

## Remuneration report

### 1. Introduction

The remuneration policy of the company applicable to the fiscal year 2020 is published in the 2019 annual report. Subject to its approval by the General Meeting of 28 April 2021, the remuneration policy applicable from 2021 will be published on the website of the company and in the Corporate Governance Charter of the company, which is also available on the website.

Given the uncertainty about the precise impact and duration of the Covid-19 pandemic, in March 2020, on the recommendation of the Nomination and Remuneration Committee, the Board of Directors decided to deviate from the remuneration policy as set down in the 2019 annual report and put all bonus plans linked to the fiscal year 2020 on hold. On 28 August 2020, on the recommendation of the Nomination and Remuneration Committee of 8 July 2020, the Board of Directors decided to draw up an adapted bonus plan, setting down a small number of group targets (turnover and EBITDA) in order to support the importance of solidarity and partnership in this uncertain situation. The Board of Directors also decided to limit the bonus to 50% of the regular bonus.

### 2. Total remuneration of non-executive directors

In accordance with the applicable policy, in 2020 the non-executive directors received only fixed basic remuneration for their membership of the Board of Directors and the advisory committees they are a member of, plus fixed remuneration for their membership of any advisory committees. The remuneration policy enabled the company to safeguard the necessary competence and experience on the Board of Directors and recruit specific new profiles.

Due to the impact of the Covid-19 pandemic and as a sign of solidarity with the employees, Herman Van de Velde NV and Lucas Laureys exceptionally waived their remuneration as directors in 2020.

Name, Position	Basic remuneration	Remuneration as a member of the Audit and Risk Committee	Remuneration as a member of the Nomination and Remuneration Committee	Total remuneration
Herman Van de Velde NV Chairman	€ 0	€ 0	€ 0	€ 0
YJC BV Independent director <sup>(1)</sup>	€ 10,000	€ 1,667	€ 1,666	€ 13,333
Valseba BV Independent director <sup>(2)</sup>	€ 15,000	€ 2,500	€ 1,666	€ 19,166
Dirk Goeminne BV Independent director <sup>(3)</sup>	€ 15,000	€ 2,500	€ 833	€ 18,333
Lucas Laureys	€ 0	€ 0	€ 0	€ 0
Bénédicte Laureys	€ 15,000	€ 0	€ 0	€ 15,000
Veronique Laureys	€ 15,000	€ 0	€ 0	€ 15,000
Greet Van de Velde <sup>(4)</sup>	€ 10,000	€ 0	€ 0	€ 10,000
Emetico NV Independent director <sup>(5)</sup>	€ 5,000	€ 0	€ 833	€ 5,833
Benoit Graulich BV <sup>(6)</sup>	€ 5,000	€ 833	€ 833	€ 6,666

(1) Appointed as director and member of the Audit and Risk Committee and the Nomination and Remuneration Committee as of 29 April 2020 (successor of Emetico NV).

(2) Member of the Audit and Risk Committee and as of 29 April 2020 the Nomination and Remuneration Committee.

(3) Member of the Audit and Risk Committee and until 29 April 2020 the Nomination and Remuneration Committee.

(4) Appointed as director as of 29 April 2020.

(5) Director and member of the Nomination and Remuneration Committee until 29 April 2020.

(6) Director and member of the Nomination and Remuneration Committee and the Audit and Risk Committee until 29 April 2020.

### 3. Total remuneration of the members of executive management (including the CEO)

In 2020 the executive management was entrusted to the Management Committee, which is chaired by the CEO.

In accordance with the applicable remuneration policy, the following remuneration was awarded to the members of the Management Committee:

Name, Position	1. Fixed remuneration		2. Variable remuneration		3. Exceptional items	4. Pension cost <sup>(2)</sup>	5. Total remuneration	6. Fixed/variable remuneration
	Basic remuneration	Additional benefits <sup>(1)</sup>	One year variable	Multi-year variable				
Mavac BV (CEO) always represented by Marleen Vaesen (independent)	€ 572,260	€ 0	€ 136,702	€ 0	€ 0	€ 0	€ 708,962	81% fixed remuneration, 19% variable remuneration
Other members of the Management Committee on a global basis (excluding CEO) <sup>(3)</sup>	€ 589,879	€ 7,358	€ 48,912	€ 0	€ 0	€ 5,727	€ 651,876	Between 88% and 90% fixed remuneration, between 10% and 12% variable remuneration

(1) Only applicable to the member of the Management Committee who works with an employment contract. Include fixed reimbursement of expenses also meal vouchers, hospitalization insurance and company car.

(2) Only applicable to the member of the Management Committee who works with an employment contract.

(3) Includes the remuneration of Karel Verlinde CommV (self employed), Fenix BV (self employed and member of the Management Committee until 9 October) and Liesbeth Van de Velde (employee). Liesbeth is a member of the Management Committee as from 9 October 2020 but her annual remuneration was included in the global remuneration. If remunerated through an employment contract, the social security charges paid by the employer are not included. If remunerated through a management agreement, the total cost of company is included.

### 4. Note to the various components of the remuneration of the members of the Management Committee (including the CEO)

#### 4.1. Variable remuneration

##### A) Short-term variable remuneration

As stated in point 1, there was an exceptional departure from the remuneration policy this year due to the Covid-19 pandemic. Only two collective targets (turnover and EBITDA) were set and the basis for calculating the bonus was limited to 50% of the normal salary. The Board of Directors, on the proposal of the Nomination and Remuneration Committee, established the turnover and EBITDA for 2020 and the extent to which the targets in the amended bonus plan were achieved. On this basis, the corresponding payment level was established. The corresponding payment level of both performance criteria combined is equal to 102,63% of the central target bonus and was applied to 50% of the normal bonus per individual.

##### B) Long-term variable remuneration

Insofar as she was still active at Van de Velde on 31 December 2020, the CEO was entitled to a bonus of up to 20% of the earned basic remuneration in 2019 and 2020. The bonus was calculated on the basis of the rise in the equity value of the company. The Board of Directors, on the proposal of the Nomination and Remuneration Committee, has established that the amount of this bonus is 0 euro, given that the targeted rise in the equity value was not achieved.

#### 4.2. Pension

Members of the executive management who are employees are members of the company pension plan. This is a defined contribution pension plan to which the employer contributes 4% of the employee's reference remuneration. The other members of the executive management are not members of any company pension plan.

#### 5. Share-related remuneration

The non-executive directors do not receive any remuneration in the form of shares. This means the company departs from Recommendation 7.6 of the Corporate Governance Code 2020. This departure is explained by the fact that the family directors, directly or indirectly, are stable shareholders of the company and, generally, the vision of the non-executive directors is currently deemed to be sufficiently focused on long-term value creation for the company. The award of the shares to the non-executive directors is deemed unnecessary for that reason. However, the company will evaluate this recommendation on a regular basis with an eye to possible need for compliance in the future.

No minimum threshold has been set for shares that must be held by the members of the executive management. This means the company departs from Recommendation 7.9 of the Corporate Governance Code 2020. This departure is explained by the fact that the interests of the executive management are currently deemed to be sufficiently oriented to long-term value creation in the company by means of an existing long-term incentive programme in the form of an option plan (see below).

Setting a minimum threshold for shares that must be held by the members of the executive management is deemed unnecessary for that reason. However, the company will evaluate this recommendation on a regular basis with an eye to possible need for compliance in the future.

The Board of Directors of 29 April 2020 approved the 2020 option plan. As a result, the Nomination and Remuneration Committee can award options on shares of the company to the executive management for five years. These options are awarded free of charge. The exercise price of the options is, per share, equal to the lowest amount of (i) the average of the closing prices of the share on the market over the thirty calendar days prior to the date of the offer or (ii) the closing price of the final trading day prior to the date of the offer. The options are valid for a term of ten years. The company and the option holder may decide by mutual agreement to reduce the term of validity of the options below ten years, but it can never be reduced below five years. The options are not exercisable before the end of the third calendar year following the year in which the options are offered.



	Most important provisions of the share option plan		
	1. Identification of the Plan	2. Offer date	3. Acquisition date
Mavac BV	2015	15/10/19	14/12/19
	2020	09/10/20	08/12/20
Karel Verlinde CommV	2015	15/10/19	14/12/19
	2020	09/10/20	08/12/20
Liesbeth Van de Velde	2015	15/10/19	14/12/19
	2020	09/10/20	08/12/20

## 6. Severance pay

During 2020 no severance pay was awarded to any director or member of the executive management.

## 7. Use of the right of claw-back

During 2020 no variable remuneration was clawed back.

## 8. Departures from the remuneration policy

As stated above, there were departures from the remuneration policy as set out in the 2019 annual report due to the exceptional circumstances created by the Covid-19 pandemic. For example, on the recommendation

Remuneration in share options								
			Information with regard to the financial year under review					
			Opening balance	In the course of the year (*)				Closing balance
4. End of the retention period	5. Exercise period	6. Exercise price	7. Options held at the beginning of 2020	8. a) Number of options offered in 2020 b) Value of underlying shares on offer date		9. a) Number of acquired options b) Value of underlying shares on acquisition date c) Value at exercise price d) Gain on acquisition date		10. Options held at the end of 2020
31/12/2022	01/01/2023-15/10/2029	€ 23.36	5,000	a)	N/A	N/A		5,000
				b)	N/A			
31/12/2023	01/01/2024-9/10/2030	€ 22.60	0	a)	5,000	a)	5,000	5,000
						b)	€ 113,000	
				b)	€ 113,000	c)	€ 113,000	
						d)	€ 0	
31/12/2022	01/01/2023-15/10/2029	€ 23.36	5,000	a)	N/A	N/A		5,000
				b)	N/A			
31/12/2023	01/01/2024-9/10/2030	€ 22.60	0	a)	5,000	a)	5,000	5,000
						b)	€ 113,000	
				b)	€ 113,000	c)	€ 113,000	
						d)	€ 0	
31/12/2022	01/01/2023-15/10/2026	€ 23.36	5,000	a)	N/A	N/A		5,000
				b)	N/A			
31/12/2023	01/01/2024-9/10/2025	€ 22.60	0	a)	5,000	a)	5,000	5,000
						b)	€ 113,000	
				b)	€ 113,000	c)	€ 113,000	
						d)	€ 0	

of the Nomination and Remuneration Committee dated 8 July 2020, the Board of Directors of 28 August 2020 decided to draw up an adapted bonus plan for the members of executive management and the other employees that are normally included in an individual bonus plan, setting down a small number of group targets (turnover and EBITDA) in order to stress the importance of solidarity and partnership in this uncertain situation. The Board of Directors also decided to limit the bonus to 50% of the regular bonus.

## 9. Ratio of highest to lower remuneration

The highest remuneration is six times that of the lowest remuneration.

## 10. Annual change

The company interprets article 3:6 §3, fifth paragraph New BCCWVV in such a way that the requirement to provide information on the changes in the remuneration, the performance of the company and the average remuneration of the employees over the past five years only applies as from 2020 and so figures from prior to 2020 are not required in the comparison. That is why the company will show that trend in the remuneration report as from 2020, but not from the years prior to 2020.