

UMICORE

Limited Company ("Naamloze Vennootschap" / "Société Anonyme")
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STATUTORY ANNUAL REPORT – FISCAL YEAR 2018

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 2018 and submit the annual accounts for your approval.

1. RESULT AND POSITION OF THE COMPANY

1.1. PROFIT AND LOSS STATEMENT

1.1.1. SUMMARY

For the full year 2018, the statutory accounts of Umicore (or the "Company") show a net profit after taxes of 227,001 KEUR versus a profit of 149,816 KEUR in the comparable period 2017. This means an increase of 77,185 KEUR, broken down as follows:

Profit & loss statement	31/12/2018	31/12/2017	Delta
Operating result - recurring	95 542	59 774	35 768
Operating result - non recurring	0	0	0
Operating result	95 542	59 774	35 768
Financial result - recurring	138 421	97 919	40 502
Financial result - non recurring	-4 509	-6 603	2 094
Financial result	133 912	91 316	42 596
Profit before taxes	229 454	151 090	78 364
Income taxes	-2 453	-1 274	-1 179
Net profit of the year	227 001	149 816	77 185

1.1.2. OPERATING RESULT

The increase in results in 2018 vs 2017 is mostly attributable to a better performance at the Energy & Surface Technologies units on the back of their growth and the overall better market conditions in their activities. No non-recurring operating results are reported.

1.1.3. ECONOMIC CONTEXT BY ACTIVITY

A. RECYCLING

Revenues and earnings for **Precious Metals Refining** were considerably higher, primarily driven by higher processed volumes and a somewhat more supportive metal price environment for certain PGMs (Platinum Group Metals) and specialty metals.

Processed volumes for the full year were higher in spite of the fire in the Hoboken plant on 12 September 2018. The fire occurred at one of the off-gas cleaning facilities and the affected installation had to be shut down for clean-up and repair until mid-January 2019. While operations in other parts of the plant were unaffected, the overall throughput rate of the plant was impacted. This resulted in lower volume growth than initially anticipated as well as a temporary increase in working capital at year-end. The enhanced performance of the smelter meant that its maintenance shutdown could be rescheduled to the beginning of 2019, which also contributed to the volume growth in 2018.

In addition, the environmental investments aimed at revamping the lead refinery were completed in 2018 and resulted in an immediate and significant reduction in emissions.

The supply mix remained broadly unchanged. While the availability of complex industrial by-products and end-of-life materials was supportive for the ramp-up, commercial terms in some segments continued to be impacted by competitive pressure.

B. ENERGY & SURFACE TECHNOLOGIES

Revenues and volumes for **Rechargeable Battery Materials** increased significantly, driven primarily by strong demand for Umicore's proprietary Cellcore® NMC (nickel manganese cobalt) cathode materials used in lithium-ion batteries for transportation applications. This growth was supported by the fast ramp-up of new production capacity both in China and Korea. In addition, shipments of High Energy LCO (lithium cobaltite) cathode materials for batteries used in high-end portable electronics and shipments of NMC cathode materials for energy storage applications were also higher year on year.

Sales of full electric and plug-in hybrid vehicles grew by more than 60% year-on-year globally and reached 2 million vehicles in 2018. The majority of automotive OEMs have started to expand their offering of electrified car models in anticipation of tighter CO₂ regulations coming into force in several regions. Umicore's broad portfolio of cathode material technologies offers automotive OEMs around the world state-of-the-art solutions to achieve longer driving ranges, faster charge and low battery degradation in combination with cost optimisation. Umicore has captured a significant share of the segment growth. Its products are present on more than 20 platforms with OEMs globally and in qualification for several large new platforms. Umicore also has the ability to scale up production rapidly and its proprietary production lines are capable of producing the full range of NMC materials, all certified for the most stringent automotive requirements.

In order to meet the growing demand from its customers, Umicore is expanding cathode materials production capacity in Korea and China and will soon start construction of a first production facility in Europe. The swift ramp-up of the new lines in Korea and China supported rapid volume growth over the course of the year and generated scale benefits. The construction of the greenfield site in China is progressing according to plan, with commissioning expected around mid-2019. In Nysa, Poland, the engineering work is ongoing and construction of the new cathode materials production plant is expected to start in the spring of 2019 with commissioning planned for mid-2020.

Revenues for **Cobalt & Specialty Materials** were up year-on-year. The refining, recycling and distribution activities generated a strong performance in the first half of the year due to high volume growth and favourable prices. Market conditions became more challenging in the second half of the year, with the cobalt price in particular declining sharply after the peak levels reached in June. The product businesses recorded solid demand for nickel compounds used in the battery, plating and catalyst industries as well as carboxylates used in catalytic applications. Revenues in the tool materials activity were slightly below the strong levels of 2017.

The Energy & Surface Technologies business group includes the battery recycling activity, consistent with Umicore's closed loop approach. Umicore recorded higher activity levels at its battery recycling pilot plant and secured new contracts for the recycling of spent automotive and portable electronics batteries.

With the worldwide penetration of electrified vehicles set to increase sharply in the coming years, industrial-scale battery recycling will be vital for sustainable electric mobility. Based on its long-standing expertise in materials science, metallurgy and chemistry and its extensive know-how of large-scale metal recycling processes, Umicore has developed unrivalled competences and industrial capabilities to recover critical raw materials from spent batteries and battery production scrap, in a sustainable manner.

The growing scarcity of metals and increasing societal pressures to source raw materials in an ethical and environmentally sustainable manner has resulted in a growing need for increased traceability in supply chains. An increasing number of automotive OEMs are therefore looking for a closed loop approach as offered by Umicore. The technology and research alliances, which Umicore entered with BMW and Audi in 2018, underscore the merits of Umicore's closed loop approach.

Revenues for **Electro-Optic Materials** were slightly lower compared to the previous year mainly due to a smaller contribution from the substrate activities, which were impacted by subdued demand from the space photovoltaics and LED segments. Demand for germanium tetrachloride and infrared finished optics remained stable.

C. DISCONTINUED OPERATIONS

There are no discontinued operations to report.

D. CORPORATE

Corporate costs remained stable year on year.

1.1.4. FINANCIAL RESULT

The dividend income amounted to 175,051 KEUR YTD December 2018, compared to 152,495 KEUR for YTD December 2017, or an increase of 22,556 KEUR. The most important dividends during 2018 were dividends received from Umicore International (140,000 KEUR in 2018 versus 145,000 KEUR in 2017), Umicore Korea (28,099 KEUR in 2018 versus 2,861 KEUR in 2017) and Umicore Specialty Materials Brugge (6,467 KEUR in 2018 versus 4,400 KEUR in 2017).

Interest charges slightly decreased compared to last year (40,351 KEUR versus 46,130 KEUR in 2017) and are linked to the long- and short-term debts, both externally and within the group. Interest income increased with 6,897 KEUR and is mainly the result of intercompany funding activities.

The net non-recurring financial result slightly improved from a 6,603 KEUR loss in YTD December 2017 to a loss of 4,509 KEUR in 2018, despite the losses realized in 2018 on the sale of remaining Nyrstar shares. This improvement is due to less significant impairment charges in

2018 compared to 2017. The impairment charges in 2018 are mainly related with Umicore Argentina 2,450 KEUR and Umicore Australia 570 KEUR.

1.1.5. INCOME TAXES

The negative tax result of 2,453 KEUR in 2018 consists mainly of foreign withholding taxes.

1.1.6. APPROPRIATION OF THE RESULT

The total result available for further appropriation at end December 2018 stands at 475,596 KEUR. This takes into account the profit of the year 2018 of 227,001 KEUR, the profit carried forward for an amount of 414,302 KEUR and the appropriation to the unavailable reserves related to the movements in the Own Shares for a total amount of -76,349 KEUR. It also includes the allocation of the interim dividend over 2018 paid in August 2018 amounting to 84,358 KEUR and the transfer of 5,000 KEUR to the legal reserves.

1.2. BALANCE SHEET

1.2.1. MOVEMENTS OF THE CAPITAL AND SHARE PREMIUM

On 8 February 2018 Umicore placed through an accelerated bookbuild 22,400,000 new ordinary shares with institutional investors, representing 10% of the then outstanding shares. On the back of strong demand, these new shares resulted in net proceeds of 881 million EUR. On 12 February 2018, the new shares were admitted to trading on Euronext Brussels. As a result, as from that day, the total number of outstanding and fully paid-up shares and the numbers of voting rights amount to 246,400,000.

1.2.2. LEGAL RESERVE

Following the above capital increase of 12 February 2018 and taking into account the profit of the financial year ended on 31 December 2018, an amount of 5,000,000 EUR is transferred to the legal reserves in order to meet the requirement imposed by the Companies Code.

1.2.3. OWN SHARES

The own shares value increased from 81,754 KEUR on 31 December 2017 to 158,103 KEUR on December 31st, 2018. The variance of 76,349 KEUR is detailed below:

Own Shares	Number	KEUR
Balance per 01/01/2018	4 505 567	81 754
Acquisition	1 958 988	97 311
Exercises of options and use of free shares	-1 107 972	-20 962
Balance per 31/12/2018	5 356 583	158 103

This balance represents 2.17% of the total shares outstanding.

1.2.4. FORMATION EXPENSES

The formation expenses of 8,256 KEUR are in relation to the capital increase in February 2018.

1.2.5. INVESTMENTS IN INTANGIBLE FIXED ASSETS

The intangible fixed assets increased from 110,018 KEUR at the end of December 2017 to 114,447 KEUR at year-end December 2018 or an increase, net of investments and depreciations, of 4,429 KEUR.

For 2018, investments in intangible assets were recorded for a total amount of 43,051 KEUR. Investments relate to the acquisition of patents (3,149 KEUR), capitalized R&D projects (33,382 KEUR), capitalized IS costs (1,011 KEUR), and CO₂-emission rights (5,509 KEUR).

1.2.6. INVESTMENTS IN TANGIBLE FIXED ASSETS

The tangible fixed assets increased from 398,464 KEUR at year-end 2017 to 425,814 KEUR on 31 December 2018 or an increase of 27,350 KEUR, net of investments and depreciations.

New investments in tangible assets in 2018 amounted to a total of 90,876 KEUR. The main investments were made on the Hoboken (57,046 KEUR) and the Olen (31,402 KEUR) sites.

At yearend 2018, the tangible fixed assets include an amount of 2,901 KEUR related to a financial leasing set-up for an investment at the Olen site.

The investments in the Hoboken facility related mainly to the capacity expansion program, that was initiated in 2014. Next to that, Umicore made substantial investments to further reduce metal emissions and to revamp the current asset base mainly at the lead refinery.

In the CSM plant in Olen, main investments relate to the construction of the new building and process equipment for the cobalt refinery which was commissioned in the second half of 2018.

In Olen's EOM plant, High Purity Chemicals successfully completed the upgrade of the facility. The renovation of the Metallurgy building and administrative offices was initiated at the end of 2017 and is foreseen to be finalized by 2021.

RBM is investing as well in Olen through the construction of a pilot plant in the framework of research activities for optimized processes for the synthesis of materials for rechargeable batteries. The commissioning is foreseen for end 2019.

1.2.7. FINANCIAL FIXED ASSETS

The financial fixed assets decreased by 2,035,884 KEUR to 1,573,335 KEUR.

Main movement is the capital decrease in Umicore International (-2,014,200 KEUR) as part of the restructuring of the Umicore Group's financing structure. This resulted in the liquidation of Umicore Long Term Finance whose role as long term financing vehicle of the group is since taken over by the parent company.

Other movements relate to the sale of the remaining Nyrstar shares (-18,032 KEUR).

1.2.8. INVENTORIES

Overall inventory levels significantly increased with 301,969 KEUR from 339,484 KEUR at the end of 2017 to 641,453 KEUR at 31 December 2018.

The net increase is mainly explained by higher inventory of raw materials (+ 196,569 KEUR), increases in work in progress (+ 55,539 KEUR) and in finished goods (+ 53,923 KEUR). Advance payments showed a limited decrease (- 4,063 KEUR). These impacts stem from metal price evolutions and volume variations at the different business units.

1.2.9. AMOUNTS RECEIVABLE WITHIN ONE YEAR

The amounts receivable within one year increased by 120,783 KEUR compared to last year. This is due to increased trade receivables (+113,695 KEUR), largely explained by the impact of higher metal prices and volumes in the Energy & Surface Technologies business units. The 7,088 KEUR increase of the other amounts receivable is linked to increased funding towards other Umicore group entities following the transfer of loans from Umicore Long Term Finance towards Umicore.

1.2.10. PROVISIONS FOR LIABILITIES AND CHARGES

The provisions for liabilities and charges increased by 7,901 KEUR and is mainly explained by an increase in provisions for pension liabilities (+ 9,114 KEUR) and higher maintenance-, environmental and other provisions (+ 10,200 KEUR), partly offset by the release of the provision for stock option grant cost (- 11,261 KEUR).

1.2.11. FINANCIAL DEBT (long term and short term)

Total financial debt compared to December 31st, 2017 decreased by 2,240,678 KEUR and is explained by the restructuring of the group's financing structure. Long term and short terms loans decreased, representing reimbursements made towards Umicore Long Term Finance.

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 we refer to the Umicore website and the annual report on the consolidated accounts.

Workforce

The total number of employees (full time equivalents or "FTE") on Umicore's payroll in Belgium at year-end increased significantly from 2,731 in 2017 to 2,929 in 2018. On average Umicore employed 2,833 FTE's during the year 2018. Umicore welcomed more than 400 new employees in Belgium and foresees another increase for 2019.

People development

Training and development are considered as a key investment in competence building. Umicore expects people to drive their career including taking initiatives to continue to develop their own competencies. The total number of formal and informal training hours shows an upwards trend (139,838 hours in 2018 versus 129,416 hours in 2017). Besides, the training offer was significantly enlarged, mainly in the domain of leadership and interpersonal competencies. Our employees also receive additional tools in view of developing their career through Career Abilities, as a new initiative with short 2-hour workshops on specific topics.

Preferred employer

Umicore strives to be a preferred employer for both current and potential employees. In 2018 Umicore was once more recognized as top employer by the Top Employer Institute. Umicore reached the highest score for "career planning and succession" and booked an enormous progress in "leadership development".

Occupational health and safety

In 2018, Umicore recorded a total of 41 lost time accidents compared to 29 in 2017. In total 1,100 days were lost, an increase compared to the 1,053 days in 2017. While the Company relentlessly searches for a safety breakthrough, this performance still falls short of Umicore's accident-free workplace objective. 35 of these accidents occurred at the site in Hoboken (Recycling). The site management continues to work on an improved safety management with more pointed actions in order to obtain a more caring safety culture.

The group-wide process safety actions focused on performing risk analysis with a view to implementing company processes in the risk matrix zone qualified as safe by Umicore. At the end of 2018, risk analysis were performed for more than 50% of the company processes according to the Umicore standard. Moreover, a timeline has been fixed for the remaining of risk analysis with priority towards the high-risk processes. At the same time, a program to evaluate the quality of the risk analysis has been set up. Finally, regular HZAOP trainings were organized.

2. SUBSEQUENT EVENTS

There are no significant events occurred after balance sheet date to be reported.

3. DEVELOPMENT OF THE COMPANY.

A more elaborate description of the Company's global development and the key underlying trends, opportunities and risks can be found in Umicore's annual report on the consolidated annual accounts.

4. RESEARCH AND DEVELOPMENT

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, as well as the policies and procedures of the Umicore group. The Charter is available on the Umicore website (<http://www.umicore.com/en/governance/corporate-governance-charter/>) 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. It is supplemented by detailed company codes and policies, the most significant of which is the Code of Conduct.

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 is convinced that a sound corporate governance structure constitutes a necessary condition to ensure its long-term success. This implies an effective decision-making process based on a clear allocation of responsibilities. This approach must ensure an optimal balance between a culture of entrepreneurship at the level of the 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 CEO and the executive committee and also the specific role of the audit committee and of the nomination & remuneration committee. The present statements provide information on governance issues which relate primarily to the financial year 2018.

5.2. CORPORATE STRUCTURE

The board of directors is the ultimate decision-making body of Umicore, subject to all matters specifically reserved to the shareholders' meeting by the Belgian Companies Code or Umicore's articles of association. The board is assisted in its role by an audit committee and a nomination & remuneration committee. The day-to-day management of Umicore has been delegated to the CEO, who also chairs the executive committee. The executive committee is responsible for devising the overall strategy of Umicore and for submitting it to the board for review and approval. It is also entrusted with the implementation of this strategy and with the effective oversight of the business units and corporate functions. The executive committee is furthermore responsible for screening the various risks and opportunities that Umicore may encounter in the short, medium or longer term (see Risk Management section) and for ensuring that adequate systems are in place in order to address these. The executive committee is 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 China, North America, Japan and South America. Umicore's corporate headquarters are 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

On 31 December 2018 there were 246,400,000 Umicore shares in issue, compared to 224,000,000 on 31 December 2017. This increase resulted from the capital increase dated 12 February 2018. Following this capital increase, the Company's capital was increased by 50,000,000 EUR through the issuance of 22,400,000 new shares. The new shares were fully subscribed and paid-up for a total gross amount of 891,520,000 EUR (issuance premium included). The capital increase took place in the framework of the authorized capital and was realized by way of a private placement to institutional investors through an accelerated bookbuilding procedure. The preferential subscription right of the existing shareholders was disapplied with respect to this capital increase.

The following shareholders had declared a participation of 3% or more on 31 December 2018 (the below participations are the participations declared by said shareholders in their transparency declarations):

- Desmarais Family Residuary Trust, Gérald Frère, Ségolène Gallienne, I.G. International Management Ltd, Canada Life Asset Management Ltd, Groupe Bruxelles Lambert SA/NV, Stichting Administratiekantoor Frère-Bourgeois:	45,871,052 shares (18.62%)
- BlackRock Inc.:	11,428,737 shares (4.64%)
- Norges Bank:	7,663,845 shares (3.11%)

Also on 31 December 2018, Umicore owned 5,356,583 of its own shares representing 2.17% 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.

During the year 1,037,470 own shares were used in the context of the exercise of employee stock options and 70,502 shares were used for share grants, of which 10,002 to the board members, 54,800 to the executive committee members and 5,700 following a partial conversion into shares of the bonus of the CEO.

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) shareholders' meeting. No dividend will be paid which would endanger the financial stability of Umicore.

In 2018 Umicore paid a gross dividend of 0,70 EUR per share relating to the financial year 2017. This was an increase by 0.05 EUR compared to the gross dividend paid in 2017 in respect of the financial year 2016.

In July 2018 the board, in line with the Umicore dividend policy, decided to pay an interim dividend, equalling 50% of the total dividend declared for the previous financial year. As a result, a gross interim dividend of 0.35 EUR per share was paid on 28 August 2018.

5.3.3. SHAREHOLDERS' MEETINGS 2018

The annual shareholders' meeting was held on 26 April 2018. On this occasion, 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 2017 mandates. At the same meeting, the shareholders appointed Mr Koenraad Debackere as new, independent director for a period of three years. Furthermore, the mandates of Messrs Thomas Leysen and Marc Grynberg as director were renewed for three years, and the mandates of Messrs Mark Garrett and Eric Meurice as independent directors were also renewed for three years. The annual shareholders' meeting also approved the remuneration of the board for 2018. Details of the fees paid to the directors in 2018 are disclosed in the remuneration report.

Also on 26 April 2018, an extraordinary shareholders' meeting renewed the authorization conferred to the Company and its direct subsidiaries to acquire Umicore shares and the authorization granted to the board of directors to increase the Company's capital (i.e. the authorized capital). These renewed authorizations are valid until respectively 31 May 2022 and 28 May 2023.

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 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 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 2018, the board of directors was composed of ten members: nine non-executive directors and one executive director.

On the same date, six 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.

In terms of gender and cultural diversity, the Board counts three women and six different nationalities among its ten members. Diversity also arises from the board's members educational backgrounds that includes engineering, law, economics, finance and applied languages. The board's cumulative industry experience is broad, covering automotive, electronics, chemicals, metals, energy, finance and scientific/educational sectors. It also includes people experienced in the public and private sector and members with experience in the different regions in which Umicore is active. Collectively the board possesses strong experience of managing industrial operations and counts nine active or former CEO's in its ranks. The board also has collective experience in disciplines that are specifically relevant to Umicore's non-financial Horizon 2020 goals such as health and safety, talent attraction and retention and supply chain sustainability.

The composition of the board of directors underwent the following changes in 2018:

- Mr Koenraad Debackere was appointed independent director for a period of three years at the annual shareholders' meeting held on 26 April 2018;
- The mandate of Mr Rudi Thomaes as independent director expired on 26 April 2018.

Furthermore, the mandates of the following directors were renewed for three years in 2018:

- Messrs Thomas Leysen and Marc Grynberg, as directors;
- Messrs Mark Garrett and Eric Meurice, as independent directors.

5.4.2. MEETINGS AND TOPICS

The board of directors held five regular meetings in 2018. On one occasion, the board also took decisions by unanimous written consent.

The matters reviewed by the board in 2018 included:

- financial performance of the Umicore group;
- approval of the annual and half-year financial statements;
- adoption of the statutory and consolidated annual accounts and approval of the statutory and consolidated annual reports (including the remuneration report);
- approval of the agenda of an ordinary and an extraordinary shareholders' meeting and calling of these meetings;
- capital increase in the context of the authorized capital through an accelerated bookbuilding procedure;
- Umicore culture and board functioning review;
- investment and divestment projects;
- funding mandates;
- EHS review, including sustainable development;
- audit committee reports;
- strategic opportunities and operational challenges;
- business risk assessment;
- business reviews and market updates;
- mergers & acquisitions projects;
- annual performance review of the CEO and the other members of the executive committee;
- succession planning at the level of the board and the executive committee;

- litigation updates;
- interim dividend distribution.

The board also visited the Umicore Automotive Catalyst sites in Suzhou (China) and the production facility for cathode materials in Jiangmen (China).

5.4.3. PERFORMANCE REVIEW OF THE BOARD AND ITS COMMITTEES

The chairman regularly conducts a performance review of the board and its committees.

The last performance review took place in 2018, on the basis of an open discussion during the board meeting of 24 September 2018. The assessment included the following items: composition of the board, selection and appointment of directors, functioning of the board, quality of information and discussions, culture within the board, performance of duties by the board, relations with the executive committee, and also the audit committee as well as the nomination and remuneration committee.

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 is composed of three non-executive directors, two of them being independent. It is chaired by Mrs Ines Kolmsee.

The composition of the audit committee underwent one change in 2018: Mr Rudi Thomaes was replaced by Mr Koenraad Debackere with effective date 26 April 2018.

All the members of the Audit committee have extensive experience in accounting and audit matters as demonstrated by their curriculum.

The committee met five times in 2018. Apart from the review of the 2017 full year and the 2018 half year accounts, the audit committee reviewed reports and discussed matters related to internal audit and risk management, including the effectiveness of controls and mitigation plans. Particular attention was given to risk management matters related to the business group Energy & Surface Technologies in view of its fast growth. The 2019 internal audit plan was validated. The committee met with the group's auditor and reviewed and approved provided non-audit services. Considerations related to auditor rotation were discussed.

5.4.5. NOMINATION AND REMUNERATION COMMITTEE

The nomination & remuneration committee is composed of three members, who are all non-executive directors, two of them being independent. It is chaired by the chairman of the board.

The composition of the nomination & remuneration committee underwent one change in 2018: Mrs Rudi Thomaes was replaced by Mr Françoise Chombar with effective date 26 April 2018.

Five nomination & remuneration committee meetings were held in 2018. During the same period, the committee discussed the remuneration policy for the board members, the board committee members and executive committee members, and the rules of the stock grant and option plans offered in 2018. 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 defined under Article 524bis of the Belgian Companies Code.

The executive committee is composed of at least four members. It is chaired by the CEO, 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 CEO and upon recommendation of the nomination & remuneration committee.

The composition of the executive committee remained underwent the following changes in 2018:

- Mr Marc Van Sande retired and left the executive committee on 31 March 2018;
- Mrs An Steegen was appointed Chief Technology Officer and member of the executive committee with effective date 1 October 2018.

On 31 December 2018 the executive committee was composed of seven members including the CEO.

5.5.2. PERFORMANCE REVIEW

A review of the performance of each executive committee member is conducted annually by the CEO and discussed with the nomination & remuneration committee. The results are presented and discussed to/by the board of directors.

The board also meets annually in a non-executive session (i.e. without the CEO being present) in order to discuss and review the performance of the CEO.

The above performance reviews took place on 8 February 2018.

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 the market abuse legislation and of the lock-up requirements imposed on some share grants by the Belgian Companies Code.

The options on Umicore shares as granted to the CEO, 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

Umicore'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

articulated 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 2018, save for the 5,356,583 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 amended once in 2018, following the renewal of the authorized capital approved by the extraordinary shareholders' meeting held on 26 April 2018.

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.

Under the previously approved authorized capital (extraordinary shareholders' meeting held on 26 April 2016 and published on 13 May 2016) the board was authorized to increase the Company's capital by a maximum amount of 50,000,000 EUR.

On 12 February 2018 the board used the above authorization in order to increase the Company's share capital by 50,000,000 EUR through the issuance of 22,400,000 new shares. The new shares were fully subscribed and paid-up for a total gross amount of 891,520,000 EUR (issuance premium included). This capital increase was realized by way of a private placement to institutional investors through an accelerated bookbuilding procedure. The preferential subscription right of the existing shareholders was disapplied with respect to this capital increase.

The extraordinary shareholders' meeting held on 26 April 2018 (resolutions published on 29 May 2018) renewed the authorization granted to the board to increase the Company's share

capital. The board is now authorized to increase the capital in one or more times, by a maximum amount of 55,000,000 EUR. Up until 31 December 2018, the board had not used this renewed authorization. The authorization will lapse on 28 May 2023.

Following a resolution of the extraordinary shareholders' meeting held on 26 April 2018 the Company is authorized to acquire own shares on a regulated market within a limit of 10% of the subscribed capital, at a price per share comprised between 4.00 EUR and 100.00 EUR and until 31 May 2022 (included). The same authorization was also granted to the Company's direct subsidiaries. The Company acquired 1,958,988 own shares in 2018 in implementation of the above authorization.

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 Umicore group are entitled to a compensation equivalent to 36 months base salary in the event of a dismissal within twelve months after 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 25 April 2017, 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 represented by Mr Kurt Cappoen for the exercise of this mandate.

Following the new applicable legislation on auditing services, the mandate of the current statutory auditor, who was initially appointed in 1993, will only be renewable once, i.e. in 2020 (the latter provided it occurs before 17 June 2020).

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

5.8. CODE OF CONDUCT

Umicore operates a Code of Conduct for all its 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 is spelled out in the Umicore Dealing Code, which can be found under 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

5.11.1.1. 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 listed companies which are part of the BEL20 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 members to be proposed to the annual shareholders' meeting.

5.11.1.2. Non-executive directors' remuneration

In order to determine adequate remuneration levels for its non-executive directors, at the end of 2017 Umicore conducted a survey of Umicore directors' fees against those of listed companies which make up the BEL20 index as well as other European companies of similar size operating in the Chemicals, Metals and Materials sectors. The results of the survey were reviewed by the nomination & remuneration committee on 7 February 2018.

Based on the review of the overall compensation of the board members and of each element of the compensation, the nomination & remuneration committee concluded that the annual fixed fee for the Chairman requires adjustment. The nomination & remuneration committee proposed to the board an increase of the Chairman's annual fixed fee by 20,000 EUR, the annual fixed fee of the other members of the board remaining unchanged.

The board of directors of 8 February 2018 followed this recommendation and the annual shareholders' meeting of 26 April 2018 approved the non-executive directors' remuneration.

The remuneration of the non-executive board members was as follows in 2018:

- **Chairman:** annual fixed fee: 60,000 EUR + 5,000 EUR per meeting attended + 2,000 Umicore shares.
- **Director:** annual fixed fee: 27,000 EUR + 2,500 EUR per meeting attended + 1,000 EUR per meeting attended for foreign-based board members + 1,000 Umicore shares.

The remuneration of the board committee members was as follows in 2018:

AUDIT COMMITTEE

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

NOMINATION & REMUNERATION COMMITTEE

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

5.11.1.3. 2018 Board remuneration overview

		(in €)	MEETINGS ATTENDED
Thomas Leysen (Chairman) (non-executive director)	Board		
	Fixed annual fee	60,000	
	Fee per attended meeting	5,000	5/5
	Value of 2,000 granted shares	99,680	
	Nomination and Remuneration Committee		
	Fee per attended meeting	5,000	5/5
	Total remuneration	209,680	
Marc Grynberg (executive director)	Benefit in kind company car	2,563	
Liat Ben-Zur (independent, non-executive director)	Board		
	Fixed annual fee	27,000	
	Fee per attended meeting	3,500	4/5
	Value of 1,000 granted shares	49,840	
	Total remuneration	90,840	
Françoise Chombar (independent, non-executive director)	Board		
	Fixed annual fee	27,000	
	Fee per attended meeting	2,500	5/5
	Value of 1,000 granted shares	49,840	
	Nomination and Remuneration Committee		
	Fee per attended meeting	3,000	4/4
Koenraad Debackere (independent, non-executive director) Appointed by the AGM of 26 April 2018	Total remuneration	101,340	
	Board		
	Fixed annual fee	18,493	
	Fee per attended meeting	2,500	3/3
	Value of 684 granted shares	34,091	
	Audit Committee		
	Fixed annual fee	3,425	
Mark Garrett (independent, non-executive director)	Fee per attended meeting	3,000	3/3
	Total remuneration	72,508	
	Board		
	Fixed annual fee	27,000	
	Fee per attended meeting	3,500	4/5
Colin Hall (non-executive director)	Value of 1,000 granted shares	49,840	
	Nomination and Remuneration Committee		
	Fee per attended meeting	3,000	5/5
	Total remuneration	105,840	
	Board		
	Fixed annual fee	27,000	
	Fee per attended meeting	3,500	4/5
	Value of 1,000 granted shares retroceded to GBL	49,840	
	Audit Committee		
	Fixed annual fee	5,000	
	Fee per attended meeting	3,000	3/5
	Total remuneration	104,840	

Ines Kolmsee (independent, non-executive director)	Board		
	Fixed annual fee	27,000	
	Fee per attended meeting	3,500	4/5
	Value of 1,000 granted shares	49,840	
	Audit Committee		
	Fixed annual fee	10,000	
	Fee per attended meeting	5,000	5/5
	Total remuneration	125,840	
Gérard Lamarche (non-executive director)	Board		
	Fixed annual fee	27,000	
	Fee per attended meeting	3,500	5/5
	Value of 1,000 granted shares retroceded to GBL	49,840	
	Total remuneration	94,340	
Eric Meurice (independent, non-executive director)	Board		
	Fixed annual fee	27,000	
	Fee per attended meeting	3,500	4/5
	Value of 1,000 granted shares	49,840	
	Total remuneration	90,840	
Rudi Thomaes (independent, non-executive director) End of mandate: AGM of 26 April 2018	Board		
	Fixed annual fee	8,581	
	Fee per attended meeting	2,500	1/2
	Value of 318 granted shares	15,849	
	Audit Committee		
	Fixed annual fee	1,589	
	Fee per attended meeting	3,000	2/2
	Nomination and Remuneration Committee		
	Fee per attended meeting	3,000	1/1
	Total remuneration	37,519	

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 the executive committee members 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 subject to a three-year lock-up period and incentive stock option plans that can only be exercised after three years), 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 members reflects the commitment of the company to create shareholder value. Shares are granted each year to the CEO and executive committee members in respect of the prior year and are subject to a three-year lock-up period. As stock options are irrevocably taxed upon grant according to Belgian law, they have to vest at the time of granting and are therefore 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 CEO and the executive committee members against BEL20 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. As from the reference year 2017 a deferment of three years applies with one deferred payout after three years in accordance with the performance criteria (three years average ROCE and three years average EBIT growth).

Synthetic summary of the remuneration of the CEO and the executive committee members

TIME TO CASH CONVERSION		
Performance year (y)	Fixed	Annual review based on market practices BEL 20 and European peer companies
15 months	Undeferred variable 50%	Fixed discretionary based on individual objectives
3 years	Shares	Grant in recognition of services rendered in the ref year – not linked to individual or business performance criteria – subject to a 3 year lock-up
39 months	Deferred variable 50%	Based on the three year average Group ROCE and Group recurring EBIT growth (y, y+1, y+2)
3 to 7 years	Stock options	Upfront grant for the ref year – not linked to individual or business performance criteria – can only be exercised after three years

The above remuneration components are defined and assessed by the nomination & remuneration committee subject to board approval.

5.11.2.2. CEO's remuneration

Fixed remuneration

The fixed remuneration of the CEO is reviewed on an annual basis by the nomination & remuneration committee.

Variable cash remuneration scheme and evaluation criteria

The CEO's annual variable cash remuneration potential currently amounts to 540,000 EUR, half of which involves 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. Financial criteria include ROCE, recurring EBIT and EBITDA with budget and year-on-year progress being used as reference. Strategic and sustainable development objectives are tied to Horizon 2020 covering economic performance, value chain and society, eco-efficiency and great place to work.

On proposal of the nomination & remuneration committee, the board of directors of 9 February 2017 approved a new concept of the deferred variable remuneration applicable as of pay-outs in 2018. The new concept intends to reward for the quality of the results (Group ROCE criterion) and provide an incentive for growth (Group recurring EBIT growth criterion).

Upon recommendation of the nomination & remuneration committee, the board of directors decided on 8 February 2018 that, as from reference year 2017 a deferment of three years applies, with a pay-out after three years for each reference year, based upon a three-year average ROCE and EBIT growth. With respect to the three-year average EBIT growth, the threshold increased from 2% to a minimum of average EBIT growth of 10%.

The ROCE range is set between 7.5% (= pay-out of 0%) and a maximum of 17.5% (= pay-out of 100%). When the achieved ROCE percentage falls between the minimum threshold and the maximum target, the pay-out will be pro-rated. In case the 10% average EBIT growth threshold is reached, the EBIT growth percentage will be multiplied by two and added to the ROCE pay out %. There will be no adjustment for recurring EBIT growth below 10%.

In case of any relevant structural change, the nomination & remuneration committee reserves the right to review and adjust the variable remuneration as appropriate.

At the beginning of every reference year, the individual objectives of the CEO 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.

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.

Share based incentives (share grant and stock 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 respect of the year 2018 was 10,400. The shares are subject to a three year lock-up and are not subject to forfeiture conditions.

Stock options are granted to the CEO as part of the annual Umicore Incentive Stock Option Plan approved by the board of directors. The number of stock options granted to the CEO amounted in 2018 to 150,000. As stock options are irrevocably taxed upon grant according to Belgian law, there is no vesting period. The options can only be exercised after three years. 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 a defined benefit plan. Other benefits are representation allowance, benefits in kind (company car), and insurance benefits.

5.11.2.3. Executive committee member's remuneration

Fixed remuneration

The fixed remuneration of the executive committee members is reviewed on an annual basis by the nomination & remuneration committee. The fixed remuneration can be different for each executive committee member and depends on criteria such as experience and responsibilities.

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 currently amounting to 300,000 EUR, 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).

On proposal of the nomination & remuneration committee, the board of directors of 9 February 2017 approved a new concept of the deferred variable remuneration applicable as of pay-outs in 2018. The new concept intends to reward for the quality of the results (Group ROCE criterion) and provide an incentive for growth (Group recurring EBIT growth criterion).

Upon recommendation of the nomination & remuneration committee, the board of directors decided on 8 February 2018 that, as from reference year 2017 a deferment of three years applies, with a pay-out after three years for each reference year, based upon a three-year average ROCE and EBIT growth. With respect to the three-year average EBIT growth, the threshold increased from 2% to a minimum of average EBIT growth of 10%.

The ROCE range is set between 7.5% (= pay-out of 0%) and a maximum of 17.5% (= pay-out of 100%). When the achieved ROCE percentage falls between the minimum threshold and the maximum target, the pay-out will be pro-rated. In case the 10% average EBIT growth threshold is reached, the EBIT growth percentage will be multiplied by two and added to the ROCE pay out %. There will be no adjustment for recurring EBIT growth below 10%.

In case of any relevant structural change, the nomination & remuneration committee reserves the right to review and adjust the variable remuneration as appropriate.

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 financial performance, the progress achieved against Group strategic and sustainable development objectives, and adherence to the values of the Group. Financial criteria include ROCE, recurring EBIT and EBITDA with budget and year-on-year progress being used as reference. Strategic and sustainable development objectives are tied to Horizon 2020 covering economic performance, value chain and society, eco-efficiency and great place to work.

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.

There are no provisions allowing the Company to reclaim any variable remuneration paid to the executive committee members.

Share based incentives (share grant and stock 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 each member of the executive committee in respect of the year 2018 was 7,400. The shares are subject to a three-year lock-up and are not subject to forfeiture conditions.

Stock options are granted to the executive committee members as part of the annual Umicore Incentive Stock Option Plan approved by the board of directors. The number of stock options granted to each executive committee member currently amounted in 2018 to 35,000. As stock options are irrevocably taxed upon grant according to Belgian law, there is no vesting period. The options can only be exercised after three years. 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 a defined benefit plan. Other benefits include representation allowances, company cars and insurance benefits.

5.11.2.4. Total CEO and executive committee remuneration for 2018

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

(IN EUROS)	CEO	EXECUTIVE COMMITTEE (in aggregate)
Status	Self-employed	
Fixed	700,000	2,306,250
Undeferred Variable 50% (ref year 2018 - payout 2019)	220,000	662,500
Deferred Variable 25% (ref year 2016 - payout 2019)	144,450	481,500
Shares (ref year 2018 - grant in 2019)	354,432	1,381,284
Stock options (ref year 2018 - grant in 2018)	1,033,500	1,266,038
Pension:		
Defined contribution plan	51,156	149,452
Defined benefits plan (service cost)	117,241	512,156
Other benefits:		
Representation allowance, benefit in kind company car, insurance benefits ...	51,631	123,293
Total	2,672,410	6,882,473

5.11.3. SHARE AND SHARE OPTION OWNERSHIP AND TRANSACTIONS 2018

Executive committee share option ownership and transactions 2018

	Options at 31 Dec 2017	Options granted in 2018	Number of options exercised in 2018	Average exercise price (in €)	Year of grant of options exercised	Number of options forfeited	Options at 31 Dec 2018 *
Marc Grynberg	750,000	150,000	30,000	18.187	2013	0	870,000
Stephan Csoma	140,000	35,000	70,000	16.716	2014 / 2015	0	105,000
Denis Goffaux	140,000	35,000	35,000	16.143	2014	0	140,000
Géraldine Nolens	94,000	35,000	0	0	-	0	129,000
Filip Platteeuw	128,000	35,000	23,000	16.143	2014	0	140,000
Pascal Reymondet	105,000	35,000	17,500	17.289	2015	0	122,500
An Steegen		0	0	0	0	0	0

* These options can be exercised at strike prices between € 16.143 and € 40.90 (value after the share split on 16 October 2017)

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 2018

	Shares owned at 31/12/2017	Shares owned at 31/12/2018
Marc Grynberg	767,600	813,700
Stephan Csoma	29,200	36,600
Denis Goffaux	42,200	49,600
Géraldine Nolens	12,100	19,500
Filip Platteeuw	30,200	37,600
Pascal Reymondet	57,700	65,100
An Steegen		0
Total	939,000	1,022,100

Board of directors share ownership 2018

	Shares owned at 31/12/2017	Shares owned at 31/12/2018
Thomas Leysen	883,960	806,000
Liat Ben-Zur	688	1,688
Françoise Chombar	1,684	2,684
Mark Garrett	2,666	3,666
Colin Hall	-	-
Ines Kolmsee	5,610	6,610
Gérard Lamarche	3,000	3,000
Eric Meurice	2,666	3,666
Debackere Koenraad	-	684
Total	900,274	827,998

Each of the above tables reflects the situation as at 31 December 2018.

5.11.4. 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 months 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 to determine whether the variable cash remuneration would form part of any final indemnity.

Individual arrangements in case of termination of the contract by Umicore

The agreements with the executive committee members appointed before 1 July 2018 include a compensation equivalent to 18 months of the annual base salary in case of contract termination. In line with the Belgian Corporate Governance Law of 6 April 2010, this arrangement was approved by the board of directors respectively on 1 June 2010 (for Denis Goffaux), on 18 September 2012 (for Stephan Csoma and Filip Platteeuw) and on 28 April 2015 (for Géraldine Nolens), following the recommendation of the nomination & remuneration committee.

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.

For the executive committee members appointed after 1 July 2018, a 12 months compensation of the annual base salary will apply in case of contract termination.

For all executive committee members, it is at the board of directors' discretion as to whether the variable cash remuneration would form part of any final indemnity.

5.11.5. CHANGES TO THE REMUNERATION SINCE THE END OF 2018

Non-executive directors' remuneration

Based on the review of the overall compensation of the board members and of each element of the compensation, the nomination & remuneration committee concluded that the compensation is appropriate.

CEO's remuneration

On 6 February 2019, the nomination & remuneration committee reviewed the remuneration of the CEO and the executive committee members based on a comparison survey with European peer companies and BEL20 index companies.

On proposal of the nomination & remuneration committee, the board of directors of 7 February 2019 decided to increase the annual variable cash remuneration potential of the CEO by 160,000 EUR to 700,000 EUR as of 1 January 2019, half of which is deferred over three years. The number of share-based incentives (stock options) will decrease from 150,000 to 140,000. The fixed remuneration has not been adjusted and remains at 700,000 EUR.

Executive committee members' remuneration

The nomination & remuneration committee of 6 February 2019 reviewed the remuneration of the executive committee members. On proposal of the nomination & remuneration committee, the board of directors of 7 February 2019 decided to adjust the annual fixed remuneration of the executive committee members by 20,000 EUR to 420,000 EUR and to increase their annual variable cash remuneration potential by 80,000 EUR to 380,000 EUR as of 1 January 2019, half of which is deferred over three years.

The number of share-based incentives (stock options) will decrease from 35,000 to 30,000. Following the recommendation of the nomination & remuneration committee of 6 February 2019, the board of directors decided on 7 February 2019 that, similar to the CEO, the members of the executive committee may also receive their variable cash remuneration partly or totally in the form of Umicore shares at their discretion.

5.12. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

5.12.1. MANAGING RISK EFFECTIVELY

Each business unit operates in an environment which carries specific growth expectations and differing degrees of market and technological uncertainty that could impact strategic objectives. As such, the primary source of risk and opportunity identification lies within the business units.

Similarly, each business unit is responsible for mitigation of its own risks. Mitigating actions are systematically reported corresponding to the respective strategic objectives and identified risks. Specific corporate departments are also tasked with managing and mitigating certain risks under the auspices of the executive committee. These risks cover Group-wide elements that extend beyond the purview of individual business units. These include environmental risks, financial risks etc.

Umicore's internal control system

Internal control mechanisms exist throughout Umicore to provide management with reasonable assurance of our ability to achieve our objectives.

They cover:

- Effectiveness and efficiency of operations
- Reliability of financial processes and reporting
- Compliance with laws and regulations; and
- Mitigation of errors and fraud risks

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" 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-organisational 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 in 12 processes. Within the Internal Control framework, specific attention is paid to the segregation of duties and the definition of clear roles and responsibilities. MICR compliance is monitored by means of self-assessments to be signed off by senior management. The outcome is reported to the executive committee and the audit committee.

Out of the 12 control cycles, 2 cycles (financial closing and reporting, human resources) were assessed during 2018 by the 100 control entities currently in scope. Risk assessments and actions taken by local management to mitigate potential internal control weaknesses identified through prior assessments are monitored continuously. The Internal Audit department reviews the compliance assessments during its missions.

5.12.2. KEY RISKS AND OPPORTUNITIES

Umicore understands that key risks to its business might also offer unique opportunities for it to grow and create value.

5.12.2.1. Regulatory and legal context

Strategic focus areas

- Economic performance
- Value chain and society
- Eco-efficiency

Change in risk profile

Increase

Change in opportunity profile

Increase

Potential impact

Umicore is exposed to changes in the regulatory environment in the countries or regions where it operates. Umicore's businesses stand to benefit from certain regulatory trends, notably those

regarding more stringent emission controls for vehicles, low carbon mobility and enforced recycling of end-of-life products.

Some regulations, such as environmental or product-related laws, can present operational challenges, higher costs and a potentially uneven competitive environment.

IP and IP protection-related matters impact technology-driven businesses.

Change in context

Worldwide, changes to existing product-related legislation and the introduction of new legislation might impact our business. Although the European REACH regulation is still the most relevant for Umicore, Korean-REACH is gaining importance.

The trend towards more stringent emission legislation and targets continued, while new measures on vehicle emissions push industry to innovate in emission control system design, including catalysts and catalytic filters and increase the demand for electric vehicles.

Increasing trade regulations in 2018's geopolitical context continue to be a factor in Umicore's global footprint.

Measures taken by Umicore

To ensure ongoing compliance with environmental legislation on our industrial sites, Umicore has a well-established EHS compliance audit program and constantly monitors changes in legal requirements where we operate. For more information, see the annual report on the consolidated accounts.

Umicore continues to play an active role in informing European legislators of various emission control technologies for both diesel and gasoline powered vehicles, to help legislators make informed decisions about future emission and testing norms.

Umicore continues to ensure its ability to meet the surging demand for cathode materials for rechargeable batteries used in electrified transportation. Our investment program to expand production capacity of cathode materials in China and Korea is on track.

Umicore successfully achieved the third and last REACH registration deadline in May 2018. In total, we have submitted 216 registrations for this deadline, including 112 previous submissions. Registration of additional substances continues to be needed due to new business developments.

Umicore has submitted 4 registrations for the Korean REACH regulation for the June 2018 deadline for priority chemical substances and has submitted 2 new substance registrations. Another 3 registrations are ongoing.

We monitor that our products have the freedom to operate and proactively manage our patent portfolio.

Umicore trade compliance closely follows and responds to global trade conditions.

5.12.2.2. Sustainable and ethical supply

Strategic focus area

- Economic performance
- Value chain and society

Change in risk profile

Increase

Change in opportunity profile

Increase

Potential impact

Umicore requires certain metals or metal-containing raw materials to manufacture its products and feed its recycling activities. Some of these raw materials are comparatively scarce and require very specific sourcing strategies. Obtaining adequate supplies of these materials is important for the ongoing success and growth of our business.

Some metals are also found in regions facing social challenges. Trading in precious metals and minerals can be used to finance armed conflict, cause human rights abuses, draw upon forced or child labor and support corruption and money laundering. We ensure that procurement of minerals from conflict-affected and high-risk areas is in line with Umicore's values, while providing an advantage to our customers.

Change in context

Existing and upcoming laws aiming to drive the responsible sourcing of conflict minerals (tin, tantalum, tungsten and gold), has increased the visibility and concern on the conditions around conflict mineral sourcing in public discourse.

Measures taken by Umicore

Umicore has implemented policies and measures covering human rights, the right for workers to organize, collective bargaining, equal opportunities and non-discrimination, banning of child labor, banning of forced labor, consistent with International Labour Organisation (ILO) standards. These commitments are supported through a Global Framework Agreement on Sustainable Development with IndustriALL Global Union.

In addition to existing policies and charters such as the Umicore Code of Conduct, Human Rights Policy and Sustainable Procurement Charter, Umicore also has a specific policy for "Responsible global supply chain of minerals from conflict-affected and high-risk areas".

In 2018, Umicore again received third-party validation for the application of its Sustainable Procurement Framework for Cobalt, which is aligned with the OECD 'Due Diligence Guidance for Responsible Supply Chains from Conflict-Affected and High-Risk Areas'.

Because Umicore is already compliant on conflict and high-risk mineral regulations, our sustainable supply chain has become an even greater competitive advantage.

We use our long-standing and growing experience in sustainable sourcing to advocate for more responsible sourcing.

5.12.2.3. Technology and substitution

Strategic focus area

- economic performance
- value chain and society
- eco-efficiency

Change in risk profile

No change

Change in opportunity profile

Increase

Potential impact

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.

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 for their products should those of Umicore not provide this optimum balance. The risk is especially present in businesses producing materials containing expensive metals (especially those with historically volatile pricing characteristics).

Change in context

Trends in rechargeable battery materials for automotive applications have underscored that NMC materials with increasing nickel content are the technology of choice for customers in current and upcoming electrified vehicle platforms. Besides the focus on high performing battery materials, novel processes are being developed to decrease cost and environmental impact across the entire battery value chain.

In vehicle emission control, regulatory debates have reinforced the need to have a broad spectrum of technologies available for both gasoline and diesel applications.

Measures taken by Umicore

Every year, the executive committee identifies innovation projects ("Top 10") which are key to achieving Horizon 2020 (and beyond) growth ambitions and cover product and process developments. A selection of these projects is reviewed during the year either through dedicated technology reviews or as part of strategic business reviews.

Previous years' R&D investments have brought great success and created a space to shift R&D positioning. Umicore invested selectively in new fields relevant to core activities in 2018. Overall spend was equivalent to 6.1% of revenues.

Umicore patents disruptive technologies. In 2018, Umicore registered 75 new patent families.

5.12.2.4. Market

Strategic focus area

- Economic performance
- Value chain and society

Change in risk profile

No change.

Change in opportunity profile

Increase.

Potential impact

The main industries served by Umicore are automotive (clean mobility materials, recycling), consumer electronics (rechargeable battery materials, recycling, coating and electroplating solutions) and non-ferrous metal mining and refining industries (recycling activities). Umicore is sensitive to any major growth or global reduction in activity levels or market disruptions in these industries.

Change in context

The global economic outlook started on a positive note in the first half of 2018, supported by solid growth in global manufacturing and trade. Trade and consumer confidence began to decline over the summer owing to geo-political and trade tensions, uncertainty about Brexit, and tariff implementations.

After modest growth in the first half of 2018, the global automotive industry started to contract in the second half, with a slowdown in the Chinese and European car markets. It is anticipated that demand in the automotive sector will continue to be impacted by the less favorable macro-economic environment witnessed in the beginning of 2019.

Although the short-term outlook is anticipated to be more subdued demand in key regions, more stringent vehicle emission legislation coming into force on major markets in the coming years is expected to provide a substantial longer-term uplift.

The risk profile of Umicore reflects growing exposure to the automotive industry and to Asia, in both cases driven by the fast-growing sales of cathode materials for use in electrified vehicles.

With its broad portfolio of cathode material technologies certified for the most stringent automotive requirements, its industrial-scale production capabilities and its qualifications on more than 20 platforms, Umicore should continue to benefit disproportionately from the accelerating penetration of electrified vehicles.

In the consumer electronics sector, demand for cathode materials for rechargeable batteries is sensitive to the macro-economic environment. Our broad portfolio of other products used in consumer electronics tends to compensate for market fluctuations.

In recycling our process remains unique, giving a stable outlook in this high-value market.

Measures taken by Umicore

Umicore is delivering on its growth strategy and is becoming the undisputed leader in clean mobility materials and recycling. As a result, Umicore delivered another set of record results in 2018 and reached its Horizon 2020 targets two years ahead of schedule. Umicore won significant additional business in the second half of 2018 which will further accelerate its growth in the coming years.

The executive committee undertook a review of potentially disruptive market and technology trends in automotive and discussed its findings with the board of directors.

In recycling a continuous program of new investments aims to optimize future performance and to enhance environmental performance.

5.12.2.5. Metal price

Strategic focus area

- Economic performance

Change in risk profile

Increase

Change in opportunity profile

No change

Potential impact

Umicore's earnings are exposed to risks relating to the prices of the metals which we process or recycle. These risks relate mainly to the impact that metal prices have on the surplus metals recovered from materials supplied for recycling, and concern platinum, palladium, rhodium, gold, silver and a wide range of base and specialty metals. For some metals quoted on futures markets, Umicore hedges a proportion of its forward metal exposure to cover part of the future price risks.

Umicore also faces transactional price risks on metals. The majority of its metal-based transactions use global metal market references. If the underlying metal price were constant, the price Umicore pays for the metal contained in the raw materials purchased would be transferred to the customer as part of the price charged for the product. However, because of the lapse of time between the conversion of purchased raw materials into products and the sale of products, the volatility in the reference metal price creates differences between the price paid for the contained metal and the price received. Accordingly, there is a transactional exposure to any fluctuations in price between the time raw materials are purchased (when the metal is “priced in”) and the time the products are sold (when the metal is “priced out”). The Group’s policy is to hedge the transactional risk to the maximum extent possible, primarily through forward contracts.

The accelerating growth in battery materials is rapidly increasing the exposure to specific related metals such as cobalt or nickel. Increasing volumes, the vulnerability to the associated price volatility and in the case of certain metals such as cobalt, the absence of a liquid paper forward market result in increased metal risks.

Change in context

Prices for precious metals strengthened in 2018. Prices for gold, palladium and rhodium increased, while silver and platinum prices faced a volatile environment in which gains were often completely offset by subsequent losses, leaving a small increase over the full year cycle.

The continued rapid growth in battery materials substantially increased the global demand and use of specific metals such as cobalt or nickel. In the case of cobalt, higher demand and perceived supply scarcity resulted in a significant market price hike in the first six months. Newly commissioned supply and a more moderate global demand expectation resulted in a price correction over the second half of the year. Umicore was thus confronted with significant cobalt price volatility in 2018.

Measures taken by Umicore

Over the course of 2018, Umicore entered into forward contracts securing a portion of its structural price exposure for certain precious metals and base metals in 2019 and 2020, thereby increasing earnings predictability.

For cobalt, Umicore’s transactional hedging policy aims to match to a maximum extent the pricing in and pricing out of the contracted metal. Such physical back-to-back hedging in 2018 allowed to manage transactional risks related to cobalt in a volatile market.

5.12.2.6. Talent attraction and retention

Strategic focus area

- Great place to work

Change in risk profile

Increase

Change in opportunity profile

Increase

Potential impact

The attraction and retention of skilled people are important factors in enabling Umicore to fulfil its strategic ambitions and to build further expertise, knowledge and capabilities in the business. Being unable to do so would compromise our ability to deliver on our goals.

Horizon 2020 is predicated on disproportionate growth for Umicore in Asia – a region characterized by highly competitive and fluid labor markets. Umicore’s challenge is to attract

and retain talent in the region on a sufficient scale and at an appropriate pace.

Change in context

Our accelerated expansion combined with competitive labor markets have created even greater recruitment needs.

Measures taken by Umicore

We recruited the highest number of employees ever in 2018. To support our recruitment, we deployed our new global employer brand, with a special focus on challenging labor markets in Europe and Asia.

To attract employees, we participate at Job Fairs, on Campus events at Universities and making best use of professional recruitment and social media channels. We also focused on improving the personal experience during the recruitment process and optimizing the on-boarding process for newcomers.

We address retention, especially challenging in Asia, with initiatives to improve the well-being of our employees, through assessing and improving our positioning of compensation and benefits and by offering learning & development opportunities for our employees.

We also ensure leadership development and give special attention to the development of identified top talent through different initiatives and are very well positioned in terms of employee engagement and enablement.

5.12.2.7. Climate an environment

Strategic focus area

- Economic performance
- Value chain and society
- Eco-efficiency

Change in risk profile

Increase

Change in opportunity profile

Increase

Potential impact

Umicore requires certain metals or metal-containing raw materials to manufacture its products and feed its recycling activities. Some of these raw materials are comparatively scarce and require very specific sourcing strategies.

Climate and environment impacts are mostly related to our supply of primary raw materials or to our suppliers' extraction of these primary raw materials. Easy-to-mine deposits are becoming increasingly scarce and ore bodies poorer. Many specialty metals required for new, environmentally-friendly technologies can only be obtained as a by-product of other metals. Treating complex materials from above-ground sources, such as industrial residues and end-of-life materials, is increasingly important.

Climate change causes extreme natural events, chronic deviations in mean temperatures and precipitation patterns, and rising sea levels. This could impact our sites or supply chain. Historical industrial activity requires active management and remediation. Increasingly stringent regulations on energy use and emissions can induce higher operational costs.

Change in context

Civil society and political discourse are increasingly demanding that business takes an active

role in mitigating climate change.

Our accelerated expansion combined with increased demand for our products have increased Umicore's exposure to potential climate or environmental risks and the opportunity to expand in a way that can mitigate or address these risks.

Measures taken by Umicore

Umicore plays a key role in the transition to a low-carbon future as our materials tackle global trends for clean air and e-mobility, and our closed loop business model tackles resource stewardship.

Our facility in Hoboken is the world's largest and most complex precious metals recycling operation, processing over 200 types of raw material and recovering over 20 different metals. We ensure that a high volume of our metals come from secondary sources – production scraps, residues and end-of-life materials. We recover 28 metals from our closed loop activities. In 2018, Umicore engaged with customers to close the loop for key battery materials such as cobalt.

Essential input materials such as fuels and chemicals are purchased using our Sustainable Procurement Charter. Our remaining metal supplies come from primary sources, for which Umicore has long-term and shorter-term procurement arrangements.

Umicore manages its historical environmental legacy, ensuring adequate financial provisions that are reviewed twice a year. For more information, see pages [XX]

We ensure that our current activities keep to the most stringent environmental standards for air and water and work every year to improve our energy efficiency despite our growth and increased production.

Our global footprint and diverse site locations reduce our exposure to physical risks. New sites have been chosen considering proximity to customers, access to skilled workforce, excellent logistics, infrastructure and green energy.

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

We refer to §2. "Subsequent events" and §3. "Development of the Company".

9. CONFLICTS OF INTERESTS

On 8 February 2018, prior to the board discussing or taking any decision, Marc Grynberg declared that he had a direct conflicting interest of a proprietary nature in the implementation of the decisions taken by the board relating to his performance assessment and to his remuneration (including the grant of shares and options). In accordance with Article 523 of the Belgian Companies Code, Marc Grynberg did not take part in the board's discussions concerning this decision and he did not take part in the voting.

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

9.1. CASH REMUNERATION

The CEO received a fixed gross remuneration of 700,000 EUR in 2018. Also in 2018, he received a gross variable cash remuneration totalling 220,000 EUR as non-deferred part of his variable cash remuneration for the reference year 2017.

Furthermore he received in 2018 a gross amount of 130,950 EUR as first half of the deferred payment of his variable cash remuneration for the reference year 2016 based on (1) the two year average Umicore group profitability criterion, i.e. the average return on capital employed (ROCE) for the reference years 2016 and 2017 (i.e. 14.9% giving rise to a percentage pay-out of 74%) and (2) the two year average EBIT growth for the same reference years 2016 and 2017 multiplied by two (i.e. 11.6% giving rise to a percentage pay-out of 23%). Also in 2018 he received a gross amount of 133,650 EUR as the second half of the deferred payment of his variable cash remuneration for the reference year 2015 based on (1) the three year average Umicore group ROCE for the reference years 2015, 2016 and 2017 (i.e. 14.5% giving rise to a percentage pay-out of 70%) and (2) the three year average EBIT growth for the same reference years 2015, 2016 and 2017 multiplied by two (i.e. 14.5% giving rise to a percentage pay-out of 29%).

The ROCE range is set between 7.5% (= pay-out of 0%) and a maximum of 17.5% (= pay-out of 100% at plan performance). When the achieved ROCE percentage falls between the above targets, the pay-out will be pro-rated. The impact of the EBIT growth is calculated by multiplying the average percentage of the EBIT growth for the reference years by two.

In 2019 he will receive the second half of the deferred payment of his annual variable cash remuneration for the reference year 2016 based on (1) the three-year average Umicore group ROCE for the reference years 2016, 2017 and 2018 and (2) the three-year average Umicore EBIT growth for the same reference years 2016, 2017 and 2018.

Upon recommendation of the nomination & remuneration committee, the board of directors decided on 8 February 2018 that, as from reference year 2017 a deferment of three years applies with a pay-out after three years for each reference year, based upon a three-year average ROCE and EBIT growth. With respect to the three-year average EBIT growth, the threshold increased from 2% to a minimum of average EBIT growth of 10%.

9.2. GRANT OF SHARES AND STOCK OPTIONS

The financial consequences for Umicore consist of: either 1) as long as Umicore decides to keep 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, or 2) if and to the extent that Umicore sells such shares at a later date: the difference on the date of exercise of the options between the exercise price and the market value of the shares that Umicore would have to buy on that date.

During 2018, no specific transactions or contractual commitments occurred between a member of the board or of the executive committee on the one hand, and Umicore or one of its affiliated companies on the other hand.

9.BIS NON-FINANCIAL INFORMATION

The non-financial information, as defined under 96 §4 of the Companies Code, has been duly taken into account and can be found in the annual report on the consolidated accounts.


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 2018.

The Board of Directors
Brussels, 8 March 2019.

A handwritten signature in blue ink, reading "Marc Grynberg".

Marc Grynberg
Chief Executive Officer

A handwritten signature in blue ink, reading "T. Leysen".

Thomas Leysen
Chairman