in relation to sales of goods or other commercial operations. Umicore manages this risk through application of a credit risk policy. Credit insurance is often used to reduce the overall level of risk but in certain businesses no insurance is used. This is primarily in those businesses with a significant level of customer concentration or those with a specific and close relationship with their customers and where the cost of insurance is not deemed justifiable in proportion to the risks involved. Business managers are also encouraged to pay particular attention to the evolution of trade receivables. This is done in the broader context of working capital management and Group efforts to reduce capital employed. The largest part of the variable pay of managers is linked to return on capital employed (ROCE).

Currency risk

Umicore is exposed to structural, transactional and translational currency risks. Structural currency risk exists where the company generates more revenues in one currency compared to the costs incurred in that currency. The single biggest sensitivity of this nature exists for the US dollar. Transactional currency exposure is hedged systematically while the company sometimes engages in structural currency hedges that help secure future cash flows.

Umicore also faces translational currency risks where it consolidates the earnings of subsidiaries not using the Euro as their reporting currency. This risk is typically not hedged.

Metal price risk

Umicore is exposed to risks relating to the prices of the metals which it processes or recycles. The structural metals-related price risks relate mainly to the impact that metal prices have on surplus metals recovered from materials supplied for treatment. Transactional metals price risks are linked to the exposure to any fluctuations in price between the moment raw materials are

purchased (i.e., when the metal is "priced in") and the moment the products are sold (i.e., when the metal is "priced out"). A risk also exists in the company's permanently tied up metal inventories. This risk is related to the market metal price moving below the carrying value of these inventories. Transactional metal price exposure is hedged systematically while the company sometimes engages in structural metal price hedges that help secure future cash flows.

Taxation

The tax charge included in the financial statements is the Group's best estimate of its tax. There is a degree of uncertainty regarding the final tax liability for the period until completion of tax audits by the authorities. The Group's policy is to submit tax returns within the statutory time limits and engage tax authorities to ensure that the Group's tax affairs are as current as possible and that any differences in the interpretation of tax legislation and regulation are resolved as quickly as possible. Given the scale and the international nature of the Group's business, VAT, sales tax and intra-Group transfer pricing are an inherent tax risk as it is for other international businesses. Changes in tax laws or in their application with respect to matters such as transfer pricing, VAT, foreign dividends, R&D tax credits and tax deductions, could increase the Group's effective tax rate and adversely affect its financial results.

Comments on 2013: No material changes took place with regards to the nature or management of the financial risks faced by Umicore during 2013.

6. BRANCHES

The company has no branches.

7. CONTINUITY

The company has no losses carried forward. Article 96.6° of the Companies Code is not applicable.

8. IMPORTANT EVENTS

There are no important events to be reported.

9. CONFLICTS OF INTERESTS

On 6 February 2013, prior to the Board discussing or taking any decision with respect the CEO's remuneration (including the grant of shares and stock options), Marc Grynberg declared that he had a direct interest of a proprietary nature in the implementation of the decisions to be taken. In accordance with Article 523 of the Companies Code, Marc Grynberg left the room and did not take part in the Board's discussions and voting concerning these decisions.

The above decisions had/will have the following financial consequences:

a) Cash remuneration

The CEO received a fixed gross remuneration of € 660,000 in 2013. He also received a gross variable cash remuneration totalling € 150,000 (non-deferred part of his variable cash remuneration for the reference year 2012) in 2013. In 2014 he will furthermore receive the first half of the deferred payment of his annual variable cash remuneration for the reference year 2012, which amounts to € 103,950 based on the two year average group ROCE of the Umicore group for the reference years 2012 and 2013 (i.e. 15.2% giving rise to a 77% pay-out). The second half of the deferred payment of his annual variable cash remuneration for the reference year 2012 will be paid in 2015 and will be based on the three year average group ROCE of the Umicore group for the years 2012, 2013 and 2014. The ROCE range is set between 7.5% (= payout of 0%) and a maximum of 17.5% (= pay-out of 100%). When the achieved ROCE percentage falls between any of the above targets, the pay-out will be pro-rated.

b) Grant of shares and stock options

The financial consequences for the company consist of: either, to the extent that the company were to decide to retain the shares it holds today, the financing and opportunity cost of maintaining such shares in its portfolio until the delivery date of the shares granted or the option's exercise date (as the case may be, as delayed/extended in accordance with the possibility offered under Belgian law) or, to the extent that the company were to decide to sell such shares at a later date, the difference on the date of exercise of the options (as the case may be, as delayed/extended in accordance with the possibility offered under Belgian law) between the exercise price and the market value of the shares that the company would have to buy on that date.

10. DISCHARGE

In accordance with legal and statutory requirements, we hereby request to discharge the Directors and statutory auditor for the exercise of their mandate for the accounting year 2013.

The Board of Directors
Brussels, 14 March 2014.

Narc Gyssels

T. Huyghe