

## Remuneration report

The remuneration report provides a general overview of the remunerations granted to the executive and non-executive directors in 2020. The fees included below are in accordance with Article 3:6, §3 of the Belgian Companies and Associations Code (the “CCA”), with the 2020 Belgian Corporate Governance Code (“2020 Code”) and with the Company’s remuneration policy, applicable as from 2020.

The Remuneration Committee makes recommendations to the Board of Directors on (i) the remuneration policy and (ii) the individual remuneration of the directors, the persons charged with day-to-day management as referred to in Article 3:6, §3, last paragraph, and the persons charged with the day-to-day management. These recommendations are subject to the approval of the Board of Directors and the shareholders at the Annual General Meeting.

The remuneration policy of smartphoto group has been drawn up in accordance with Article 7:89/1 of the CCA and, insofar no deviations have been included in the Corporate Governance statement, with the recommendations of the 2020 Code. The remuneration policy will be submitted for approval to the General Meeting of Shareholders of May 12, 2021. Thereafter, for every material change and at least every four years, the remuneration policy will be submitted for approval to the General Meeting of the Company.

### *Remuneration of the non-executive directors in 2020*

In accordance with the remuneration policy of smartphoto group NV, the non-executive directors each receive a fixed remuneration of EUR 12,500 per year.

Mr Philippe Vlerick, appointed as Chairman, receives an additional fixed remuneration of EUR 12,500 per annum in his capacity as Chairman of the Board of Directors.

No separate remunerations are provided for the members of the committees, except for the members of the Audit Committee (Pallanza Invest BV, Fovea BV and Hans Van Rijckeghem). In addition to their general annual remuneration as a member of the Board of Directors, they each receive an annual fixed remuneration of EUR 2,500.

The total fees paid to non-executive directors for the 2020 financial year amount to EUR 95,000; for 2019, these fees also amounted to EUR 95,000.

There is no agreement between the Company or its affiliated companies and the non-executive members of the Board of Directors, which provides for any benefit upon termination of their mandate as directors.

The non-executive directors do not receive variable remunerations, pensions or other components of remuneration. Accordingly, the fixed remuneration granted to them, as described above, is the full remuneration granted to them.

The directors personally hold a total of 4,507 shares in the Company. Certain directors represent another main shareholder, and are indirect shareholders. A breakdown of these indirect interests can be found on page 51 of this document.

None of the directors has received a loan granted by smartphoto group NV or any other related company.

### *Remuneration of the executive director in 2020*

The remuneration of the executive director is determined by the Board of Directors at the recommendation of the Remuneration Committee, corresponding to the remuneration policy of smartphoto group NV.

In 2020, the fixed remuneration amounts to EUR 385 (000). The variable remuneration consists of a cash bonus which depends on the realised performance of the Company against the objectives pursued and amounts to EUR 147 (000) for the 2020 financial year. The other remuneration components amount to EUR 3 (000). The total remuneration for the executive director for the 2020 financial year thus amounts to EUR 535 (000).

Part of the remuneration of the current executive director is performance related as an incentive to support the short and long term performance of the group. The variable remuneration is directly linked to the achievement of the objectives of smartphoto group NV.

The executive director’s remuneration is a deviation from principle 7.8 of the 2020 Code, which stipulates that the variable part of the executive director’s remuneration package is linked to the overall performance of the Company and individual performances. Notwithstanding the fact that the variable remuneration of the executive director is in principle linked to the overall performance of the Company, it is the individual performance of the executive director that underlies the achievement of

these overall goals. In fact, it is to his credit as managing director who is in charge of the day-to-day management of the Company.

Contrary to principle 7.12 of the 2020 Code, there is no clawback clause between Mr Stef De corte, permanent representative of Acortis BV and the Company to reclaim paid variable remuneration, or to withhold payment of variable remuneration, nor are circumstances specified in which this would be appropriate, insofar legally enforceable.

The remuneration components for the executive director are shown below. No guarantees or loans have been provided by smartphoto group NV or related companies to the executive director.

Remuneration and interests of the executive director (in €'000)

Executive Director	Fixed remuneration component <sup>(1)</sup>	Variable remuneration component <sup>(1) (2)</sup>	Other remuneration components <sup>(3)</sup>
Stef De corte <sup>(4)</sup>	-385	-147	-3

<sup>(1)</sup> Cost to the enterprise, i.e. gross amount including social security contributions.

<sup>(2)</sup> The variable component is provided in the form of a bonus plan that is determined each year by the Remuneration Committee. This bonus plan includes financial and non-financial targets.

<sup>(3)</sup> The other components refer to the costs for insurance policies, and the cash value of the other benefits in kind (expense allowances, company car, etc.).

<sup>(4)</sup> Mr Stef De corte, permanent representative of Acortis BV.

As a result, the fixed and variable remuneration amounts respectively to 72% and 27% of the total remuneration received by the executive director.

Regardless of the aforementioned remuneration, Acortis BV, permanently represented by Stef De corte, holds shares in smartphoto group NV on December 31, 2020 (details can be found in the brief biography of the members of the Board of Directors). Contrary to principle 7.9 of the 2020 Code, no minimum threshold has been set for shares that should be held.

*Information about the remuneration policy in accordance with Article 7:91 of the Belgian Companies and Associations Code*

The remuneration policy stipulates that the variable remuneration is one quarter or less of the total annual remuneration. For the 2020 financial year, the variable remuneration component amounts to 27% of the total remuneration and the fixed remuneration

amounts to 72% of the total remuneration. In accordance with the remuneration policy and the Belgian Companies and Associations Code, the Board of Directors, on the advice of the Remuneration Committee, explicitly requests the approval of the General Meeting of Shareholders. The approval will be included as a separate agenda item at the General Meeting of May 12, 2021.

#### Severance payments

There is an agreement between Mr Stef De corte and the Company that - only upon termination at the request of the Company - provides for a financial compensation of twelve months.

#### Other information corresponding to Article 3.6, §3

The annual evolution of the remuneration, of the development of the Company's performance and of the average remuneration of the other employees of the Company are presented in the table below; as well as the ratio between the highest and the lowest remuneration within the Company.

Evolution of the remuneration	2016	2017	2018	2019	2020
Yearly remuneration non-executive directors <sup>(1)</sup>	0%	0%	0%	0%	0%
Executive director <sup>(2)</sup>	10.0%	-8.1%	2.2%	2.2%	12.0%
Changes in the performance of the Company <sup>(3)</sup>	7.1%	44.5%	5.3%	27.2%	34.9%
Changes in the average remuneration of the other employees <sup>(4)</sup>	8.4%	-2.1%	0.4%	4.7%	-3.1%
Ratio between the highest and lowest remuneration <sup>(5)</sup>	9.6%	9.8%	10.2%	10.3%	10.2%

<sup>(1)</sup> The evolution of the annual remuneration of the non-executive directors is calculated by dividing the annual remuneration for a non-executive director for the financial year by the annual remuneration for the previous financial year.

<sup>(2)</sup> The evolution of the annual remuneration of the executive director is calculated by dividing the annual remuneration (fixed and variable) for the executive director for the financial year by the annual remuneration for the previous financial year.

<sup>(3)</sup> The change in performance of the Company is calculated by dividing the EBITDA for the financial year by the EBITDA for the previous financial year.

<sup>(4)</sup> Changes in average remuneration (expressed as full time equivalents) of the other employees.

<sup>(5)</sup> Ratio between the fixed remuneration of the executive director and the lowest remuneration (in full time equivalents) of the other employees.