

REMUNERATION POLICY

Ladies and Gentlemen,

We have great pleasure in presenting Immobel's Remuneration Policy for the next four years. This Policy is in line with and contributes to Immobel's business strategy, long-term interests and sustainability.

This new Remuneration Policy replaces the Remuneration Policy for Directors and members of the Executive Committee as described in the Corporate Governance Charter of Immobel, Annex 2 "Remuneration Policy and evaluation of the performance", as published on January 7th 2021 (see website www.immobelgroup.com for full details).

I. Introduction

It is important that Immobel is able to attract Directors and members of the Executive Committee with the ability, experience, skills, values and behaviours to deliver on the Company's strategy and goals and support Immobel's purpose. Immobel strives to have a diverse composition of both bodies with regards to gender, ethnicity, and generation.

The Board of Directors determines the remuneration of the Directors and the Executive Committee in accordance with the provisions of the Belgian Companies and Associations Code and the Corporate Governance Code, while respecting the prerogatives of the general shareholders' meeting. Levels of remuneration should be sufficient to attract, retain and motivate Directors and members of the Executive Committee who have the profile determined by the Board, to promote the achievements of strategic objectives in accordance with the Company's risk appetite and behavioural norms and to promote sustainable value creation. The non-executive Directors do not receive any performance related remuneration that is directly related to the results of the Company. With regard to the remuneration of the non-executive Directors and the members of the Executive Committee, the Remuneration Committee makes detailed proposals to the Board of Directors. When making proposals on the remuneration of members of the Executive Committee, the Remuneration Committee observes the following principles:

- The Remuneration Policy for members of the Executive Committee describes the different components of, and determines an appropriate balance between, fixed and variable remuneration, and cash and deferred remuneration;
- The variable part of the executive remuneration package is structured to link reward to overall corporate and individual performance, and to align the interests of the members of the Executive Committee with the sustainable value-creation objectives of the Company;
- Without prejudice to any statutory provisions to the contrary or express approval by the general shareholders' meeting, stock options can not vest and be exercisable within less than three years. The Company does not facilitate the entering into derivative contracts related to such stock options or to hedge the risks attached, as this is not consistent with the purpose of this incentive mechanism;
- The Board approves the main terms and conditions of the contracts of the CEO and other members of the Executive Committee further to the advice of the Remuneration Committee. The Board includes provisions that would enable the Company to recover variable remuneration paid, or withhold the payment of variable remuneration, and specify the circumstances in which it would be appropriate to do so, insofar as enforceable by law. The contracts contain specific provisions relating to early termination. Details of the remuneration of the Directors and the members of the Executive Committee are published every year in the Remuneration Report that forms part of the annual report. The Board submits the Remuneration Policy to the general shareholders' meeting. When a significant proportion of the votes have been cast against the Remuneration Policy, the Company should take the necessary steps to address the concerns of those voting against it and consider adapting its Remuneration Policy.

II. The different components of the remuneration which can be awarded to the Directors, to the Members of the Executive Committee and the persons in charge of the daily management

A. For the Directors

The level and structure of the remuneration of the non-executive Directors are determined based on their general and specific responsibilities and market practice. This remuneration includes a basic fixed remuneration and an attendance fee for the participation in the meetings of the Board, as well as for their participation to one or more Committees of the Board or for each chairmanship of a Committee.

Below you will find the summary table containing the remunerations applicable during the financial year 2021:

Remuneration & Attendance fees	
Board of Directors	Chairman = None Director: 20,000 EUR (yearly forfait) 2,100 EUR / physical meeting 1,050 EUR / phone meeting
Audit & Risk Committee	Chairman: 3,100 EUR / physical meeting 1,050 EUR / phone meeting Members: 2,100 EUR / physical meeting 1,050 EUR / phone meeting
Investment Committee	Chairman = None Members: 2,100 EUR / physical meeting 1,050 EUR / phone meeting
Nomination Committee	Chairman = None Members: 1,050 EUR / physical meeting 525 EUR / phone meeting
Board of Directors	Chairman: 1,200 EUR / physical meeting 525 EUR / phone meeting Members: 1,050 EUR / physical meeting 525 EUR / phone meeting

The Company reimburses the Directors' international travel and accommodation expenses for attendance at the meetings and the exercise of their functions in the Board of Directors and its Committees. Furthermore, the Company ensures it takes the usual insurance policies to cover the activities that the Directors carry out within the scope of their mandates.

Non-executive Directors receive no annual bonus, nor share options, nor participation in retirement plans. They are not entitled to any kind of compensation when their mandate ends.

Notwithstanding Provision 7.6 of the Code, the non-executive Directors are not partly remunerated in the form of shares in the Company. Nevertheless, the Board of Directors has invited all Directors to invest an amount of at least EUR 20,000 (being the fix annual remuneration) in shares of the Company and to keep them at least one year after the end of their mandate.

B. For the members of the Executive Committee

The awarded remuneration to the members of the Executive Committee can include a basic (fixed) remuneration, a variable remuneration (short term incentives (hereafter "STI"), long term incentives (hereafter "LTI", cash), bonuses (extra guaranteed yearly bonus, signing bonus), Performance Share Plans and other benefits in whatever form (contribution for vehicle expenses, health insurance).

The variable remuneration STI of the members of the Executive Committee (including of the Chairman / CEO) is equal to 50 % of the fixed remuneration, if all the objectives (quantitative and qualitative) have been realised for 100 %.

The variable remuneration is partly based on quantitative aspects and partly based on qualitative aspects.

The weight for members exercising a Group Function is 80% quantitative – 20% for qualitative criteria, while the percentage for members exercising Country Managing Director function is 50 % - 50 %.

In case the quantitative results on Group level exceed the target set out by the Board of Directors, upon proposal of the Remuneration Committee, the variable remuneration can exceed 100% of the total variable remuneration foreseen. As a result of this, the variable remuneration can be higher as 50% of the fix remuneration.

In case the quantitative results on Group level are below the predefined threshold target set out by the Board of Directors, upon proposal of the Remuneration Committee, the quantitative component of the variable remuneration will be equal to 0.

Insofar as necessary, it is recalled that following the Extraordinary General Meeting of November 17th, 2016, it has been expressly provided in the articles of association that Immobel may, if that the variable remuneration of persons falling within the scope of articles 7:91 paragraphs 1 and 2 and the last paragraph of 7:121 of the Code of Companies and Associations, amounts to more than 25% of their respective annual remuneration, derogate from the said provisions.

The Remuneration Committee can propose exceptions to these rules, based on business logic. Exceptions to above mentioned rules can only be given upon proposal of the Remuneration Committee, and decision by the Board of Directors.

Furthermore, the members of the Executive Committee, exercising a Group function, are awarded a variable remuneration LTI (Long-term Incentive), being a "Performance Shares".

The members of the Executive Committee, exercising a role of Managing Director (hereafter "MD") of a country, can benefit from a Long Term Incentive Plan (hereafter "LTI"), based on outperformance of the business unit (details below).

III. How the pay and employment conditions of employees / collaborators of the company were taken into account when establishing the Remuneration Policy

Immobel wants to attract talented employees / collaborators, who combine expertise and passion for the Real estate Development business and strive to make the business grow, taking into account the governance and working procedures Immobel has put in place. Therefore Immobel pays competitive salaries. Immobel can reward employees / collaborators with Performance bonuses, if the companies performance allows it, and depending on individual performance and the market practice, where Immobel is operating.

For collaborators of Immobel, the remuneration package is composed of a competitive fix salary, rewarding their skills, expertise and experience, and if the results of the Company allow it, a variable remuneration, rewarding specific quantitative or qualitative targets.

A yearly target setting and appraisal cycle, defines the targets for each collaborator. An intermediate appraisal and final year end appraisal process assesses the targets and actual results for all collaborators, which may lead to a variable remuneration, based on this process.

IV. Applied criteria for the award of the variable remuneration of the Members of the Executive Committee

The criteria for the award of variable remuneration are either of quantitative nature, either of qualitative nature. Each year the Board of Directors on proposal of the Remuneration Committee, determines the criteria and parameters to be applied on the variable remuneration.

The applied criteria to determine the variable Short Term Incentive remuneration of the Executive Chairman / CEO include, on the one hand, the Return on Equity (ROE) as quantitative criterion and, on the other hand, some qualitative criteria. These criteria change on a year-to-year basis. The Executive Chairman / CEO can also benefit from a Performance Share Plan, for which the underlying drivers are, as of 2020, the ROE of the Company and the ROCE of the Company.

The variable remuneration (STI) of the other members of the Executive Committee includes:

- a variable quantitative remuneration exclusively based on the level of Return on Equity of ImmoBel Group;
- a measurable variable qualitative remuneration determined in function of the general criteria applicable to all the members of the Executive Committee. These general criteria are the following:
 - Show entrepreneurship;
 - Respect ImmoBel governance and agreed processes and procedures;
 - Show leadership in way of working towards all ImmoBel teams;
- a measurable variable qualitative remuneration determined in function of the responsibilities, the missions, and the targets to be achieved, on an individual basis by each of the members of the Executive Committee, during the reviewed financial year.

Furthermore, the members of the Executive Committee, exercising a Group function, are awarded "Performance Shares" (LTI). The quantitative criteria applicable to this remuneration are, on the one hand, based on the predefined performance targets based on the average return on equity over three years and the average net income per share (excluding Treasury Shares) over three years (Performance Share Plan 2017 - 2019), as well as, on the other hand, based on the predefined performance targets based on the average Return on Equity over three years and the average Return On Capital Employed (ROCE) over three years (Performance Share Plan 2020 - 2022).

The members of the Executive Committee, exercising a role of Managing Director (hereafter "MD") of a country, can benefit from a Long-Term Incentive Plan (hereafter "LTI"), based on outperformance of the business unit. To benefit from this LTI, the ROE on local level needs to exceed 15% of the ROE (strategic threshold of the Company). A % of the Excess profit, above 15% of the ROE, can be granted to the MD's of the countries. This LTI is partially paid in cash, partially allocated in shares, which need to be held for 3 years after allocation (vesting period).

The above mentioned criteria express on the one hand financial criteria and drivers of how the business is steered (Return on Equity, Return on Capital Employed, Excess Profit,..). On the other hand in the qualitative criteria targets are defined which make the Company stronger on the short, medium or longer term. Following themes can be mentioned: feeding the pipeline of projects, obtaining building permits, delivering projects on time, implement quality plan on a defined topic, improve business, financial, control or support processes, manage and improve sustainability aspects of the business (being it environmental, social or governance wise).

To stimulate sound risk management and sustainability, part of the variable remuneration is not vested immediately and can only be paid out after 3 years. To retain talent, the Company has also chosen only to vest these elements of the variable remuneration if the beneficiary is still active for ImmoBel.

Each year, at the proposal of the Remuneration Committee, the Board of Directors decides on the objectives of the Executive Chairman / CEO and the Executive Committee for the coming financial year and evaluates their performance for the period ending, in conformity with the procedure currently in place. This performance evaluation is also used to determine the variable part of their annual remuneration.

There is no specific right to recover the variable remuneration awarded based on incorrect financial information; common law will apply. The Performance Share Plans contain a Claw Back Clause. The variable remuneration ("Short Term Incentive") will be paid to the members of the Executive Committee/ Executive Director after the Board of Directors which draws up the Annual Accounts of the reviewed financial year, subject to final approval by the Ordinary Shareholders' Meeting.

V. Vesting periods and an explanation of how the share-based remuneration contributes to the company's business strategy, long-term interests and sustainability

The "Performance Shares" awarded to some members of the Executive Committee in application of the "Performance Share Plan 2017 - 2019" and of the "Performance Share Plan 2020 - 2022" will vest definitively after a period of three full calendar years if they meet the predefined performance targets over three years. Pursuant to Article 8.1 of the Plan these Performance Shares are forfeited for beneficiaries of the plan who are no longer employed by the Group and who have not yet been acquired Performance Shares *"the holder of Performance Shares who terminates his management services contract with the Company early or whose management services contract is terminated for cause because of the holder of Performance Shares, loses his Performance Shares that are not yet vested on the day of the written notice or notification of departure or termination."*

The share-based remuneration intends to contribute to Immobel's business strategy, long-term interests, and sustainability by incentivizing the beneficiaries to create shareholder value, in line with immobel's processes and procedure of its Governance framework.

VI. Duration of the agreements with directors, with members of the executive committee and persons in charge with the daily management, as well as the terms of termination and payments linked thereto

A. Duration of the agreements with directors and Members of the Executive Committee

According to the Articles of Association of Immobel, the mandates of the Directors are fixed for a maximum period of four years but may be renewed.

The duration of the service provision contract with the members of the Executive Committee varies in function of the terms and conditions of each contract concerned.

B. Terms of termination (notice periods included)

The period of notice or compensatory severance payment due by Immobel in case of termination of contracts with the members of the Executive Committee / Executive Director, under a self-employed status, active within Immobel is 3 months¹. Exceptions can only be granted, after validation by the Board of Directors, on proposal of the Remuneration Committee.

For those exercising their function under an employee status, the legal notice periods and modalities are applicable.

¹ Except the period of notice or compensatory severance payment due to Marnix Galle and Karel Breda in case of termination of contracts, amounting respectively 12 months and 6 months.

VII. The decision-making process followed for the determination, review and implementation of the Remuneration Policy, including measures to avoid or manage conflicts of interests and, where applicable, the role of the Remuneration Committee or other Committees concerned

The Board of Directors, upon proposal of the Remuneration Committee, validates the Remuneration Policy and proposes the Remuneration Policy to the Ordinary General Meeting of Shareholders for approval. The Board assesses, on a yearly basis, if the Remuneration Policy needs to adapt.

The Remuneration Committee assesses on a yearly basis if all elements of the Policy are in line with the strategic objectives of the Company and proposes improvements to the Board of Directors, where deemed appropriate.

As mentioned in the Corporate Governance Charter last revised on January 7th, 2021 all Directors (thus members of the Remuneration Committee, or of any other concerned Committee) must avoid taking any action, position or interest that is, or appears to be, in conflict with the interests of the Company.

VIII. A description and explanation of all significant changes and how the votes and views of shareholders on the remuneration policy and the remuneration reports since the most recent vote on the Remuneration Policy by the general meeting of shareholders have been taken into account

The General Meeting of Shareholders of May 28th, 2020 resolved to modify the fixed annual remuneration for each non-executive Director as from the year 2021, so that the fixed annual remuneration will amount to EUR 20,000 (compared to EUR 14,000 for the previous years), being understood that the attendance fees granted will remain unchanged.

In 2020, in line with the Performance Action Plan 2017 - 2019, a Performance Action Plan 2020 - 2022 was approved, as described above.

The Ordinary General Meeting of Shareholders (representing 61.19% of the share-capital) has on May 28th, 2020 approved the latest Remuneration Report (including the Remuneration Policy) by 5,902,716 votes “for”, 199,150 votes “against” and 15,350 abstentions.

* * *

We therefore ask you to approve the terms of this Remuneration Policy for the next four years, being understood this Policy will be made available (together with the approval date and the results of the shareholders’ binding vote) on Immobel’s website to the general public for as long it will apply.

* * *

Agreed at the Meeting of the Board of Directors on March 4th, 2021.

ADL CommV
(represented by Astrid De Lathauwer)
Chair of the Remuneration Committee

A³ Management BV
(represented by Marnix Galle)
Executive Chair of the Board of Directors