

Dear shareholders,

Re: The company's remuneration policy

The Board of Directors has convened the annual shareholders on April 24 to approve several agenda items, including a revised remuneration policy.

In response to the negative voting recommendations of proxy advisory firms on the proposed remuneration policy and the directors' remuneration, the Board of Directors wishes to provide the following clarifications.

*1. Lack of a clearly disclosed cap on the grant of stock options*

The remuneration policy contains a cap on the stock option grant, albeit indirectly. The target stock option value at grant is around 25% of the beneficiary's target variable remuneration which itself is limited to 100% of the beneficiary's annual fixed remuneration. Moreover, under Belgian tax law, beneficiaries are taxed upfront upon acceptance of stock options, regardless of the effective vesting or exercise thereof. This upfront taxation mitigates the risk of a disproportionately high grant of stock options. The grant of stock options to the executive management over the past 5 years amounts on average to approximately 500.000 per year. The Board of Directors has no intention of materially increasing this amount in the coming years.

For reasons of simplicity, the variable remuneration no longer contains a long-term incentive component, but only an annual bonus. If the annual bonus achieved exceeds a certain percentage of the executive's fixed remuneration, the payment thereof is deferred over a three-year period. Further, although one third of options granted vests every year, they can only be exercised after the 1st of January of the fourth calendar year following the year of grant. The deferred bonus payment, the staged vesting of stock options, and the possibility to exercise them only after the lapse of a three-year period sufficiently ensure that the executive management pursues a strategy of long-term, sustainable and profitable growth.

*2. Derogation clause*

To address shareholders' concerns regarding discretionary bonuses, the Board of Directors had already updated the 2022 remuneration policy to limit possible derogations. The 2025 remuneration policy is further tightened by limiting possible derogations in time. The Board of Directors does not intend to derogate from the remuneration policy, unless exceptional circumstances (e.g. attracting difficult to find high caliber profiles, strategic acquisitions) warrant such derogation. Over the past three years, no such derogations occurred.

*3. Chairman's remuneration*

The proposed remuneration policy sets the Chairman's remuneration at 270.000 € (instead of 120.000 € under the current policy).

As a reminder, in 2014, the yearly remuneration (including pension benefits) for the then Chairman amounted to 205.000 €. Upon Mr. Charles Beauduin first appointment as Chairman

in 2015, this amount was reduced to 100.000€. From 1 January 2019, it was increased to 120.000€. After a 3-year tenure as co-CEO, Mr. Beauduin assumed again the company's chairmanship in September 2024. Although Mr. Beauduin is a non-executive chairman, he devotes considerably more time to the execution of his responsibilities than his predecessor. He is present in the company's headquarters at least 2 days a week and regularly travels abroad for the company's business. Furthermore, in close concert with the company's CEO, he is actively involved in identifying and pursuing value creating initiatives for the company, particularly in the domain of M&A, operations and manufacturing (China).

Therefore, the Board of Directors deems it appropriate to adjust the Chairman's remuneration accordingly.

The Board of Directors remains available for discussions with shareholders to better understand their concerns and ensure that the company's governance practices remain aligned with the latest developments, taking into account its country of incorporation, size, profile, and regional activity scope.

Meanwhile, we remain,

Frank Donck

Chairman Remuneration and Nomination Committee

An Steegen

CEO