

Remuneration report

1. Introduction

The remuneration policy of the company applicable to the fiscal year 2022 and approved by the General Meeting of 27 April 2022 is published on the website of the company.

2. Total remuneration of non-executive directors

In accordance with the applicable policy, in 2022 the non-executive directors received only a fixed basic remuneration for their membership or chairmanship of the Board of Directors, plus a fixed remuneration for their membership or chairmanship of any advisory committees. The remuneration policy enabled the company to safeguard the necessary competence and experience on the Board of Directors.

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	€ 40,000	€ 0	€ 7,500	€ 47,500
YJC BV	Independent director	€ 20,000	€ 5,000	€ 5,000	€ 30,000
Valseba BV	Independent director	€ 20,000	€ 7,500	€ 5,000	€ 32,500
Fidigo NV	Independent director	€ 20,000	€ 5,000	€ 0	€ 25,000
Lucas Laureys		€ 20,000	€ 5,000	€ 0	€ 25,000
Benedicte Laureys		€ 20,000	€ 0	€ 0	€ 20,000
Veronique Laureys		€ 20,000	€ 0	€ 0	€ 20,000
Greet Van de Velde		€ 20,000	€ 0	€ 0	€ 20,000
Mavac BV ⁽¹⁾		€ 20,000	€ 0	€ 0	€ 10,000

⁽¹⁾ Pro rata from 01.07.2022 up to and including 31.12.2022.

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

In 2022 the executive management was entrusted to the Management Committee (until 27.04.2022) and the Management Team (from 27.04.2022), 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 and the Management Team:

Name, Position	1. Fixed remuneration		2. Variable remuneration		3. Exceptional items	4. Pension Cost ⁽²⁾	5. Total remuneration	6. Fixed/variable remuneration ratio
	Basic remuneration	Additional benefits ⁽¹⁾	One year variable	Multi-year variable				
Mavac BV (CEO), always represented by Marleen Vaesen (CEO)(management company) ⁽³⁾	€ 295,998	€ 0	€ 158,063	€ 0	€ 0	€ 0	€ 451,061	65 % fixed remuneration 35 % variable remuneration
Vucastar BV (CEO) always represented by Peter Corijn (management company) ⁽⁴⁾	€ 360,000	€ 0	€ 149,120	€ 0	€ 120,000	€ 0	€ 629,120	57 % fixed remuneration 43 % variable remuneration
Other members of the Management Committee together (excluding CEO) ⁽³⁾	€ 1,262,343	€ 106,160	€ 419,505	€ 0	€ 0	€ 46,661	€ 1,834,668	Between 78 % and 83 % fixed remuneration Between 17 % and 22 % variable remuneration

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

(2) Only applicable to the member of the Management Committee or Management Team who works on the basis of an employment contract.

(3) Pro rata from 01.01.2022 up to and including 30.06.2022.

(4) Pro rata from 01.03.2022 up to and including 29.11.2022, and as of 01.05.2022 as CEO.

(5) 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 for the company is included. This includes the remuneration of Karel Verlinde CommV (management company) for the period as interim CEO.

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 the remuneration policy, the targets for short-term variable remuneration are based partly on objective parameters closely linked to the results of the Group (collective targets) and partly on individual targets closely linked to the responsibility of the member in question. The collective targets represent 80 % of the total targets, the individual targets 20 %. Three collective targets were set for 2022: turnover, EBITDA and one quality-related target. The Board of Directors, on the proposal of the Nomination and Remuneration Committee, established the turnover and EBITDA for 2022 and the extent to which the targets were achieved. On this basis, the corresponding payment level was established. The corresponding payment level of the collective targets combined is equal to 140 % of the collective target bonus.

B) Long-term variable remuneration

No long-term variable remuneration was granted in 2022.

4.2. Pension

Members of the executive management who have an employment contract participate in the company pension plan. This is a defined contribution pension plan to which the employer contributes 4 % of the employee's fixed remuneration limited to the amount of the pension ceiling⁽¹⁾ and 5 % of the annual salary exceeding the pension ceiling.

(1) For 2022, 71,519.98 euro.

Performance criteria (PC)	Relative weight	a)	Measured performance
		b)	Corresp. Payment level (*)
Turnover	40 %	a)	Above target
		b)	49.99 %
EBITDA	40 %	a)	Above target
		b)	60.00 %
NPS (Retail partners)	20 %	a)	Above target
		b)	30.00 %

The individual targets were set and evaluated for each individual Management Team member.



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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 are, directly or indirectly, long-term shareholders of the company and, in general, the non-executive directors are 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 in regard to any (mandatory) 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 table on the right). 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 in regard to any (mandatory) 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.

Name, Position	Most important provisions of the share option plan			
	1. Identification of the Plan	2. Offer date	3. acquisition date	
Mavac BV	2015	15.10.2019	14.12.2019	
	2020	09.10.2020	08.12.2020	
	2020	01.10.2021	30.11.2021	
Vucastar BV	2020	08.03.2022	07.05.2022	
Karel Verlinde CommV	2015	15.10.2019	14.12.2019	
	2020	09.10.2020	08.12.2020	
	2020	01.10.2021	30.11.2021	
	2020	04.10.2022	03.12.2022	
Liesbeth Van de Velde	2015	15.10.2019	14.12.2019	
	2020	09.10.2020	08.12.2020	
	2020	01.10.2021	30.11.2021	
	2020	04.10.2022	03.12.2022	
MMW BV	2020	04.10.2022	03.12.2022	
Céline Soto Perez	2020	04.10.2022	03.12.2022	

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 2022	8. a) Number of options offered in 2022 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 2022
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	01.01.2024-09.10.2030	€ 22.60	5,000	a)	n/a	n/a	5,000
				b)	n/a		
31.12.2024	01.01.2025-01.10.2031	€ 28.75	5,000	a)	n/a	n/a	5,000
				b)	n/a		
31/12/2026 ⁽¹⁾	01.01.2027-08.03.2032	€ 32.40	0	a)	10,000 ⁽²⁾	a) 10,000 ⁽²⁾	10,000
						b) € 324,000	
				b)	€ 324,000	c) € 324,000	
						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	01.01.2024-09.10.2030	€ 22.60	5,000	a)	n/a	n/a	5,000
				b)	n/a		
31.12.2024	01.01.2025-01.10.2031	€ 28.75	5,000	a)	n/a	n/a	5,000
				b)	n/a		
31.12.2025	01.01.2026-01.10.2032	€ 32.40	0	a)	5,000	a) 5,000	5,000
						b) € 162,000	
				b)	€ 162,000	c) € 162,000	
						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	01.01.2024-09.10.2025	€ 22.60	5,000	a)	n/a	n/a	5,000
				b)	n/a		
31.12.2024	01.01.2025-01.10.2026	€ 28.75	5,000	a)	n/a	n/a	5,000
				b)	n/a		
31.12.2025	01.01.2026-04.10.2029	€ 32.40	0	a)	5,000	a) 5,000	5,000
						b) € 162,000	
				b)	€ 162,000	c) € 162,000	
						d) € 0	
31.12.2025	01.01.2026-04.10.2032	€ 32.40	0	a)	5,000	a) 5,000	5,000
						b) € 162,000	
				b)	€ 162,000	c) € 162,000	
						d) € 0	
31.12.2025	01.01.2026-04.10.2027	€ 32.40	0	a)	5,000	a) 5,000	5,000
						b) € 162,000	
				b)	€ 162,000	c) € 162,000	
						d) € 0	

(1) Contrary to the 2020 option plan, the options are not exercisable before the end of the fourth calendar year following the year in which the options are offered.

(2) Contrary to the 2020 option plan, it was agreed that 10,000 of the options granted in 2022 remain exercisable in accordance with the normal exercise periods. The remaining 30,000 options granted in 2022 have expired.

6. Severance pay

During 2022 a severance pay of 120,000 euros was awarded to Vucastar BV (Peter Corijn). This severance pay was calculated on the basis of the (three months) notice provided for in his management agreement, with the entire notice period being converted into a severance pay. No severance pay was awarded to any other director or member of the executive management.

7. Use of the right of claw-back

During 2022 no variable remuneration was clawed back.

8. Departures from the remuneration policy

During 2022 there were three departures from the remuneration policy:

- It was stipulated in the management agreement with Mavac BV, the annual bonus plan and the remuneration policy that no annual variable remuneration would be payable if the CEO was no longer working for Van de Velde on 31 December of the year in question. Contrary to this, the Board of Directors decided to grant variable remuneration to Mavac BV for the year 2022 pro rata the term of the management agreement (in particular for the period 1 January 2022 to 30 June 2022).
- It was stipulated in the management agreement with Vucastar BV, the annual bonus plan and the remuneration policy that no annual variable remuneration would be payable if the CEO was no longer working for Van de Velde on 31 December of the year in question. Contrary to this, the Board of Directors decided to grant variable remuneration to Vucastar BV for the year 2022 from the start of the management agreement to the end of the relevant year (in particular for the period March 2022 to 31 December 2022).
- As Karel Verlinde CommV was appointed interim CEO at the end of 2022, it was decided not to change its remuneration for the remainder of 2022.

During 2022, there were no other departures from the remuneration policy.

9. Ratio of highest to lower remuneration

The highest remuneration is 6.5 times that of the lowest remuneration of a Belgian employee of the Group.

10. Annual change

The company interprets article 3:6 §3, fifth paragraph BCC 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 of 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 of 2020, but not from the years prior to 2020.

The remuneration of the members of the Board of Directors, the CEO and the members of the Management Committee and the main performance criteria evolved as follows in the period 2021-2022:

euro	2022	2021
Chairman of the Board of Directors	40,000	25,000
Member of the Board of Directors	20,000	15,000
Chairman of the Audit and Risk Committee	7,500	2,500
Member of the Audit and Risk Committee	5,000	2,500
Chairman of the Nomination and Remuneration Committee	7,500	2,500
Member of the Nomination and Remuneration Committee	5,000	2,500
CEO (fixed remuneration + short-term variable remuneration)	963,181	912,153
Other members of the Management Committee together (fixed remuneration + short-term variable remuneration + benefits in kind ⁽¹⁾)	1,834,668	544,207
Comparable turnover (in million euro)	211.4	191.2
Comparable EBITDA (in million euro)	58.0	52.3

(1) Insofar as the member in question is an employee.

The average remuneration of the employees in Belgium changed as follow:

euro	2022	2021
Average gross salary of a full-time equivalent in Belgium	3,458	3,134