

REMUNERATION POLICY

"We prefer equity than equality". At EVS, our goal is not to offer equal but fair packages. We want to stay innovative, and to continue to listen to our Team Members while being aligned with our Employer Caring strategy. We want to take care of our Team Members the same way we would like them to take care of our customers.

At EVS, comparisons to the market are made with the median of the market, not the average. The benchmarks used are chosen according to the sector, the size of the companies and the location.

We want to make sure that our Reward strategy makes our Team Members feeling concerned by EVS' long term strategy.

The remuneration policy aims to attract, maintain and motivate competent and professional employees. For this reason, the amount of the remuneration is determined as a function of the tasks and responsibilities. The level of remuneration is also compared to external references, either through studies or through external counsels.

The present remuneration policy has been adopted by the Board of Directors of 7 April 2021 further to a proposition of the Remuneration Committee. The Remuneration Committee assumes the mission described in the article 7:100 of the Belgian Company and Association Code, and more generally, assists the Board of Directors in its responsibilities concerning the (present) remuneration policy setting, reviewing and setting the remuneration for the company's executives and managers as well as the long terms incentives and variables and bonus policy. The Remuneration Committee is composed of the CEO (invited) and four non-executive independent directors. Both the Board of Directors and the Remuneration Committee strictly comply with the applicable conflict of interests procedure.

The results of the Company are evaluated based on revenues and operational financial results of the past financial year. These criteria, as proposed by the Remuneration Committee, are evaluated by the Board of Directors annually and adapted when necessary.

The performance for all team members, including the CEO and the executive team is based on a clearly defined evaluation system based on the achievement of specific measurable objectives and the realization of the company expected performance. All goals are in line with the group strategy, the key values and the guidelines. The performance goals are determined annually at the beginning of the financial year. There is no provision of formal right of recovery of the variable remuneration awarded on the basis of erroneous financial information, for the benefit of the Company. The evaluation period is the last fiscal year, and the variable remuneration amount is determined at the end of the first quarter of the next year.

1. THE DIRECTORS

Non-executive Directors receive an annual fixed amount, eventually on a pro rata basis. This fixed amount includes the participation to 6 meetings per year. The non-executive Directors also receive, as remuneration for the execution of their mandate a fixed amount for each Board meeting (above 6 meetings per year) and special committee meeting attended.

The Company and its subsidiaries do not provide any personal loans, guarantees and such to the members of the Board of Directors or the Executive Team. If Directors are charged with special tasks or projects, they are entitled to receive an appropriate remuneration for those activities.

The policy and the remuneration of the Directors are approved by the Ordinary General Meeting. The Ordinary General Meeting of May 2016 unanimously approved the increase of the remuneration of the Board of Directors, proposed based on comparisons made with comparable companies, and with the aim of professionalizing even more the governance of the company.

The Ordinary General Meeting of May 2020 unanimously approved the granting to the members of the Board of Directors of an additional global remuneration of EUR 15,000 per year for all members of the Board of Directors for the performance of exceptional tasks in the context of their function as director as validated by the Board of Directors (such as, in particular, interviews, preparation meetings and other internal meetings other than meetings of the Board of Directors or of a Committee (Audit, Remuneration or Strategic)). This amount will be allocated by the Board of Directors among its members according to the number and importance of exceptional missions actually carried out by each of them.

As approved by the above-mentioned Ordinary General Meeting, the current remuneration of the directors is fixed as follows:

- Fixed annual remuneration of EUR 20,000 per Director (resp. EUR 40,000 for the Chairman of the Board of Directors), covering up to 6 meetings per year.
- Above 6 meetings for a full year of presence, a variable fee of EUR 1,500 per attendance to a Board meeting for each non-executive Director.
- Fixed annual remuneration of EUR 2,000 for the Chairman of a Committee.
- Variable fee of EUR 1,000 per attendance to a Committee meeting (Audit, Remuneration or Strategy) for each non-executive Director.
- A fixed fee for the performance of exceptional tasks in the context of their function as director as validated by the Board of Directors up to an aggregate amount for all directors of EUR 15000.
- The fixed amounts are adjusted pro rata temporis according to the appointment/resignation date during the year.

No termination compensation is provided for non-executive Directors at the end of their mandate. Non-executive directors do not receive any shares, warrants or stock options.

With respect to executive directors, the Board of Directors undertakes to consider the possibility and the implications of setting a minimum threshold for shares that executives must hold, it being agreed that a final decision will only be made effective in 2021 at the soonest after a study was carried out on that subject matter.

Regarding the non-executive directors, the Board of Directors will consider the possibility and the implications of allowing the non-executive director to receive a portion of his remuneration in the form of shares of the company. These shares would be retained at least one year after the non-executive director has left the Board of Directors, and at least three years after their award, it being agreed that a final decision will not be made in this regard until 2021 and after a study was carried out about it.

2. THE CEO AND THE OTHER MEMBERS OF THE EXECUTIVE MANAGEMENT

2.1.1. CEO

As remuneration for his services, the CEO receives:

- a fixed remuneration,
- a variable remuneration consisting of a cash component and a warrant component of which the formula and conditions have been approved by the Ordinary General Meeting of 19 May 2020, of which the minutes are available on the company website:
 - the variable remuneration in cash depends on annual criteria as approved by the said Ordinary General Meeting of 19 May 2020 namely the achievement of predetermined and objectively measurable financial objectives over a period of twelve (12) months.
 - the warrant component depends on the decision of the Board of Directors and consists subject to the conditions established by the Board of Directors, to a number of warrants determined each year by the Board of Directors up to a maximum amount as approved by the Ordinary General Meeting, subject to the approval of the issue of additional warrants necessary for this purpose.

In order to align the interests of the CEO with the interests of the company and its shareholders, a major part of the variable remuneration is thus linked to the results of the Company.

There is no advance for the variable remuneration for the CEO.

2.1.2. Members of the executive management

As remuneration for their services, the other members of the executive management receive:

- a fixed remuneration,
- a variable remuneration consisting of a cash component and a warrant component of which the formula and conditions have been approved by the Ordinary General Meeting of 19 May 2020, of which the minutes are available on the company website:
 - the variable remuneration in cash is granted according to the annual criteria, as approved by the Ordinary General Meeting of 19 May 2020, namely the achievement of predetermined and objectively measurable financial, performance and – in the case of the CCO - sales objectives over a period of twelve (12) months.
 - the warrant component depends on the decision of the Board of Directors and consists subject to the conditions established by the Board of Directors, to a number of warrants determined each year by the Board of Directors up to a maximum amount as approved by the Ordinary General Meeting, subject to the approval of the issue of additional warrants necessary for this purpose.

There is no advance for the variable remuneration for the members of the executive management.

In order to align the interests of the members of the executive management with the interests of the company and its shareholders, a part of the variable remuneration is linked to the results of the Company and another part to the performance.

2.1.3. Severance pay and termination conditions

In the case that severance pay amounts to more than 12 months of the fixed and variable remuneration (or more than 18 months based on a motivated decision by the Remuneration Committee), the allotment of this remuneration will be presented for approval to the General Meeting. For the members of the executive management, no severance pay conditions exceeding 12 months have been agreed. In the case of any potential severance, the remuneration will be determined based on applicable contractual provisions.

The agreements of the CEO and the other members of the executive management are of indefinite duration and provide respectively for:

- A termination notice or a severance pay of 3 months increased each year by one additional month up to 6 months in aggregate for the CEO;
- A termination notice or a severance pay of 6 months for the other members of the executive management.

For the coming years, the remuneration policy will be consistent with the above subject to further approval of the General Meeting.

For the Board of Directors

House of Value – Advisory and Solutions,
represented by Johan Deschuyffeeler
President & Director

Accompany You SRL
represented by Anne Cambier
Director