

## 2.2 Corporate Governance statement

### 2.2.1 Applicable rules and reference code

Recticel publishes its Corporate Governance Charter on its website ([www.recticel.com](http://www.recticel.com)) in accordance with the requirements of the Belgian Corporate Governance Code 2020. The latest version is dated 27 April 2020. Any interested party can download the Charter there, or request a copy from the company's registered office. The Charter contains a detailed description of the governance structure and the company's governance policy.

As of this year, Recticel uses the new Belgian Governance Code of 2020 as reference code, which can be found on the website of the Corporate Governance Committee ([www.corporategovernancecommittee.be](http://www.corporategovernancecommittee.be)).

Recticel complies with all recommendations contained in the reference code, except for the cases where it is explicitly stated in this statement below.

This chapter contains more factual information regarding corporate governance in general and, the application of the Belgian Corporate Governance Code 2020 (hereinafter also "the Code") during the last financial year in particular.

Recticel confirms its explicit choice for the monistic governance structure under the Belgian Companies and Associations Code. The Board of Directors is therefore authorized to undertake all necessary or useful actions to achieve the company's objective, except those that only the general meeting is authorized to perform by law. The authority granted to the Board of Directors was not further limited in the articles of association.

The terms of reference of the Board of Directors are described in more detail in Recticel's Corporate Governance Charter.

### 2.2.2 Internal control and risk management

Every entity exists to create value for the stakeholders and this forms the basis of risk management for every company. The challenge that faces the Board of Directors and executive management is in determining how much uncertainty they wish to accept in their strive for creating value. The value is maximized if the administration is successful in creating an optimal balance between growth and turnover on the one hand and the connected risks on the other.

Identifying and quantifying the risks and setting up and maintaining an efficient control mechanism is the responsibility of Recticel Group's Board of Directors and executive management.

The framework for internal control and risk management applied by the Recticel Group is based on the COSO (Committee of Sponsoring Organisations of the Treadway Commission) model and is in line with the requirements imposed by the Belgian Corporate Governance Code, taking into account the Recticel Group's size and specific needs.

Since mid-2010 the Board of Directors and the executive management have reviewed the framework for internal control and risk management and an amended Compliance programme is implemented.

The basis is formed by the revised Code of Ethics, applicable on all Recticel directors, corporate officers and employees, and published on Recticel's website:

([https://www.recticel.com/sites/default/files/who\\_we\\_are/discover\\_the\\_recticel\\_group/business\\_ethics\\_integrity/01\\_Ethics\\_policy\\_English.pdf](https://www.recticel.com/sites/default/files/who_we_are/discover_the_recticel_group/business_ethics_integrity/01_Ethics_policy_English.pdf)).

Important matters like ethics, safety, health and environment, quality, conflicts of interest, anti-trust, fraud and others are being dealt with.

Corporate policies have been elaborated to cover these principles that are further explained in the Business Control Guide, which provides more concrete and detailed guidelines, for instance guidelines on the level of Tax management, Treasury management, Accounting policies, Investments, Purchases, Mergers and Takeovers, and such. The internal financial reporting and control occurs based on the Group Accounting Manual, Group Accounting Methodology and Cost Accounting Methodology.

This Business Control Guide includes the general delegation of deciding powers and responsibilities for specific areas of competence.

The Board of Directors and executive management regularly reviews the most important risks that the Recticel Group is exposed to and submits a list of priorities. A general description of the risks can be found in the financial part of this annual report.

One of the objectives of the internal control and risk management system is also to ensure a timely, complete and accurate communication. To this end the Business Control Guide and all other guidelines contain the necessary regulations on roles and responsibilities. Also, the necessary attention is given to ensuring the security and confidentiality of the data exchange, if and when necessary.

In the event of violation of internal or external laws and regulations, the Recticel Group has also implemented a Group Policy for the Reporting of Misconduct and the Protection of Whistle-blowers to enable anyone to report on behaviour that may represent a violation of the applicable Code of Conduct, the Group Corporate Policies or any other laws and regulations.

Finally, the Audit committee, amongst others, has the task of informing and advising the Board of Directors regarding the annual follow up of the systems of internal control and risk management.

The Internal Audit Department works based on an Internal Audit Charter and has the primary function of delivering reports with opinions and other information indicating to which extent the internal audit meets predetermined criteria. The Internal Audit aims at providing the reasonable assurance that the strategic, operational, compliance and reporting objectives of the Recticel Group can be realized in the most efficient way. To this end they seek to ensure the following objectives:

- the reliability and integrity of the information;
- compliance with policies, plans, procedures, laws and agreements;
- safeguarding of assets;
- economical and efficient use of resources;
- achieving the goals set by operations and programs.

## 2.2.3 External audit

The external audit of Recticel SA/NV's company and consolidated annual accounts has been entrusted by the Annual General Meeting of 2021 to the limited liability cooperative company PWC Bedrijfsrevisoren, with registered office at Culliganlaan 5,B-1831 Diegem, Belgium, represented by Mr Marc DAELMAN, in order to exercise control over the financial years ended December 31, 2021, 2022 and 2023.

The Auditor conducts its audits in accordance with the International Standards on Auditing (ISA) and delivers a report, which confirms if the company's annual accounts and the consolidated financial statements of the company reflect a true and fair view of the assets, financial condition and results of the company. The Audit committee investigates and discusses these bi-annual reports in the presence of the Auditor, and afterwards also with the Board of Directors.

The remuneration of PwC (in its capacity as Auditor) for the audit of Recticel NV's annual and consolidated annual accounts intended in article 3:65 of the Belgian Companies and Associations Code, amounted to EUR 1.037K for 2021.

The global amount of the remuneration for additional services of the Statutory Auditor and parties related to the Statutory Auditor amounts to 229 KEUR at the level of the Recticel Group.

The detail of these fees is included in the notes to VOL 6.18.2. in the statutory annual accounts as well as in the notes in the financial part of the consolidated annual report.

The annual fees of the statutory auditor amount to 356 KEUR, including domestic expenses and excluding IBR contribution, travel and accommodation expenses abroad and VAT.

## 2.2.4 Composition of the Board of Directors

Recticel's Board of Directors currently consists of eight members. There are eight non-executive directors, five of which are independent. OLIVIER CHAPELLE SRL/BV, represented by Mr. Olivier CHAPELLE, Managing Director, is the executive director.

The Managing Director represents the management and one director represents the reference shareholder.

With reference to the obligation to have at least 1/3 of the members of the Board of Directors of the opposite gender as provided by article 7:86 of the Belgian Companies' and Associations Code, the Board of Directors reviewed different options during the last years in order to increase the number of female members. At present, two out of the eight directors are women. As a result, the obligation of article 7:86 of the Belgian Companies' and Associations Code is complied with..

The following table provides an overview of the current members of Recticel's Board of Directors.

Name	Function	Type	Year of birth	Start of Mandate	End of Mandate	Primary Function outside of Recticel	Membership Committee
Johnny THIJIS <sup>1</sup>	Chairman	Independent	1952	2015	2022	President Electrabel, Hospital Logistics / Director Essers	AC / RC
Olivier CHAPELLE <sup>2</sup>	Managing Director	Executive	1964	2009	2022	Director Cofinimmo	MC
Ingrid MERCKX <sup>3</sup>	Director	Independent	1966	2012	2022	Independent Consultant for IMRADA BV and RODINA NV	AC
Luc MISSORTEN <sup>4</sup>	Director	Independent	1955	2015	2024	Director of GIMV, Director of Scandinavian Tobacco Group	AC / RC
Kurt PIERLOOT <sup>5</sup>	Director	Independent	1972	2015	2024	CEO Bleckmann	RC
Elisa VLERICK <sup>6</sup>	Director	Independent	1986	2019	2022	Partner at 9.5 Ventures VC fund, Executive director Vlerick Group.	
Filip BALCAEN <sup>7</sup>	Director	Non-executive	1960	9/3/22	2025	Executive Chairman of Baltisse NV	

<sup>(1)</sup> in his capacity as Permanent Representative of THIJS JOHNNY BV

<sup>(2)</sup> in his capacity as Permanent Representative of OLIVIER CHAPELLE SRL

<sup>(3)</sup> in her capacity as Permanent Representative of IMRADA BV

<sup>(4)</sup> in his capacity as Permanent Representative of LUBIS BV

<sup>(5)</sup> in his capacity as Permanent Representative of CARPE VALOREM BV

<sup>(6)</sup> in her capacity as Permanent Representative of MOROXCO BV

<sup>(7)</sup> from 9/3/2022 in his capacity as Permanent Representative of BALTISSE BV

AC = Audit Committee

RC = Remuneration & Nomination Committee

MC = Management Committee

#### Member of the Board of Directors of Recticel who resigned before the end of their mandate

Carla SINANIAN, Independent Director, from 2020 till 12/1/2022

Benoit DECKERS<sup>1</sup>, Non-executive, from 2015 till 23/2/2022, Member of the Audit Committee

Frédéric VAN GANSBERGHE<sup>2</sup>, Non-executive, from 2014 till 23/2/2022, Member of the Remuneration & Nomination Committee

<sup>1</sup> in his capacity as Permanent Representative of COMPAGNIE DU BOIS SAUVAGES SERVICES SA

<sup>2</sup> in his capacity as Permanent Representative of COMPAGNIE DU BOIS SAUVAGE NV

#### Amendments since the previous annual report – statutory appointments – presentation of new directors

As proposed by the Board of Directors and based upon the recommendation made by the Remuneration and Nomination committee, the following has been decided during the Ordinary General Meeting dated 25 May 2021 :

- Renewal of the mandate of THIJS JOHNNY BV, permanently represented by Mr. Johnny THIJIS, as non-executive and independent director for a new term of one year ending after the Ordinary General Meeting of 2022.

- Renewal of the mandate of COMPAGNIE DU BOIS SAUVAGE SERVICES NV, permanently represented by Mr. Benoit DECKERS, as a non-executive director for a new term of three years ending after the Ordinary General Meeting of 2024.

- Renewal of the mandate of COMPAGNIE DU BOIS SAUVAGE SA, permanently represented by Mr. Frédéric VAN GANSBERGHE, as non-executive director for a new term of three years ending after the Ordinary General Meeting of 2024.

- Renewal of the mandate of LUBIS BV, permanently represented by Mr. Luc MISSORTEN, as non-executive and independent director for a new term of three years ending after the Ordinary General Meeting of 2024.

- Renewal of the mandate of CARPE VALOREM BV, permanently represented by Mr. Kurt PIERLOOT, as non-executive and independent director for a new term of three years ending after the Ordinary General Meeting of 2024.

- Confirmation as independent director of THIJS JOHNNY BV, permanently represented by Mr. Johnny THIJS within the meaning of article 7:87 of the Companies and Associations Code. Both Mr. Johnny THIJS and THIJS JOHNNY BV meet all criteria as stated in article 7:87 of the Companies and Associations Code (as further elaborated in the field of functional, family and financial criteria as provided by principle 3.5. Of the Corporate Governance Code 2020).

- Confirmation as independent director of LUBIS BV, permanently represented by Mr. Luc MISSORTEN within the meaning of article 7:87 of the Companies and Associations Code. Both Mr. Luc MISSORTEN and LUBIS BV meet all the criteria as stated in article 7:87 of the Companies and Associations Code (as further elaborated in the field of functional, family and financial criteria as provided for by principle 3.5. Of Corporate Governance Code 2020).

- Confirmation as independent director of CARPE VALOREM BV, permanently represented by Mr. Kurt PIERLOOT, within the meaning of article 7:87 of the Companies and Associations Code. Both Mr. Kurt PIERLOOT and CARPE VALOREM BV meet all the criteria as stated in article 7:87 of the Companies and Associations Code (as further elaborated in the field of functional, family and financial criteria as provided for by principle 3.5. Of the Corporate Governance Code 2020).

- Acknowledgment and acceptance of the resignation of the Statutory Auditor DELOITTE Bedrijfsrevisoren, received by letter dated January 15, 2021 and based on the legal limitation of the number of years during which the same auditor can act pursuant to Article 41 of the EU Regulation No. 537/2014.

- Appointment as statutory auditor, on proposal of the audit committee, for a period of three years ending after the Ordinary General Meeting of 2024, of the civil company in the form of a cooperative company with limited liability "PWC Bedrijfsrevisoren", with registered office at Woluwe Garden, Woluwedal, 18, B-1932 Sint-Stevens-Woluwe", represented by Mr Marc DAELMAN, in order to audit the financial years ended December 31, 2021, 2022 and 2023.

The annual fees of the statutory auditor amount to EUR 356,065, including domestic expenses and excluding IBR contribution, travel and accommodation expenses abroad and VAT.

Upon advice of the Remuneration & Nomination Committee, the Board of Directors proposes at the Ordinary General Meeting of 31 May 2022 to approve the following:

- Renewal of the mandate of THIJS JOHNNY BV, permanently represented by Mr. Johnny THIJS, as non-executive and independent director for a new term of one year ending after the Ordinary General Meeting of 2023.

- Renewal of the mandate of OLIVIER CHAPELLE BV, permanently represented by Mr. Olivier CHAPELLE as executive director for a new term of three year ending after the Ordinary General Meeting of 2025.

- Renewal of the mandate of MOROXCO BV, permanently represented by Ms Elisa VLERICK, as non-executive and independent director for a new term of three year ending after the Ordinary General Meeting of 2025.

- Renewal of the mandate of IMRADA BV, permanently represented by Ms Ingrid MERCKX, as non-executive and independent director for a new term of three year ending after the Ordinary General Meeting of 2025.

- Acceptation of the resignation of Ms Carla SINANIAN as non-executive and independent director, with effect on 12 January 2022. It was decided not to replace her.

- Acceptation of the resignation of COMPAGNIE DU BOIS SAUVAGE S.A., permanently represented by Mr. Frédéric VAN GANSBERGHE, as non-executive director, with effect on 23 February 2022. In accordance with article 18 of the articles of association, COMPAGNIE DU BOIS SAUVAGE NV will be replaced by BALTISSE NV, permanently represented by Filip BALCAEN, as from March 9, 2022.

- Acceptation of the resignation of COMPAGNIE DU BOIS SAUVAGE SERVICES S.A., permanently represented by Mr. Benoit DECKERS, as non-executive director, with effect on 23 February 2022. It was decided not to replace it.

- Confirmation of the appointment of BALTISSE N.V., permanently represented by Mr. Filip BALCAEN as non-executive director for a term of three year ending after the Ordinary General Meeting of 2025.

- Confirmation as independent director of THIJS JOHNNY BV, permanently represented by Mr. Johnny THIJS within the meaning of article 7:87 of the Companies and Associations Code. Both Mr. Johnny THIJS and THIJS JOHNNY BV meet all criteria as stated in article 7:87 of the Companies and Associations Code (as further elaborated in the field of functional, family and financial criteria as provided by principle 3.5. Of the Corporate Governance Code 2020).

- Confirmation as independent director of MOROXCO BV, permanently represented by Ms. Elisa VLERICK within the meaning of article 7:87 of the Companies and Associations Code. Both Ms. Elisa VLERICK and MOROXCO BV meet all the criteria as stated in article 7:87 of the Companies and Associations Code (as further elaborated in the field of functional, family and financial criteria as provided for by principle 3.5. Of Corporate Governance Code 2020).

- Confirmation as independent director of IMRADA BV, permanently represented by Ms. Ingrid MERCKX within the meaning of article 7:87 of the Companies and Associations Code. Both Ms. Ingrid MERCKX and IMRADA BV meet all the criteria as stated in article 7:87 of the Companies and Associations Code (as further elaborated in the field of functional, family and financial criteria as provided for by principle 3.5. Of Corporate Governance Code 2020).

### Functioning of the Board of Directors

The Board of Directors gathered a total of 10 times in 2021. One meeting handled mainly the 2021 budget and two meetings handled the establishment of the annual accounts as per 31 December 2020 and the mid-year accounts as per 30 June 2021.

Each meeting also addressed the state of affairs per business line and the most important current acquisition and/or divestment files. Other subjects (human resources, external communication, litigations and legal issues, delegations of authority and such) are discussed as and when necessary.

The written decision procedure was not applied in 2021.

Mr. Dirk VERBRUGGEN, Chief Financial & Legal Officer (representing Roffoelkin BV), acts as Secretary of the Board of Directors.

The individual attendance rate of the directors at the meetings in 2021 was :

Name	Attendance Rate in 2021
Johnny THUIS	10/10
Olivier CHAPELLE	10/10
Benoit DECKERS <sup>1</sup>	8/10
Ingrid MERCKX	10/10
Luc MISSORTEN	10/10
Kurt PIERLOOT	10/10
Frédéric VAN GANSBERGHE <sup>2</sup>	7/10
Elisa VLERICK	10/10
Carla SINANIAN <sup>3</sup>	10/10

<sup>1</sup> until 23/2/2022 in his capacity as Permanent Representative of Compagnie du Bois Sauvage Services SA

<sup>2</sup> until 23/2/2022 in his capacity as Permanent Representative of Compagnie du Bois Sauvage SA

<sup>3</sup> Until 12/1/2022

The Board of Directors organises a self-assessment of its functioning as well as an assessment of its interaction with the members of the Management committee on a regular basis. Such self-assessment starts through a questionnaire to be remitted to and completed by each individual director. The results of the questionnaire are then be discussed and further analysed during a subsequent meeting of the Board of Directors. The last assessment took place in the middle of the year 2017. The individual assessment of the directors is done by the Remuneration and Nomination Committee. A formal assessment by an external partner was scheduled for 2020 but has not yet been completed due to circumstances and is still ongoing today; the Board of Directors is of the opinion that this deviation from 9.1. of the 2020 Corporate Governance Code does not pose any particular problems.

## 2.2.5 Committees set up by the Board of Directors

### 2.2.5.1 The Audit committee

In accordance with article 7:99 of the Belgian Companies and Associations Code, the audit committee supervises amongst others the financial reporting process, the effectiveness of the internal control and risk management systems of the company, the internal audit, the statutory control of the annual accounts and the consolidated accounts, and the Auditor's independence. The Audit committee's terms of reference are included in the Corporate Governance Charter that also describes more in detail the tasks of the Audit Committee.

The Audit committee currently consists of four members. All members are non-executive directors and three members, one of which is the Chairman, are independent directors in the sense of article 7:87,§1 of the Belgian Companies and Associations Code iuncto principle 3.5 of the Corporate Governance Code 2020.

Mr. Dirk VERBRUGGEN, Chief Financial & Legal Officer (representing Roffoelkin BV), acts as Secretary of the Audit committee.

The composition of the Audit committee complies with the stipulations of Recticel NV's articles of association and the relevant provisions of the Belgian Companies and Associations Code.

In accordance with Article 7: 100 Belgian Companies and Associations Code, Recticel declares that the Chairman of the Audit Committee, Mr Luc MISSORTEN, has the necessary expertise in the field of accounting and auditing. The chairman and other members of the Audit Committee also have collective expertise in the area of the Company's activities.

The following table contains the members of the Audit committee during the financial year 2021 to date.

Name	Function	Attendance Rate in 2021
Luc MISSORTEN <sup>1</sup>	Chairman	5/5
Johnny THIJIS <sup>2</sup>	Member	5/5
Ingrid MERCKX <sup>3</sup>	Member	5/5
Benoit DECKERS <sup>4</sup>	Member	5/5

<sup>(1)</sup> In his capacity as Permanent Representative of LUBIS BV

<sup>(2)</sup> In his capacity as Permanent Representative of THIJIS JOHNNY BV

<sup>(3)</sup> In her capacity as Permanent Representative of IMRADA BV

<sup>(4)</sup> until 23/2/2022 in his capacity as Permanent Representative of COMPAGNIE DU BOIS SAUVAGES SERVICES SA

The Audit committee convened five times in 2021. Two meetings were devoted primarily to the audit of the annual accounts per 31 December 2020 and the interim accounts per 30 June 2021. All meetings also focus on the internal audit program, risk management, compliance, taxation and IFRS related accounting questions. There was at least two times a meeting with the statutory auditor and the person responsible for internal audit.

The Audit Committee conducts regularly an informal self-assessment of its functioning during one of its meetings and reserves the necessary time to discuss and analyse the same. In the beginning of 2017, a formal assessment was conducted. A formal assessment by an external partner was scheduled for 2020 but has not yet been completed due to circumstances and is still ongoing today; the Board of Directors is of the opinion that this deviation from 9.1. of the 2020 Corporate Governance Code does not pose any particular problems.

### 2.2.5.2 The Remuneration and Nomination Committee

The Remuneration and Nomination Committee makes proposals to the Board of Directors regarding the remuneration policy and the individual remuneration of directors and members of the Management committee and prepares and explains the remuneration report at the Ordinary General Meeting. They also make the necessary proposals regarding the evaluation and re-appointment of directors as well as the appointment and induction of new

directors. The terms of reference of the Remuneration and Nomination Committee are included in Recticel's Corporate Governance Charter.

The Remuneration and Nomination Committee consists of four members, all non-executive directors, of which three are independent directors.

Mr. Dirk VERBRUGGEN, Chief Financial & Legal Officer (representing Roffoelkin BV), fulfils the role of secretary of the Remuneration and Nomination Committee.

The composition of the Remuneration and Nomination committee meets the requirements with respect to the Belgian Companies and Associations Code, as well as the requirements of the Corporate Governance Code 2020.

The committee is composed as follows:

Name	Function	Attendance Rate in 2021
Johnny THIJS <sup>1</sup>	Chairman	2/2
Kurt PIERLOOT <sup>2</sup>	Member	2/2
Frédéric VAN GANSBERGHE <sup>3</sup>	Member	2/2
Luc MISSORTEN <sup>4</sup>	Member	2/2

<sup>(1)</sup> in his capacity as Permanent Representative of THIJS JOHNNY BV

<sup>(2)</sup> in his capacity as Permanent Representative of CARPE VALOREM BV

<sup>(4)</sup> until 23/2/2022 in his capacity as Permanent Representative of COMPAGNIE DU BOIS SAUVAGE SA

<sup>(4)</sup> in his capacity as Permanent Representative of LUBIS BV

In accordance with the article 7:100 of the Belgian Companies and Associations Code, Recticel declares that the Remuneration and Nomination committee possesses the necessary expertise in the area of remuneration policy.

The Remuneration and Nomination committee convened two times in 2021.

These meetings dealt with the fixed and variable remuneration of the executive management as well as with the election and re-election of directors. The CEO was present at the discussion about the remuneration of the other members of the executive management.

The Remuneration and Nomination Committee conducts regularly an informal self-assessment of its functioning during one of its meetings and reserves the necessary time to discuss and analyse the same. A formal assessment by an external partner was scheduled for 2020 but has not yet been completed due to circumstances and is still ongoing today; the Board of Directors is of the opinion that this deviation from 9.1. of the 2020 Corporate Governance Code does not pose any particular problems.

### 2.2.5.3 The Strategy committees

There were seven ad hoc strategy committees in 2021 following the unsolicited takeover bid by Greiner AG.

These meetings dealt primarily with the in depth analysis of the Greiner bid, the effects on the business, the effects on the future of the company and possible alternatives to counter the Greiner bid and ensure a future in the best interest of the company

Mr. Dirk VERBRUGGEN, Chief Financial & Legal Officer (representing Roffoelkin BV), fulfils the role of secretary of the Remuneration and Nomination Committee.

Regarding a possible conflict of interest on the part of the directors affiliated with Compagnie du Bois Sauvage SA the Strategy committee was formed by all independent members of the Board of Directors and without Olivier Chapelle:



Name	Function	Attendance Rate in 2021
Johnny THIJS <sup>1</sup>	Chairman	7/7
Luc MISSORTEN <sup>2</sup>	Member	7/7
Kurt PIERLOOT <sup>3</sup>	Member	7/7
Ingrid MERCKX <sup>4</sup>	Member	7/7
Elisa VLERICK <sup>5</sup>	Member	7/7
Carla SINANIAN <sup>6</sup>	Member	7/7

<sup>(1)</sup> in his capacity as Permanent Representative of THIJS JOHNNY BV

<sup>(2)</sup> in his capacity as Permanent Representative of LUBIS BV

<sup>(3)</sup> in his capacity as Permanent Representative of CARPE VALOREM BV

<sup>(4)</sup> in her capacity as Permanent Representative of IMRADA BV

<sup>(5)</sup> in her capacity as Permanent Representative of MOROXCO BV

<sup>(6)</sup> until 12/1/2022

## 2.2.6 The Executive management

The Board of Directors has entrusted the day-to-day management of the company to its Managing Director and Chief Executive Officer, "OLIVIER CHAPELLE" SRL/BV, located in 1180 Brussels, Avenue de la Sapinière 28, represented by its General Manager and permanent representative, Mr. Olivier CHAPELLE.

The Managing Director is assisted by the Management committee, of which the members (for the period 2021 to present) are indicated in the following list:

Name	Function
Olivier CHAPELLE <sup>1</sup>	Chief Executive Officer
Ralf BECKER	Group General Manager Insulation
Betty BOGAERT	Chief Information and Digitalisation Officer
Jean-Pierre DE KESEL <sup>2</sup>	Chief Sustainable Innovation Officer
François DESNÉ	Group General Manager Engineered Foams
Rob NIJSKENS	Chief Human Resources Officer
François PETIT <sup>3</sup>	Chief Procurement Officer
Jean-Pierre MELLEEN <sup>4</sup>	
Dirk VERBRUGGEN <sup>5-6-7</sup>	Chief Financial & Legal Officer

<sup>(1)</sup> In his capacity as permanent representative of OLIVIER CHAPELLE SRL

<sup>(2)</sup> until 31/3/2022 in his capacity as permanent representative of SUSTAINALOGIC BV

<sup>(3)</sup> until 31/3/2022

<sup>(4)</sup> until 31/8/2021 Chief Financial Officer and until 31/12/2021 Member of the Management Committee

<sup>(5)</sup> from 1/4/2021 in his capacity as permanent representative of ROFFOELKIN BV

<sup>(6)</sup> until 31/8/2021 General Counsel & General Secretary

<sup>(7)</sup> from 1/9/2021 Chief Financial & Legal Officer

On 31 August 2021 Mr. Jean-Pierre Mellen resigned as the Chief Financial Officer to be succeeded by Mr. Dirk Verbruggen (in his capacity as the permanent representative of ROFFOELKIN BV) on 1<sup>st</sup> September 2021 who will act in the capacity of Chief Financial & Legal Officer from this date on. Mr. Jean-Pierre Mellen remains a member of the management committee until 31 December 2021 and will remain to provide support for special assignments until August 2022.

On 1<sup>st</sup> March 2021 Rob Nijskens took over as the Chief HR Officer from Bart Massant.

The Management committee has an advisory role vis-à-vis the Board of Directors as a whole and is not an executive committee in the sense of article 7:104 of the Belgian Companies and Associations Code.

## 2.2.7 Remuneration report for financial year 2021

### 2.2.7.1 Introduction

#### a) 2021 business results

- The year 2021 delivered very positive sales and profitability developments. The Net sales increased by 67% from EUR 616.9 million to 1,032.8 million, thanks to the contribution of Foam Partner and also strong organic growth. The Adjusted EBITDA increased by 145.9%, from EUR 44.4 million to 109.2 million.
- The Insulation and Engineered Foams businesses performed very well in a very volatile environment. Pricing was continuously adapted to incorporate the tight supply of raw materials and the increase of other costs such as transportation, labour and energy.
- Moreover, lockdowns or mobility restrictions in countries such as Germany, the Netherlands and Austria, coupled with direct or indirect supply chain shortages (microchips) have added further challenges to the business environment.
- Major organisational changes took place in the course of the year: the foreseen acquisition and the integration of FoamPartner, the planned divestment of the Bedding activities, and the divestment of the Engineered Foams business segment following the unsolicited takeover bid by Greiner AG.

#### b) 2021 remuneration outcomes

- The remuneration levels reflect the solid profitability and free cash flow levels of Recticel in 2021, together with the successful implementation of the foreseen organisational changes such as the acquisition and integration of Foam Partner, and the divestment of the Bedding division.
- Annual bonus awards  
In accordance with our policy, Group Consolidated Net Cash Flow before dividends and Adjusted EBITDA are key drivers to determine the level of the annual bonus awards.
  - The level of Consolidated Net Cash Flow reached by the Group generated a pay out at the maximum (125% of the pay out opportunity).
  - The level of Group Adjusted EBITDA was above target and generated a pay out of 125% of the pay out opportunity. For the Business Lines Bedding, the level of Adjusted EBITDA that was achieved did not trigger a bonus pay out. For Engineered Foams and Insulation, the pay out is 99.5% and 125% respectively.

Further details are provided in the “STI” section of this report.

- Stock options - The 2017 stock option grant vested on January 1, 2021. Another grant was made in May 2021 at a strike price of EUR 12.44.
- Management Committee membership – On 1<sup>st</sup> September 2021, Dirk Verbruggen was appointed Chief Financial Officer and Chief Legal Officer, in replacement of Jean-Pierre Mellen. On 1<sup>st</sup> March 2021, Rob Nijskens took over from Bart Massant as Chief HR Officer.

#### c) Shareholder engagement

The Annual General Meeting held on 25<sup>th</sup> May 2021 approved the 2020 remuneration report with 73.37% of shareholder votes.

In establishing its remuneration policy and its future revisions, Recticel endeavours to take into account the votes and views of the shareholders. Recticel is committed to an open and transparent dialogue with its shareholders on remuneration as well as other governance matters.

#### d) Looking ahead

Considering the strategic reorientation of the Group and the foreseen divestments of the Bedding and Engineered Foams Divisions, the Board of Directors, upon recommendation of the Remuneration and

Nomination Committee, decided to adjust the performance criteria to award bonuses for performance year 2022.

For Group General Managers, the Group Net Cash Flow will be replaced by the Free Cash Flow of their respective Division. For the other members of the Management Committee, it will be replaced by the Free Cash Flow of the Insulation Division, and the Group Adjusted EBITDA will be replaced by the Adjusted EBITDA of the Insulation Division.

In addition, in order to further embed the deployment of our sustainability strategy across the organization, the bonus award will also depend on the accomplishment of an ESG objective that will be determined for each division.

## 2.2.7.2 Our Remuneration Policy at a glance

The remuneration policy was reviewed and validated by the Remuneration Committee on February 25, 2019 and approved by the Board of Directors on February 27, 2019. The policy was adopted during the General Meeting of Shareholders on May 28, 2019 and became effective as of January 1, 2019. It is available for consultation on the [company website](#). The contents of the policy were established following the requirements of the Shareholder Rights Directive, the Belgian Companies and Associations Code and the new Corporate Governance Code 2020.

### a) Directors

Per policy terms, Directors receive a fixed fee / retainer and an attendance fee, whereas Committee Members receive attendance fees.

Directors	Board		Committee	
	Chair	Member	Chair	Member
Fixed Fee	€ 30,000	€ 15,000	N/A	N/A
Attendance fee	€ 5,000	€ 2,500	€ 5,000	€ 2,500

In accordance with the policy, Non-Executive Board Members do not receive variable and/ or equity-related remuneration as referred to under principle 7.6. of the Corporate Governance Code 2020. Recticel considers that the Corporate Governance Code's goals of promoting the achievement of strategic objectives in accordance with the company's risk appetite and behavioural norms and promoting sustainable value creation are better served by remunerating the non-executive directors entirely in cash to avoid any conflicts of interest and guarantee their complete financial independence.

Non-Executive Board Members are not entitled to receive benefits. Expenses incurred when travelling abroad will be arranged for by Recticel directly.

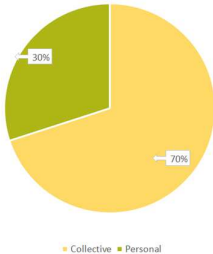
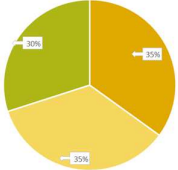
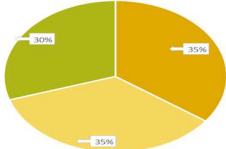
Executive Directors are remunerated in accordance with the remuneration policy for the members of the Management Committee and any director fees paid to the Executive Directors are deducted from the remuneration received as a member of the Management Committee.

The level and structure of remuneration paid to the Directors is regularly assessed against "BEL Mid" market practice.

### b) Management Committee

The level as well as the structure of the remuneration of the Management Committee members is reviewed annually by the Remuneration and Nomination Committee, which consequently presents a proposal to the Board of Directors for approval. When determining the remuneration levels for the members of the Management Committee, Recticel considers a Belgian frame of reference comprising companies similar in size (as compared on the basis of revenues) and exclusive of the Financial Sector. The objective is to establish target remuneration levels that, as a general rule, are at or around the median market level and this as far as the performance of the Company can afford it.

The total remuneration package of the Management Committee members consists of the following elements.

Element	Operation and performance criteria
Base Pay	Individual's role, experience, performance and market practice are considered when determining salary levels. Any director fees paid to the Executive Directors are deducted from the remuneration received as a member of the Management Committee.
Other Benefits	The Management Committee Members receive benefits in line with Recticel's remuneration policy, including hospitalization, disability coverage and a company car. Members operating through a management company do not receive perquisites and benefits, though certain costs may be invoiced separately.
One-Year Variable (STI)	<p><b>Operation:</b></p> <ul style="list-style-type: none"> <li>- For threshold performance: the bonus pay-out will be nil.</li> <li>- For target performance: the bonus pay-out will be 75% of base pay for the CEO and 37.5% for the other Management Committee members.</li> <li>- For maximum performance: the bonus pay-out will be 117.5% of base pay for the CEO. For the other Management Committee members, it is 58.00% or 58.75% depending on whether they head a Business Line or a Function</li> <li>- No deferral policy is applicable.</li> </ul> <p><b>Performance criteria:</b></p> <p>The annual bonus is linked to both collective targets (both at group and divisional level, the latter only for positions with a divisional scope) and personal targets. Collective objectives are all quantitative and financially driven (e.g. Net Cash Flow, Adjusted EBITDA, ...). Personal objectives include at least one target related to sustainable development.</p> <p>For performance year 2021, the Board of Directors decided that the same performance criteria as the ones used in 2020 (Group Consolidated Net Cash Flow before dividends, and Group and Business Line Adjusted EBITDA) must be used in the same proportions to award bonuses.</p> <div style="text-align: center;"> <p>CEO &amp; Other Members of the Management Committee</p>  <p>Legend: Collective (Yellow), Personal (Green)</p> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;"> <p>Group General Managers</p>  <p>Legend: Combined Group Net Cash Flow (Yellow), Business Line Adjusted EBITDA (Green), Personal objectives (Orange)</p> </div> <div style="text-align: center;"> <p>Other Management Committee Members</p>  <p>Legend: Combined Group Net Cash Flow (Yellow), Group Adjusted EBITDA (Green), Personal objectives (Orange)</p> </div> </div> <p>Article 7:91 of the Belgian Companies and Associations Code prescribes the need to spread variable remuneration payments over a three year period in case certain thresholds are passed. The 25% threshold was passed in the case of the Managing Director and CEO, Olivier Chapelle SRL, represented by Olivier Chapelle. Hence the Board of Directors proposed to the 2021 General Shareholder meeting to approve a deviation from the said rule in line with the possibility offered by the legislation. This proposal was approved during the 2021 General Shareholders' meeting.</p>
Multi-Year Variable (LTI)	The long-term incentive plan is granted by means of stock options. Options granted in 2021 cannot be exercised before 1 <sup>st</sup> January 2025, nor can they be exercised later than 11th May 2028.
Dismissal period or severance pay	On termination of the employment of a member of the Management Committee by the company, Recticel will apply a notice of 12 months, unless other applicable legal mandatory provisions require to apply a higher number of months.

Pension	Members of the Management Committee employed in Belgium before 2003 are included in the Recticel Group Defined Benefit Plan, members hired externally since 2003 are included in the Recticel Group Defined Contribution Plan.
Contract	The CEO and two other members of the Management Committee provide services through a management company.
Clawback	No clawback provisions are in place for the annual bonus plan, in deviation of principle 7.12 of the Corporate Governance Code 2020. Recticel considers that based on general principles of law, the company can recover payments (1) if they were undue or (2) in case of fraud. The company does not wish to renegotiate existing agreements with Management Committee members to provide for additional clawback possibilities.
Shareholding guidelines	The members of the Management Committee are encouraged to build stock ownership in the company up to an amount equivalent to 50% of their annual gross base pay over a period of 5 years, preferably by keeping part of the stocks that they purchase under the existing stock option plan.

On 1<sup>st</sup> March 2021, Rob Nijskens joined the Management Committee as Chief HR Officer. Rob Nijskens is employed in the Netherlands. His terms and conditions follow the above policy but in the case of the pension and the other benefits which follow the standards of Recticel in the Netherlands.

### 2.2.7.3 Remuneration of the Non-Executive Directors

The following table sets out the total remuneration for each Non-Executive Director in 2021, in EUR.

Name of Director	Fixed Fee	Attendance Fees
THIJS JOHNNY BV, represented by Johnny THIJS	30,000	95,000
OLIVIER CHAPELLE SRL, represented by Olivier CHAPELLE	15,000	22,500
COMPAGNIE DU BOIS SAUVAGE SERVICES SA, represented by Benoit DECKERS <sup>1</sup>	15,000	27,500
COMPAGNIE DU BOIS SAUVAGE SA, represented by Frédéric VAN GANSBERGHE <sup>2</sup>	15,000	20,000
IMRADA BV, represented by Ingrid MERCKX	15,000	47,500
CARPE VALOREM BV, represented by Kurt PIERLOOT	15,000	42,500
MOROXCO BV, represented by Elisa VLERICK	15,000	37,500
LUBIS BV, represented by Luc MISSORTEN	15,000	62,500
Carla SINANIAN <sup>3</sup>	15,000	37,500

**Notes:**

<sup>1</sup> Until 23/2/2022 in his capacity as Permanent Representative of COMPAGNIE DU BOIS SAUVAGES SERVICES SA.

<sup>2</sup> Until 23/2/2022 in his capacity as Permanent Representative of COMPAGNIE DU BOIS SAUVAGE NV.

<sup>3</sup> Until 12/1/2022

### 2.2.7.4 Remuneration of the Management Committee Members

#### a) Total Remuneration

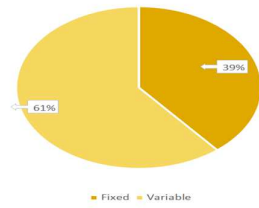
An overview of the total remuneration of the CEO and the other members of the Management Committee in 2021 can be found in the table below.

Incumbent name	1 – Fixed Remuneration		2 – Variable Remuneration		3 – Extraordinary items	4 – Pension Expense	5 – Total Remuneration (1+2+3+4)	Proportion of fixed and variable remuneration	
	Base Pay	Other Benefits	One-Year Variable	Multi-Year Variable				Fixed (1+4)/(5-3)	Variable (2)/(5-3)
OLIVIER CHAPELLE SRL represented by Olivier CHAPELLE (CEO) <sup>1</sup>	€ 590,000	€ 965	€ 693,250	€ 223,200	NA	NA	€ 1,507,415	39%	61%
Other Members of the Management Committee	€ 2,292,656	€ 184,801	€ 1,176,478	€ 651,000	NA	€ 217,540	€ 4,522,475	60%	40%

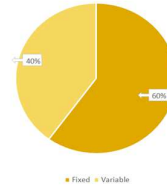
<sup>1</sup> Only the CEO receives fees as Executive Director. These are deducted from the base pay. Fees therefore are not presented in a separate column in the table above.

<sup>2</sup> The table includes Jean-Pierre Mellen as CFO until 31st August 2021, Dirk Verbruggen as Chief Financial & Legal Officer as of 1st September 2021, Bart Massant as CHRO until 28th February 2021 and Rob Nijskens as CHRO as of 1st March 2021.

Proportion of fixed and variable remuneration - CEO



Proportion of fixed and variable remuneration - Other Member



**b) Fixed remuneration**

Base pay	+	Other Benefits
<i>Fixed Remuneration</i>		

## Base pay

The table below shows the base pay actually paid in 2021 to the CEO and the other members of the Management Committee and how it compares to 2020.

Incumbent Name	2021	2020 without pay cut <sup>3</sup>	2021 vs. 2020	2020 with pay cut <sup>3</sup>
OLIVIER CHAPELLE SRL represented by Olivier CHAPELLE (CEO and Group General Manager Bedding) <sup>1</sup>	€ 590,000	€ 570,000	103.5%	€ 529,095
Other Members of the Management Committee	€ 2,292,656	€ 2,229,551	102.8%	€ 2,073,116

<sup>1</sup> The base pay levels for OLIVIER CHAPELLE SRL include the fees received as a Member of the Board of Directors (EUR 37,500 in 2021).

<sup>2</sup> The table includes Jean-Pierre Mellen as CFO until 31st August 2021, Dirk Verbruggen as Chief Financial & Legal Officer as of 1st September 2021, Bart Massant as CHRO until 28th February 2021 and Rob Nijskens as CHRO as of 1st March 2021.

<sup>3</sup> While a large part of the workforce was impacted by the system of temporary unemployment due to the Covid pandemic, Recticel implemented a pay cut of 30% for the members of its Management Committee during the second quarter of 2021.

## Other benefits

The amounts mentioned in the column “Other benefits” in the total remuneration table in section 2.1.7.4. a) relate to the following benefits: insurances (death, disability, medical), company car (leasing costs), fuel costs, mobile phone costs and schooling costs, and exclude pension.

### c) Variable Remuneration

One-year variable	+	Multi-year variable
<i>Variable Remuneration</i>		

## STI (“One-Year Variable”)

### 2021 Performance against Targets.

The achievement of the performance targets was measured during a period of time that started on 1<sup>st</sup> January 2021 and ended on 31<sup>st</sup> December 2021. As per our remuneration policy, the evaluation of the CEO’s performance was done by the Remuneration and Nomination Committee on the basis of audited company results before presenting a proposal to the Board of Directors. The evaluation of the other Management Committee members was done by the CEO on the basis of audited company results, who then discusses this with the Remuneration and Nomination Committee before presenting a proposal to the Board of Directors.

### STI pay out for the performance year 2021

Beneficiary	STI Objectives	% Weight	Actual Pay Out (% base salary)	Actual Amount	
CEO	Collective Objectives	Group Consolidated Net Cash Flow before dividends	35.00%	43.75%	€ 258,125
		Adjusted EBITDA (Group)	35.00%	43.75%	€ 258,125
		Personal objectives	30.00%	30.00%	€ 177,000
		Total	100.00%	117.5%	€ 693,250
Other members of the Management Committee	Collective Objectives	Group Consolidated Net Cash Flow before dividends	35.00%	21.88%	€ 462,865
		Adjusted EBITDA (Business Line or Group, depending on role)	35.00%	21.32%	€ 447,823
		Personal objectives	30.00%	12.70%	€ 265,790
		Total	100.00%	55.90%	€ 1,176,478

## LTI ("Multi-Year Variable")

### (i) Grant made in 2021

The theoretical value of the options at grant is calculated by applying the Black & Scholes formula, taking into account certain assumptions regarding dividend payment (dividend yield: 1.48%, interest rate: 0.00001%, and volatility 34%). For the grant in May 2021, the value amounted to EUR 2.29/warrant.

Name of Director (position)	Number of options granted	Strike Price	Total Theoretical Value at Grant
OLIVIER CHAPELLE (Chief Executive Officer & Group General Manager Bedding)	120,000	€ 12.44	€ 274,800
Ralf BECKER (Group General Manager Insulation)	30,000	€ 12.44	€ 68,700
François DESNE (Group General Manager Engineered Foams)	30,000	€ 12.44	€ 68,700
Betty BOGAERT (Chief Information & Digitalisation Officer)	30,000	€ 12.44	€ 68,700
Jean-Pierre DE KESEL (Chief Sustainable Innovation Officer)	30,000	€ 12.44	€ 68,700
Jean-Pierre MELLEEN (Chief Financial Officer) <sup>1</sup>	30,000	€ 12.44	€ 68,700
Rob NIJSKENS (Chief Human Resources Officer) <sup>2</sup>	30,000	€ 12.44	€ 68,700
François PETIT (Chief Procurement Officer)	30,000	€ 12.44	€ 68,700
Dirk VERBRUGGEN (Chief Financial & Legal Officer)	30,000	€ 12.44	€ 68,700

<sup>1</sup> Member of the Management Committee until 31st August 2021.

<sup>2</sup> Member of the Management Committee as of 1st March 2021.

### (ii) 2021 Vesting

The following stock options, relating to the April 2017 grant, vested on January 1st, 2021.

Name of Director (position)	Number of options vested	Strike Price	Share Price at Vesting	Value at Vesting
OLIVIER CHAPELLE (Chief Executive Officer & Group General Manager Bedding)	60,000	€ 7.00	€ 10.72	€ 643,200
Ralf BECKER (Group General Manager Insulation)	25,000	€ 7.00	€ 10.72	€ 268,000
Betty BOGAERT (Chief Information & Digitalisation Officer)	25,000	€ 7.00	€ 10.72	€ 268,000
Jean-Pierre DE KESEL (Chief Sustainable Innovation Officer)	25,000	€ 7.00	€ 10.72	€ 268,000
François DESNE (Group General Manager Engineered Foams)	25,000	€ 7.00	€ 10.72	€ 268,000
Bart MASSANT (Chief Human Resources Officer)	25,000	€ 7.00	€ 10.72	€ 268,000
Jean-Pierre MELLEEN (Chief Financial Officer) <sup>1</sup>	25,000	€ 7.00	€ 10.72	€ 268,000
Dirk VERBRUGGEN (Chief Financial & Legal Officer)	25,000	€ 7.00	€ 10.72	€ 268,000

<sup>1</sup> Member of the Management Committee until 31st August 2021.

Note: Rob Nijskens was appointed as Chief Human Resources Officer on 1st March 2021. No stock option grant was made to him in 2017 and no options vested in 2021.

Rob Nijskens was appointed as Chief Human Resources Officer on 1st March 2021. No stock option grant was made to him in 2017 and no options vested in 2021.

### d) Extraordinary items

There are no extraordinary items to be reported in 2021.

### e) Pension expenses

Name of Director (position)	Pension expense
-----------------------------	-----------------



OLIVIER CHAPELLE SRL, represented by Mr. Olivier CHAPELLE, Chief Executive Officer	Included in fee
Other Members of the Management Committee	€ 217,540

For Members of the Management Committee other than the CEO, Recticel reports the actual contributions paid into the plan for DC plan beneficiaries. For DB plan beneficiaries, Recticel reports the service cost as the plan is a collective plan.

#### f) Additional disclosure

- Recticel did not apply any clawback provisions during the year under review.
- The level of shareholding of the non-executive directors on 31st December 2021 is displayed in the table below.

#### Level of shareholding of the non-executive directors.

Director	Number of shares
Johnny Thijs	22,949
Olivier Chapelle	272,598
Benoit Deckers	2,700
Compagnie du Bois Sauvage	15,094,410
Ingrid Merckx	0
Luc Missorten	0
Kurt Pierloot	0
Frédéric Van Gansberghe	0
Elisa Vlerick	0

- The following table shows the level of shareholding of the CEO and the other members of the Management Committee. It shows that the actual level of shareholding of the CEO and of the other Members of the Management Committee is higher than the policy requirement.

#### Level of shareholding of the management committee members

Shareholdership	Number of shares held on 31 December 2021	Value of the stock on 31st Dec 2021	Total value of shares held	Actual level of shareholding (% base pay)	Target level of shareholding (% base pay)
CEO	272,598	€ 17.52	€ 4,775,917	809%	50%
Other Management Committee Members	152,842	€ 17.52	€ 2,677,792	133% on average	50%

The fulfilment of the shareholding guideline by the CEO and each Other Management Committee Member is determined by comparing the value of the number of shares held on 31st December 2021 to 50% of their annual base pay on 31st December 2021. The value of the shares held is obtained by multiplying the number of shares held on 31<sup>st</sup> Dec 2021 by the closing price of the stock on that date (€ 17.52).

## 2.2.7.5 Share-based remuneration

The tables below detail the opening and closing balance, as well as movements during the year in terms of share-based remuneration for each of the Management Committee Members. In line with the information presented in previous tables, shares have been valued at fair value at grant and at market value at vesting.

Incumbent Name	Main conditions of the share option plans					Information regarding the reported financial year								
						Opening Balance	During the year				Closing Balance			
	Specification of the plan	Award date	Vesting date	Exercise period	Strike price of the option	Share options outstanding at the beginning of the year	Share options awarded		Share options vested		Share options exercised	Share options awarded and unvested	Share options vested but unexercised	
						Number	Value	Number	Value					
OLIVIER CHAPELLE (Chief Executive Officer & Group General Manager Bedding)	2016 grant	4/29/2016 12:00:00 AM	1/1/2020 12:00:00 AM	1/01/2020 – 28/04/2025	€ 5.73	445,000								
	2017 grant	6/30/2017 12:00:00 AM	1/1/2021 12:00:00 AM	1/01/2021 – 29/06/2024	€ 7.00				60,000					
	2018 grant	4/25/2018 12:00:00 AM	1/1/2022 12:00:00 AM	1/01/2022 – 24/04/2025	€ 10.21									
	2019 grant	6/28/2019 12:00:00 AM	1/1/2023 12:00:00 AM	1/01/2023 – 27/06/2026	€ 7.90									
	2020 grant	3/3/2020 12:00:00 AM	1/1/2024 12:00:00 AM	1/01/2024 – 2/03/2027	€ 6.70									
	2021 grant	5/12/2021 12:00:00 AM	1/1/2025 12:00:00 AM	1/01/2025 – 11/05/2028	€ 12.44		120,000						460,000	105,000
Ralf BECKER (Group General Manager Insulation)	2016 grant	4/29/2016 12:00:00 AM	1/1/2020 12:00:00 AM	1/01/2020 – 28/04/2025	€ 5.73	125,000								
	2017 grant	6/30/2017 12:00:00 AM	1/1/2021 12:00:00 AM	1/01/2021 – 29/06/2024	€ 7.00				25,000					
	2018 grant	4/25/2018 12:00:00 AM	1/1/2022 12:00:00 AM	1/01/2022 – 24/04/2025	€ 10.21									
	2019 grant	6/28/2019 12:00:00 AM	1/1/2023 12:00:00 AM	1/01/2023 – 27/06/2026	€ 7.90									
	2020 grant	3/3/2020 12:00:00 AM	1/1/2024 12:00:00 AM	1/01/2024 – 2/03/2027	€ 6.70									
	2021 grant	5/12/2021 12:00:00 AM	1/1/2025 12:00:00 AM	1/01/2025 – 11/05/2028	€ 12.44		30,000						115,000	40,000
	2017 grant	6/30/2017 12:00:00 AM	1/1/2021 12:00:00 AM	1/01/2021 – 29/06/2024	€ 7.00			25,000						
François DESNÉ (Group General Manager Engineered Foams)	2018 grant	4/25/2018 12:00:00 AM	1/1/2022 12:00:00 AM	1/01/2022 – 24/04/2025	€ 10.21	110,000								
	2019 grant	6/28/2019 12:00:00 AM	1/1/2023 12:00:00 AM	1/01/2023 – 27/06/2026	€ 7.90									
	2020 grant	3/3/2020 12:00:00 AM	1/1/2024 12:00:00 AM	1/01/2024 – 2/03/2027	€ 6.70								-	
	2021 grant	5/12/2021 12:00:00 AM	1/1/2025 12:00:00 AM	1/01/2025 – 11/05/2028	€ 12.44		30,000						115,000	25,000

Incumbent Name	Main conditions of the share option plans					Information regarding the reported financial year								
						Opening Balance	During the year				Closing Balance			
	Specification of the plan	Award date	Vesting date	Exercise period	Strike price of the option	Share options outstanding at the beginning of the year	Share options awarded		Share options vested		Share options exercised	Share options awarded and unvested	Share options vested but unexercised	
Number							Value	Number	Value					
Betty BOGAERT (Chief Information & Digitalisation Officer)	2016 grant	4/29/2016 12:00:00 AM	1/1/2020 12:00:00 AM	1/01/2020 – 28/04/2025	€ 5.73	125,000								
	2017 grant	6/30/2017 12:00:00 AM	1/1/2021 12:00:00 AM	1/01/2021 – 29/06/2024	€ 7.00				25,000					
	2018 grant	4/25/2018 12:00:00 AM	1/1/2022 12:00:00 AM	1/01/2022 – 24/04/2025	€ 10.21									
	2019 grant	6/28/2019 12:00:00 AM	1/1/2023 12:00:00 AM	1/01/2023 – 27/06/2026	€ 7.90									
	2020 grant	3/3/2020 12:00:00 AM	1/1/2024 12:00:00 AM	1/01/2024 – 2/03/2027	€ 6.70									
	2021 grant	5/12/2021 12:00:00 AM	1/1/2025 12:00:00 AM	1/01/2025 – 11/05/2028	€ 12.44		30,000						115,000	40,000
Jean-Pierre DE KESEL (Chief Sustainable Innovation Officer)	2016 grant	4/29/2016 12:00:00 AM	1/1/2020 12:00:00 AM	1/01/2020 – 28/04/2025	€ 5.73	110,000								
	2017 grant	6/30/2017 12:00:00 AM	1/1/2021 12:00:00 AM	1/01/2021 – 29/06/2024	€ 7.00				25,000					
	2018 grant	4/25/2018 12:00:00 AM	1/1/2022 12:00:00 AM	1/01/2022 – 24/04/2025	€ 10.21									
	2019 grant	6/28/2019 12:00:00 AM	1/1/2023 12:00:00 AM	1/01/2023 – 27/06/2026	€ 7.90									
	2020 grant	3/3/2020 12:00:00 AM	1/1/2024 12:00:00 AM	1/01/2024 – 2/03/2027	€ 6.70									
	2021 grant	5/12/2021 12:00:00 AM	1/1/2025 12:00:00 AM	1/01/2025 – 11/05/2028	€ 12.44		30,000						115,000	25,000
Bart MASSANT (Chief Human Resources Officer)	2016 grant	4/29/2016 12:00:00 AM	1/1/2020 12:00:00 AM	1/01/2020 – 28/04/2025	€ 5.73	85,000								
	2017 grant	6/30/2017 12:00:00 AM	1/1/2021 12:00:00 AM	1/01/2021 – 29/06/2024	€ 7.00				25,000					
	2018 grant	4/25/2018 12:00:00 AM	1/1/2022 12:00:00 AM	1/01/2022 – 24/04/2025	€ 10.21									
	2019 grant	6/28/2019 12:00:00 AM	1/1/2023 12:00:00 AM	1/01/2023 – 27/06/2026	€ 7.90									
	2020 grant	3/3/2020 12:00:00 AM	1/1/2024 12:00:00 AM	1/01/2024 – 2/03/2027	€ 6.70								85,000	25,000
Jean-Pierre MELLE (Chief Financial Officer)	2016 grant	4/29/2016 12:00:00 AM	1/1/2020 12:00:00 AM	1/01/2020 – 28/04/2025	€ 5.73	110,000								
	2017 grant	6/30/2017 12:00:00 AM	1/1/2021 12:00:00 AM	1/01/2021 – 29/06/2024	€ 7.00				25,000					
	2018 grant	4/25/2018 12:00:00 AM	1/1/2022 12:00:00 AM	1/01/2022 – 24/04/2025	€ 10.21									
	2019 grant	6/28/2019 12:00:00 AM	1/1/2023 12:00:00 AM	1/01/2023 – 27/06/2026	€ 7.90									
	2020 grant	3/3/2020 12:00:00 AM	1/1/2024 12:00:00 AM	1/01/2024 – 2/03/2027	€ 6.70									
	2021 grant	5/12/2021 12:00:00 AM	1/1/2025 12:00:00 AM	1/01/2025 – 11/05/2028	€ 12.44		30,000						115,000	25,000



Incumbent Name	Main conditions of the share option plans					Information regarding the reported financial year								
						Opening Balance	During the year				Closing Balance			
	Specification of the plan	Award date	Vesting date	Exercise period	Strike price of the option	Share options outstanding at the beginning of the year	Share options awarded		Share options vested		Share options exercised	Share options awarded and unvested	Share options vested but unexercised	
						Number	Value	Number	Value					
Rob NIJSKENS (Chief Human Resources Officer)	2018 grant	4/25/2018 12:00:00 AM	1/1/2022 12:00:00 AM	1/01/2022 – 24/04/2025	€ 10.21	15,000								
	2019 grant	6/28/2019 12:00:00 AM	1/1/2023 12:00:00 AM	1/01/2023 – 27/06/2026	€ 7.90									
	2020 grant	3/3/2020 12:00:00 AM	1/1/2024 12:00:00 AM	1/01/2024 – 2/03/2027	€ 6.70									
	2021 grant	5/12/2021 12:00:00 AM	1/1/2025 12:00:00 AM	1/01/2025 – 11/05/2028	€ 12.44		30,000					45,000		-
François PETIT (Chief Procurement Officer)	2016 grant	4/29/2016 12:00:00 AM	1/1/2020 12:00:00 AM	1/01/2020 – 28/04/2025	€ 5.73	90,000								
	2017 grant	6/30/2017 12:00:00 AM	1/1/2021 12:00:00 AM	1/01/2021 – 29/06/2024	€ 7.00									
	2018 grant	4/25/2018 12:00:00 AM	1/1/2022 12:00:00 AM	1/01/2022 – 24/04/2025	€ 10.21									
	2019 grant	6/28/2019 12:00:00 AM	1/1/2023 12:00:00 AM	1/01/2023 – 27/06/2026	€ 7.90									
	2020 grant	3/3/2020 12:00:00 AM	1/1/2024 12:00:00 AM	1/01/2024 – 2/03/2027	€ 6.70									-
	2021 grant	5/12/2021 12:00:00 AM	1/1/2025 12:00:00 AM	1/01/2025 – 11/05/2028	€ 12.44		30,000					115,000		5,000
Dirk VERBRUGGEN (Chief Financial & Legal Officer)	2015 grant	6/23/2015 12:00:00 AM	1/1/2019 12:00:00 AM	1/01/2019 – 22/06/2021	€ 5.73	135,000					10,000			
	2016 grant	4/29/2016 12:00:00 AM	1/1/2020 12:00:00 AM	1/01/2020 – 28/04/2025	€ 5.73									
	2017 grant	6/30/2017 12:00:00 AM	1/1/2021 12:00:00 AM	1/01/2021 – 29/06/2024	€ 7.00				25,000					
	2018 grant	4/25/2018 12:00:00 AM	1/1/2022 12:00:00 AM	1/01/2022 – 24/04/2025	€ 10.21									
	2019 grant	6/28/2019 12:00:00 AM	1/1/2023 12:00:00 AM	1/01/2023 – 27/06/2026	€ 7.90									
	2020 grant	3/3/2020 12:00:00 AM	1/1/2024 12:00:00 AM	1/01/2024 – 2/03/2027	€ 6.70									
	2021 grant	5/12/2021 12:00:00 AM	1/1/2025 12:00:00 AM	1/01/2025 – 11/05/2028	€ 12.44		30,000					115,000		40,000

## 2.2.7.6 Termination indemnities

In accordance with his employee status, indemnities were due to Bart Massant and their level was determined in accordance with the remuneration policy of the Group.

## 2.2.7.7 Derogations

There are no derogations to report for the year 2021.

## 2.2.7.8 Annual Change in Remuneration and Pay Ratio

- a) Annual Change in Remuneration of Directors versus the Wider Workforce & Company Performance. The following table displays the variation of the remuneration of the CEO and the other members of the Management Committee between 31st Dec 2019 and 31st Dec 2021 against the evolution of Group Consolidated Net Cash Flow before dividends, the Adjusted EBITDA and the Net Profit. The average remuneration of the other employees for the year 2021 will be published in the 2022 remuneration report as the data are not available at the time of the publication of this report.

### Annual change in remuneration

	2021	2020	2019	2021 vs. 2020	2020 vs. 2019
Total remuneration of the CEO (in EUR) <sup>1</sup>	1,507,415	1,216,383	895,466	124%	136%
Average total remuneration of the other members of the Management Committee (in EUR) <sup>1,2</sup>	589,632	473,056	440,578	125%	107%
Average total remuneration of the other employees (in EUR)	59,876	57,653	59,508	104%	97%
Group Net Cash Flow before dividends (in mio EUR) <sup>3</sup>	54.9	197.1	23.6	28%	835%
Group Adjusted EBITDA (in mio EUR)	118.6	58.8	114.7	202%	51%
Net Profit (share of the Group, in mio EUR)	53.5	63.1	24.7	85%	255%
Sustainability KPIs	See separate sustainability report.				

#### Notes

<sup>1</sup> The data takes into account the 30% pay cut implemented in the second quarter of 2020 against the background of the COVID pandemic. From 2019 to 2020, the increase reported for the CEO is mainly due to the fact that in 2019 the level of Group Adjusted EBITDA did not generate a bonus pay out. For some of the other Management Committee members heading a Business Line, the level of Adjusted EBITDA that was reached for their Business Line in 2019 generated a pay out. From 2020 to 2021, the difference is explained by the pay cut implemented in the 2d quarter of 2020 and the increase of the share price.

<sup>2</sup> The remuneration of the Management Committee members (excl. CEO) is presented as a Full Time Equivalent average: the total remuneration paid during that year divided by the number of Full Time Equivalent Management Committee members in that year.

<sup>3</sup> The Group Net Cash Flow before dividends is expressed on a Consolidated basis for the year 2019. It is expressed on a consolidated basis as of year 2020. The important year-on-year variation of the Group Net Cash Flow between 2019 and 2020 is due to the proceeds of the divestments of the Automotive Division and of the participation in the joint venture with Eurofoam in the first half of 2020.

- b) Pay Ratio

The pay ratio compares the highest remuneration of the Management Committee (that is the remuneration of the CEO) with the lowest Remuneration at Recticel NV. On 31<sup>st</sup> December 2021, the highest remuneration was 45 times the lowest remuneration; this is a pay ratio of 45:1.

## 2.2.8 Transactions and other contractual ties between the Company and members of the Board of Directors or members of the Management committee

Chapter VII.1. of the Recticel Corporate Governance Charter describes Recticel NV's policy on related party transactions that are not governed by the legal conflict of interest scheme. The application of this policy is explained hereafter.

During the year 2020, two conflicts of interest arose between a director and the company as referred to in article 7:96 of the Belgian Companies and Associations' Code . The procedure of Article 7:97 was not applied in 2020

Reference is made here to the statutory annual report, which contains an extract of the minutes of the concerned board meetings in this regard.

## 2.2.9 Insider trading and market manipulation

The company policy regarding the prevention of insider trading and market manipulation is further explained in chapter VII.2 of Recticel's Corporate Governance Charter as well as in the new Dealing Code which has been adopted by the Board of Directors and published on the website of Recticel ([www.recticel.com](http://www.recticel.com)).

These measures include the implementation of restrictions on the execution of transactions (« closed periods ») applicable since 2006.

Mr. Dirk VERBRUGGEN was appointed as Compliance Officer, responsible for monitoring the observance of these regulations.

## 2.2.10 Diversity policy

Recticel strives to create a community where everyone is included and respected, bringing people together for a better world. We believe that a diverse team improves the quality of decision making, and ultimately improves overall performance.

Recticel has currently not established a formal specific diversity policy, but is an equal employer in all aspects of recruitment and selection, and is committed to a fair and consistent approach to recruitment and selection. Recticel works actively to develop a positive employer image amongst the internal and external stakeholders. Recticel commits to hire all candidates irrespective of age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation or hours of work.

Recticel also commits to offering learning opportunities to all employees irrespective of age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation or hours of work.

Recticel is proud to be present in 20 countries, with employees of different nationalities.



Currently one woman is represented in the Management Committee. Furthermore, one third of the members of the Board of Directors is a woman, in accordance with article 7:86 of the Companies and Associations Code.

The selection process of the members of the Board of Directors is described in the Corporate Governance Charter of Recticel, with the aim to come to a composition that is diverse in all its aspects, both at the level of gender, background, professional experience, competence and education.

## 2.2.11 Relationships with the reference shareholders, other elements related to possible public takeover bids and others

Here follows the overview of the shareholders who, under the statutes of the law, have addressed a notification to the company and to the FSMA:

NAME	DATE OF NOTIFICATION	NUMBER OF SHARES	PERCENTAGE OF SHARES AT THE MOMENT OF NOTIFICATION <sup>1</sup>	PERCENTAGE OF SHARES AT BALANCE SHEET DATE	PERCENTAGE OF VOTING RIGHTS ATTACHED TO SHARES AT BALANCESHEET DATE <sup>2</sup>
Own shares	13/5/2015	326,800	0.61%	0.58%	0.00%
KBC Asset Management NV	19/3/2022	1,648,964	3.01%	2.94%	2.96%
Janus Henderson Group Plc	1/11/2022	2,763,803	4.94%	4.93%	4.96%
Greiner AG	1/3/2022	2,446,678	4.37%	4.36%	4.39%
Baltisse NV	1/3/2022	12,647,732	22.60%	22.56%	22.70%
<b>Public</b>	<b>Not applicable</b>	<b>36,221,943</b>		<b>64.62%</b>	<b>65.00%</b>
Total (excluding own shares)		55,729,120			100.00%
<b>Total (including own shares)</b>		<b>56,055,920</b>		<b>100.00%</b>	

- (1) The percentage of shares is calculated based upon the number of existing shares at the moment of the notification.
- (2) The percentage of voting rights is calculated based upon the 56.055.920 existing shares per 30 March 2022 based upon the information the Company has received from its shareholders per 30 March 2022, which can be different from the actual situation. The calculation has been adjusted to take into account the suspension of the voting rights of the 326,800 own shares held by the Company as foreseen by the law.

The company has not concluded a relationship agreement with the main shareholder BALTISSE NV in accordance with principle 8.7 of the Corporate Governance Code 2020, as there is a sufficient line of representation of the main shareholder through its representation within the Board of Directors.

The capital structure, with the number of shares and warrants of the company can be found in the chapter "Information on the Share" on the Recticel website ([www.recticel.com](http://www.recticel.com)).

An amendment of the articles of association of Recticel can only be obtained, following the special majorities of article 37 of the Articles of Association.

The Board of Directors submits its proposals regarding the appointment or re-election of directors to the general meeting of the shareholders. The Remuneration and Nomination Committee recommends one or several candidates to the Board, taking into account the needs of the company and following the appointment procedure and the selection criteria drawn up by the Board for that purpose. The composition of the Board is determined based on the necessary diversity and complementary skills, experience and knowledge.

The general meeting of the shareholders appoints the directors of their choice with a simple majority of the votes cast. Directors can likewise be dismissed "ad nutum" by the general meeting with a majority of the votes cast, before the normal expiry of his or her term of office.

If a position of director becomes vacant as a result of resignation, incapacity or death, the Board may provisionally fill the vacancy, upon recommendation from the Remuneration and Nomination Committee.

There are no legal or statutory limitations on transfer of securities. There are no securities with special control rights. There are no legal or statutory restrictions on the exercise of voting rights, for as far as the shareholder is legally represented at the Ordinary General Meeting, and his/her voting rights have not been suspended for any reason.

There are no agreements between the Company and its directors or employees that would provide for compensations after a public takeover bid, the directors resigning or departing without any valid reason, or the employment of the employees being terminated.

The following agreements, whereby the company is party, contain the clauses that take effect, undergo changes or end, in the event of a change of control over Recticel SA/NV:

- The "Amendment and Restatement Agreement, as agreed on 25 February 2016 between Recticel SA/NV and Recticel International Services NV on the one hand and ING Belgium SA/NV, BNP Paribas Fortis SA/NV, Commerzbank Aktiengesellschaft, Filiale Luxembourg and KBC Bank NV on the other hand, for an amount of EUR 175,000,000, whereby, in case of a change of control over the Company, or over a subsidiary that is also an obligor under the amendment and restatement agreement, each of the banks participating in the Facility will have the right to request prepayment and cancellation of their respective Facility commitment, and if banks representing a special majority of the total Facility amount request such, then the total Facility will have to be prepaid and cancelled. This agreement completes and modifies the "Facility Agreement" for an amount of 175,000,000 EUR as signed on 9 December 2011 between the aforementioned parties.
- The Recticel Group's Stock Option Plans of April 2014, June 2015, April 2016, June 2017, April 2018, June 2019 (warrant plans April 2014, June 2015, April 2016, June 2017, April 2018, June 2019, March 2020, May 2021) issued by the Board of Directors Administration that contain a clause 6.2./5.2 which gives the beneficiaries the right to exercise their warrants, if applicable under the conditions determined by the Board of Directors, immediately in the event of a change of control (that is, in the event of a transfer, in one or more transactions, more than fifty percent (50%) of the voting rights) or in the case of the launch of a public share purchase offer.

These clauses were specifically approved by Recticel's General Shareholder Meeting or will be submitted for approval at the General Meeting on 31 May 2022.

In line with article 7:151 of the Belgian Companies and Associations Code, for such a clause to take effect requires the approval of the General Shareholder meeting.

The Board of Directors is not aware of shareholder agreements that give rise to restrictions on the transfer of securities and / or the exercise of voting rights.

The board of directors does not currently have any authority to issue shares. The Board of Directors is authorized to acquire own shares of the Company as long as the fractional value of the Company's shares held in portfolio does not exceed 20% of its issued capital, at a unit price that may not be less than 20% below the average of the last twenty closing prices on Euronext Brussels prior to the date of acquisition, and not higher than the same average plus 20%. This purchase authorization is valid until July 17, 2022.

## **2.2.12 Statement on non-financial information.**

The statement on non-financial information in accordance with article 3:6,§4 of the Belgian Companies and Associations Code has been enclosed to the statutory annual report of Recticel NV/SA and the consolidated annual report of the Recticel Group.