Corporate governance and executive pay

Reflection on the 2019 proxy season and legislative insights

December 2019

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Introduction

Dear reader,

The 2019 proxy season has come to a close. In this report, taking a closer look at votes on remuneration items, we review the critical trends of the 2019 voting results. Shareholders of Belgian quoted companies seemed to be more active compared to shareholders of Luxembourg quoted companies. Moreover, in terms of shareholder activism, shareholders tended to become more active over the past few years. At the same time, figures highlight that the average CEO total realised compensation seems to show a decreasing trend since 2015 and is adapting slowly to the evolution of the total shareholder return, which showed a sharp rise in 2018 compared to 2017. The feedback on the 2019 proxy season contains other valuable lessons for companies now ready to launch into the next cycle of engagement in the off-season.

In addition to the drive from shareholder activism the wider corporate governance landscape is evolving. In this report, a light is shed against the new Belgian 2020 Corporate Goverance Code ('CGC') compared to the 2009 CGC. Besides a cap on short-term variable remuneration awarded to executive management, the new CGC introduces the principle that non-executive board members should receive part of their remuneration in the form of shares in the company.

Even though Belgium failed to transpose the revised Shareholders Rights Directive to national law by 10 June 2019, this report compares the Belgian draft law to the law enacted in Luxembourg. For Belgian quoted companies, the absence of enacted legislation entails uncertainty. Nevertheless, pro-active preparation is recommended, especially as future remuneration reports are expected to disclose additional information compared to the past. For example the remuneration report also needs to describe the evolution of employees' remuneration on a full-time equivalent basis during at least the last five financial years.

We trust that you will find this publication an interesting and thought-provoking read and we look forward to discussing this with you in further detail. For contact information, please see the last page of the report.

Your sincerely,

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Aniel Mahabier
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Survey information and definitions

This survey includes data from companies that are based in either Belgium or Luxembourg and whose shares are admitted to trading on a regulated market. The sample (hereafter Selected Index) comprises listed companies of the Bel 20, Bel Mid and/or LuxX indices based on the composition of these indices as per August 2019. The Selected Index also comprises some companies of other indices and companies that are no longer listed (or have changed indexes) but which still publicly disclose the information as for listed companies.

Company name	Location
Ackermans & Van Haaren NV	Belgium
ageas SA/NV	Belgium
Anheuser-Busch InBev SA/NV	Belgium
Aperam	Belgium
argenx SE	Belgium
Barco NV	Belgium
Befimmo SA	Belgium
BNP Paribas Fortis SA/NV	Belgium
bpost SA/NV	Belgium
Cofinimmo S.A.	Belgium
D’Ieteren SA	Belgium
Dexia SA	Belgium
Elia System Operator SA	Belgium
Etn Fr Colruyt NV	Belgium
Fagron NV	Belgium
Galapagos NV	Belgium
Groupe Bruxelles Lambert SA	Belgium
KBC Group NV	Belgium
NV Bekaert SA	Belgium
Ontex Group N.V.	Belgium
Orange Belgium S.A.	Belgium
Proximus PLC	Belgium
Sofina Société Anonyme	Belgium
Solvay SA	Belgium
Telenet Group Holding NV	Belgium
UCB S.A.	Belgium
Umicore S.A.	Belgium
WABCO Holdings Inc.	Belgium
Warehouses De Pauw Comm. VA	Belgium

Company name	Location
Altisource Portfolio Solutions S.A.	Luxembourg
Aperam	Luxembourg
ArcelorMittal	Luxembourg
Ardagh Group S.A.	Luxembourg
Aroundtown SA	Luxembourg
B&M European Value Retail S.A.	Luxembourg
B&S Group S.A.	Luxembourg
Brederode SA	Luxembourg
eDreams ODIGEO S.A.	Luxembourg
Eurofins Scientific SE	Luxembourg
Grand City Properties S.A.	Luxembourg
Intelsat S.A.	Luxembourg
IWG PLC	Luxembourg
Luxempart S.A.	Luxembourg
Reinet Investments S.C.A.	Luxembourg
RTL Group SA	Luxembourg
Saf-Holland S.A.	Luxembourg
SES SA	Luxembourg
Socfinaf S.A.	Luxembourg
Socfinasia S.A.	Luxembourg
Tenaris S.A.	Luxembourg

The data included in this survey is information publicly disclosed in the annual report and remuneration report of the Selected Index. The remuneration information for any financial year is sourced from the annual report and remuneration report of that year. In this respect, when referring to the 2018 financial year, reference is made to companies ending their financial year on a date after 31 March 2018 or at the latest on 31 March 2019. The voting information relates to the Annual General Meeting (AGM) that took place in 2019.

The following definitions are consistently applied in this publication.

Base salary: All fixed salary excluding benefits and pension benefits.

Short-term Incentive (STI): All cash and equity-based payments accrued to an individual over a period shorter than 12 months. A distinction is made between granted STI (i.e. awarded in the financial year under consideration) and realised STI (paid out in the financial year under consideration if it concerns a cash settlement or vested/exercised during the financial year for equity-based remuneration).

Long-term Incentive (LTI): All cash and equity-based payments accrued to an individual over a period longer than 12 months. A distinction is made between granted LTI (i.e. awarded in the financial year under consideration) and realised LTI (paid out in the financial year under consideration if it concerns a cash settlement or vested/exercised during the financial year for equity-based remuneration).

Total Realised Compensation (TRC): The total realised compensation is the sum of the base salary, realised STI, realised LTI, pension benefits and other compensation components.

The realised compensation is calculated based on performance indicators that have been met during the performance period. Most companies disclose the performance period and vesting period and the percentage that will be paid in the next year. For example, for shares that vested on 31 March 2019 but where the performance period ended on 31 December 2018, these shares are included in the realised compensation for financial year 2018. When the company does not disclose the average share price over the last quarter, the company's year-end share price was used to calculate the value of the vested multi-year share packages.

Total Granted Compensation (TGC): The total granted compensation is the sum of the base salary, granted STI, granted LTI, pension benefits and other compensation components.

Total Shareholder Return (TSR): The total return of a stock to an investor. It combines annual changes in share price (adjusted share price) and dividends paid, and is expressed as an annualised percentage.

Lower quartile (25^{th} percentile): 75% of the population earn more and 25% earn less than this level.

Median (50^{th} percentile): 50% of the population earn more and 50% earn less than this level.

Upper quartile (75^{th} percentile): 25% of the population earn more and 75% earn less than this level.

In this publication, the statutory positions of Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Other (non-)Executive Director (ONED and OED) are analysed. Only the key findings are published. Other potentially interesting indicators on executive and non-executive remuneration can be made available via your contact at PwC.

Key findings & takeaways

1 **The adoption of the 2020 Belgian Corporate Governance Code applicable to listed companies as of reporting years starting on or after 1 January 2020 (optional application for prior reporting year).**

- Focus on sustainable value creation and disclosure of financial and non-financial information
- Particular attention to be paid to diversity, talent development and succession planning
- Introduction of a cap on short-term incentives of executives (without further guidelines on the determination of such a cap)
- Consistency of the remuneration policy with the overall remuneration framework of the company
- Retention period of minimum one year after the term of the board membership and minimum three years after the time of award for shares granted to non-executive directors
- No granting of stock options to non-executive board members

2 **Implementation of the revised Shareholder Rights Directive (SRD II) into national law**

- Draft law implementing SRD II is being discussed in the Belgian Chamber of Representatives
- SRD II has been implemented in Luxembourg

Regulatory developments

The Belgian (draft) law implementing SRD II faithfully transposes the provisions of the European directive. However, the Belgian regulator decided not to use the possibility to exempt SMEs from the requirement to have the shareholders vote on the remuneration report. Belgian listed companies should be prepared to comply with the requirements of the national transposition of SRD II if the latter is adopted in the course of 2020.

Results of the 2019 general meetings

The analysis of the results of the 2019 general shareholders' meetings of the companies of the Selected Index revealed that the number of resolutions on remuneration matters increased over the years, reflecting the increasing complexity and requirements on (non-) executive remuneration of listed companies.

The 2019 voting results show that the approval of the remuneration report was subject to dissension amongst shareholders. The data of the Selected Index indicates that Belgian listed companies were more affected by shareholder revolt (i.e. more than 10% votes against) on remuneration items than Luxembourg companies.

The composition of the board before versus after the 2019 general meeting remained approximately the same in terms of number of board members. However, the results show a positive impact on the gender diversity of boards after the 2019 proxy season, especially for Belgian listed companies.

The 2020 Belgian Corporate Governance Code

Executive summary

- Applicable to listed companies as from reporting years beginning on or after 1 January 2020 (mandatory application)
- Optional application for reporting years beginning on or after 1 January 2019
- Revision of the 2009 Belgian Corporate Governance Code required to incorporate various developments in Belgian legislation, including the adoption of the new Belgian Companies and Associations Code, and the European regulatory framework
- Particular attention was paid to sustainable value creation, diversity, talent development and succession planning as well as to the disclosure of financial and non-financial matters (i.e. Corporate Governance Charter and Corporate Governance Statement)
- Certain requirements regarding the remuneration policy triggered reactions during the public consultations
- All provisions of the Code are subject to the "comply or explain" principle
- Statutory provisions have been removed from the Belgian Corporate Governance Code

The 2020 Belgian Corporate Governance Code replaces the previous versions published in 2004 and 2009. Its revision takes into account various changes to the Belgian and European regulatory frameworks as well as the recent adoption of the Belgian Companies and Associations Code.

On 17 May 2019, the Royal Decree of 12 May 2019 laying down the corporate governance code to be complied with by listed companies was published in the Belgian Official Gazette. The Code applies to companies incorporated in Belgium and whose shares are admitted to trading on a regulated market ('listed companies') as defined by the Belgian Companies and Associations Code. Its application is mandatory for reporting years beginning on or after 1 January 2020. However, companies may opt to apply the Code as from 1 January 2019. Companies must justify any deviation from the provisions of the Code ("comply or explain" principle), unless specific governance rules apply. Consequently, financial institutions are not required to justify deviations to the Belgian Corporate Governance Code where such deviations result from compliance with the Belgian Banking Law or the Capital Requirements Directive (IV – soon complemented by CRD V).

The 10 Corporate Governance Principles[1]

	The 2009 Corporate Governance Principles	The 2020 Corporate Governance Principles
Principle 1.	The company shall adopt a clear governance structure.	The company shall make an explicit choice regarding its governance structure and clearly communicate it.
Principle 2.	The company shall have an effective and efficient board that makes decisions in the best interests of the company.	The board and the executive management shall remain within their respective remits and interact constructively.
Principle 3.	All directors shall demonstrate integrity and commitment.	The company shall have an effective and balanced board.
Principle 4.	The company shall have a rigorous and transparent procedure for the appointment and evaluation of the board and its members.	Specialised committees shall assist the board in the execution of its responsibilities.
Principle 5.	The board shall set up specialised committees.	The company shall have a transparent procedure for the appointment of board members.
Principle 6.	The company shall define a clear executive management structure.	All board members shall demonstrate independence of mind and shall always act in the best interests of the company.
Principle 7.	The company shall remunerate directors and executive managers fairly and responsibly.	The company shall remunerate board members and executives fairly and responsibly.
Principle 8.	The company shall enter into a dialogue with shareholders based on a mutual understanding of objectives and concerns.	The company shall treat shareholders equally and respect their rights.
Principle 9.	The company shall ensure adequate disclosure of its corporate governance.	The company shall have a rigorous and transparent procedure for evaluating its governance regime.
Principle 10.		The company shall publicly report on the application of the Code.

Brief snapshot of the 10 principles and its provisions[2]

Principle 1. The company shall make an explicit choice regarding its governance structure and clearly communicate it.

The new Belgian Companies and Associations Code provides the option of a two-tier structure, with a supervisory board distinct from the management board. In contrast to some neighbouring countries, the two-tier structure is a totally new approach in Belgian governance practice. Therefore, the first principle of the 2020 Corporate Governance Code is that companies must decide – and review at least once every five years – the governance structure most appropriate for them.

The chosen company's governance structure must be described in the company's Corporate Governance (CG) Charter, which is disclosed on the company's website. Any material amendments made to the company's CG Charter or any events affecting the company's governance during the year must be described in the CG Statement in the annual report.

In contrast to the introduction of the two-tier structure, the option of instituting a legal executive committee (i.e. "directiecomité/comité de direction") previously adopted by a number of listed companies has been abolished, except for financial institutions.

1 A more detailed comparison can be consulted here: https://www.corporategovernancecommittee.be/sites/default/files/generated/files/page/comparative_table_code_2009_vs_code_2020.pdf

Principle 2. The board and the executive management shall remain within their respective remits and interact constructively.

The provisions of the second principle establishes the role and responsibilities of the (supervisory/management) board and executive managements and their interactions. The company's strategy should pursue sustainable value creation by putting in place effective, responsible and ethical leadership and by monitoring the company's performance.

The table below highlights responsibilities of the board in the company's strategy, talent leadership and compliance with the regulatory framework (i.e. monitoring role).

Principle 3. The company shall have an effective and balanced board.

The provisions of the third principle set out the composition and functioning of the board, as well as the role and responsibilities of the chair of the board and the company secretary.

The board size should ensure an efficient decision-making process as well as diversity of skills, background, age and gender. The board of directors should comprise a majority of non-executive directors. The (supervisory and management) board should include an appropriate number of independent directors (at least three). The 2020 Belgian Corporate Governance Code lists the criteria of an independent board member.

The board should function as a collectively responsible body ("college/collège"), which is composed by board members demonstrating high standards of integrity and probity. In a one-tier structure, the chair of the board and the CEO should not be the same individual.

Principle 4. Specialised committees shall assist the board in the execution of its responsibilities.

Like the board, the composition of the specialised committee should be balanced to ensure the required independence, skills, knowledge, experience and capacity to perform its duties effectively. The audit (and risk) committee, the remuneration committee and the nomination committee (if not combined with the remuneration committee) should be composed of at least three board members.

Principle 5. The company shall have a transparent procedure for the appointment of board members.

The fifth principle concerns the nomination and appointment of executive and non-executive board members and the chair, and the board succession planning. Attention is paid to the number of board memberships of non-executive board members to ensure that they have sufficient time to perform their duties. Consequently, non-executive board members should not take on more than five board memberships in listed companies. In addition, the term of the board membership should not exceed four years.

Newly appointed board members should receive appropriate training, including training on their role and the legal and regulatory environment.

Principle 6. All board members shall demonstrate independence of mind and shall always act in the best interests of the company.

The provisions of the sixth principle describe the requirement of integrity and independence of mind of board members and executives, and the prevention of conflicts of interests.

Strategy	Leadership	Monitoring
• Regular review of the medium and long-term company's strategy • Approval of operational plans and policies • Alignment of the culture of the company with its strategic objectives • Promotion of ethical behaviour through the company's culture • Determination of the risk appetite of the company to realise its strategic objectives	• Balanced executive team • Succession plan for the CEO, other members of the executive management and board members • Requirement to consider the overall remuneration framework of the company when determining its remuneration policy for executives and non-executive board members • Review of the executive management's performance and the realisation of the company's strategic objectives against agreed performance measures and targets	• Internal control and risk management • Disclosure of the company's financial statements and other material financial and non-financial information • Annual report containing sufficient information on issues of societal concerns and relevant environmental and social indicators • Monitoring the company's compliance with laws and regulations • Monitoring the compliance with the company's code of conduct (at least on an annual basis)

2 The complete corporate governance code can be found here: https://www.corporategovernancecommittee.be/sites/default/files/generated/files/page/belgische_corporate_governance_code_2020.pdf

Principle 7. The company shall remunerate board members and executives fairly and responsibly.

General provisions

7.1 The board should adopt, upon the advice of the remuneration committee, a remuneration policy designed to achieve the following objectives:

- to attract, reward and retain the necessary talent;
- to promote the achievement of strategic objectives in accordance with the company's risk appetite and behavioural norms; and
- to promote sustainable value creation.

7.2 The board should make sure that the **remuneration policy** is **consistent with the overall remuneration framework of the company.**

7.3 The board should submit the 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.

Non-executive board members' remuneration

7.4 For non-executive board members, the remuneration policy should take into account their role as board members, and specific roles such as chair of the board, or chair or member of board committees, as well as their resulting responsibilities and commitment in time.

7.5 Non-executive board members should not receive any performance-related remuneration that is directly related to the results of the company.

7.6 Non-executive board members should receive part of their remuneration in the form of shares in the company. **These shares should be held until at least one year after the non-executive board member leaves the board and at least three years after the time of award.** However, **no stock options** should be granted to non-executive board members.

Executives' remuneration

7.7 For executives, the remuneration policy should describe the various components of and determine an appropriate balance between fixed and variable remuneration, and cash and deferred remuneration.

7.8 The variable part of the executive remuneration package should be structured to link reward to overall corporate and individual performance, and to **align the interests of the executives** with the **sustainable value-creation** objectives of the company.

7.9 The board should set a **minimum threshold of shares** to be held by the executives.

7.10 When the company awards **short-term variable remuneration** to the executive management, this remuneration should be subject to a **cap**.

7.11 **Stock options** should not vest and be exercisable within less than **three years**. The company should neither facilitate entering into derivative contracts related to such stock options nor hedge the related risks, as this is not consistent with the purpose of this incentive mechanism.

7.12 The board should approve the main terms and conditions of the contracts of the CEO and other executives further to the advice of the remuneration committee. The board should include 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 should contain specific provisions relating to early termination.

Principle 8. **The company shall treat shareholders equally and respect their rights.**

The company should ensure that appropriate means allow an effective dialogue to be engaged with shareholders and potential shareholders, and enable shareholders to exercise their rights. Significant or controlling shareholder(s) are required to clearly express their strategic objectives, make a considered use of their position, prevent conflicts of interests, and respect the rights and interests of minority shareholders. The code provides the option for the board to enter into a relationship agreement with the significant or controlling shareholder(s). The dialogue should also be engaged with institutional investors on their voting behaviour and their evaluation of the company's corporate governance.

Principle 9. **The company shall have a rigorous and transparent procedure for evaluating its governance regime.**

The company's governance should be assessed every three years through a formal process in accordance with a methodology approved by the board. The nomination committee should evaluate each board member's presence at board or committee meetings, as well as the commitment and constructive involvement in discussions and decision-making at the end of the board member's term. The performance evaluation will help the company to decide to nominate (or not) new or existing board members.

Principle 10. **The company shall publicly report on the application of the Code.**

The principles set forth in the 2020 Corporate Governance Code are essential pillars of good governance. The provisions contained in each principle constitute recommendations for the effective implementation of the principles. If a company deviates from one or more provisions of the Code, it should adequately reason the difference(s). The board verifies the quality of the explanation at least once a year and should approve the reasons given and endorse their content. Explanations should then be submitted to the general shareholders' meeting at the time of the CG Statement.

For each deviation, the board should:

a. explain in what manner the company has deviated from a provision;

b. describe the reasons for this deviation;

c. where the deviation is limited in time, explain when the company envisages complying with a particular provision; and

d. where applicable, describe the measure taken instead of compliance, and explain how that measure achieves the underlying objective of the specific provision or of the Code as a whole, or clarify how it contributes to good governance of the company.

Implementation of the revised Shareholder Rights Directive (SRD II) into national law

Status update

- The European Commission published the guidelines on the standardised presentation of the remuneration report
- Late implementation in Belgium (draft law tabled in the Chamber of Representatives)
- Implemented into Luxembourg law (Law of 1 August 2019 amending the amended law of 24 May 2011 on the exercise of certain rights of shareholders at general meetings of listed companies transposing Directive (EU) 2017/828 of the European Parliament and the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement)

Local implementation of SRD II

The next table provides a brief overview of the implementation of specific remuneration provisions of SRD II into Belgian and Luxembourg law. The reader should keep in mind that the Belgian proposal has not yet been adopted. Therefore, depending on the parliamentary discussions, the following comments may be subject to change.

	Belgium	Luxembourg
Right to vote on the remuneration policy	Binding shareholders' vote (*new art. 7:89/1 Belgian Companies and Associations Code*). For companies that adopted a two-tier structure, the remuneration policy for both the supervisory board and the management board should be approved at the AGM.	Advisory shareholders' vote unless the company's articles of association provide for the vote to be binding (*art. 7bis (2) and (3) of the Lux law*).
Content of the remuneration policy	*Art. 7:89/1. Belgian Companies and Associations Code* Listed companies establish a remuneration policy with regard to directors, other officers and daily management delegates. The remuneration policy contributes to the achievement of the company's business strategy and interests, as well as to the long-term sustainability of the business, and explains how it contributes in these respects. It is presented in a clear and comprehensible way and it contains the following elements: 1° it describes the various components of the fixed and variable remuneration, including all the bonuses and other benefits, whatever their form, that can be granted to directors, to other officers and to the daily management delegates, and it defines their respective importance; 2° it describes how the overall conditions of remuneration and employment of the employees of the company have been taken into account when establishing the remuneration policy; 3° if the company grants variable remuneration, the remuneration policy establishes clear, detailed and varied criteria for the grant of such variable remuneration. It contains in particular: (a) the financial performance criteria, including, where appropriate, criteria relating to corporate social responsibility; (b) an explanation of how these elements contribute to the company's strategy, interests and long-term sustainability; (c) the methods to be used to determine how the performance criteria have been met; (d) information on possible deferral periods and the possibility for the company to claim back the variable remuneration; 4° if the company grants remuneration in shares, the remuneration policy specifies the vesting period and, where appropriate, the retention period, and it explains how the grant of stock-based compensation contributes to the company's business strategy, interests and long-term sustainability; (5) it sets out the duration of the contracts or agreements with directors, other officers and daily management delegates, periods of applicable notice, the main features of the supplementary or retirement pension plans, as well as the conditions for termination and severance payments;	*Article 7bis of the Lux law* The term "directors" refers to any member of an administrative, management or supervisory body of a company as well as to the CEO and, if this position exists within the company, the Deputy CEO. Companies must establish a remuneration policy with respect to the directors and must submit it to the vote of the shareholders at the AGM. In exceptional circumstances, companies may temporarily derogate from the remuneration policy, provided that this policy sets down the procedural conditions under which the derogation may be applied and specifies the policy elements that may be subject to derogation. The exceptional circumstances only cover situations where the derogation from the remuneration policy is necessary to serve the interests and long-term sustainability of the company or to ensure its viability. Companies must submit the remuneration policy to the vote of the shareholders at each significant change and, in any event, at least every four years. The remuneration policy must contribute to the company's strategy, interests and long-term sustainability, and must explain how it contributes to these goals. It must be presented in a clear and understandable manner and must describe the various components of the fixed and variable remuneration, including all bonuses and other benefits, regardless of their form, that can be granted to the directors, and it must specify their respective importance. The remuneration policy should describe how the conditions of remuneration and employment of employees of the company were taken into account when establishing the remuneration policy. When the company grants variable remuneration, the remuneration policy must establish clear, detailed and varied criteria for the grant of variable remuneration. It must indicate financial and non-financial performance criteria, including, where appropriate, criteria relating to social corporate responsibility, and it must explain how these elements contribute to the achievement of the company's strategy, interests and long-term sustainability, as well as the methods to be used to determine the extent to which the performance criteria have been met. It must provide information on possible deferral periods and on the possibility for the company to claim back the variable remuneration.

	Belgium	Luxembourg
Content of the remuneration policy (continued)	6° it explains the decision-making process followed, in accordance with *Article 7: 100, § 5, a) or Article 7: 120, § 5, a)*, for its determination, revision and implementation, including measures to prevent or manage conflicts of interests and, where appropriate, the role of the remuneration committee or other relevant committees; 7° in case of revision of the remuneration policy, it contains a description and explanation of all significant changes and the indication of how the votes of the shareholders on the remuneration policy and the remuneration report at the most recent AGM have been taken into account. After the vote on the remuneration policy at the AGM, this policy, as well as the date and the result of the vote, is made public on the company's website without delay, and it remains freely available to the public for at least the period during which the remuneration policy applies.	When the company grants share-based compensation, the remuneration policy must specify the acquisition and, where applicable, the retention period, and it must explain how share-based compensation contributes to the achievement of the company's strategy, interests and long-term sustainability. The remuneration policy must state the duration of the contracts or agreements with the directors and notice periods, the main features of the supplementary pension schemes or early retirement, as well as termination conditions and termination payments. The remuneration policy must explain the decision process followed for its determination, revision and implementation, including measures to avoid or manage conflicts of interests and, where appropriate, explain the role of the remuneration committee or other relevant committees. Any revision of the policy must include the description and explanation of any significant changes and must indicate how the votes of shareholders on the most recent remuneration policy and report were taken into account. After the vote on the remuneration policy at the AGM, the remuneration policy, as well as the date and the result of the vote, must be made public on the website of the company without delay and must remain freely available to the public for at least the period in which the remuneration policy applies.
Right to vote on the remuneration report	Advisory shareholders' vote (*modification of current art. 3:6 Belgian Companies and Associations Code*). SMEs are not exempted from the requirement to submit the remuneration report to the vote of their shareholders.	Advisory shareholders' vote (*art. 7ter (4) of the Lux law*). Instead of the vote, SMEs may submit the remuneration report of the most recent financial years to a discussion at the AGM as a specific item of the agenda. The company explains in the next remuneration report how the discussion at the AGM was taken into account.
Content of the remuneration report	*Art. 3:6 Belgian Companies and Associations Code* The Corporate Governance Statement of listed companies includes the remuneration report, which is established as a specific section. The remuneration report is written in a clear and understandable manner. It provides an overview of the remuneration, including any benefits, whatever their form, granted or due during the financial year to each of the directors, members of the management board, members of the supervisory board, other directors and daily management delegates of the company, including newly appointed and former directors, in accordance with the remuneration policy. The remuneration report must contain at least the following information with respect to each of the directors, members of the management board, members of the supervisory board, other directors and daily management delegates:	*Article 7ter of the Lux law* The company must establish a clear and understandable remuneration report, providing a view of the compensation package, including all benefits, regardless of their form, granted or owed in the most recent financial year to each director, including newly appointed and former directors, in accordance with the remuneration policy. If applicable, the remuneration report must contain the following information concerning the remuneration of each director: 1. the total remuneration broken down by component, the corresponding relative proportion of the fixed and variable remuneration, an explanation of how the total remuneration complies with the remuneration policy, and how it contributes to the long-term performance of the company, including information on how the performance criteria were applied;

	Belgium	Luxembourg
Content of the remuneration report (continued)	1° (a) the total remuneration, broken down by component, paid by the company or an affiliated company. This information will be broken down as follows: • basic remuneration; • variable compensation: any additional remuneration linked to the performance criteria with indication of the terms of payment; • pension: amounts paid during the financial year and the costs relating to the services provided during the financial year depending on the type of pension plan, with an explanation of the applicable pension plans; • the other components of the remuneration package, such as the costs or value of insurance and other benefits in kind, with an explanation of the characteristics of these main components; (b) the relative proportion of fixed and variable remuneration; and (c) an explanation of how the total remuneration complied with the remuneration policy adopted, including how it contributes to the long-term performance of the company; (d) information on how the performance criteria were applied; 2° the number of shares, stock options or any other rights to acquire shares, granted, exercised or expired during the financial year as well as their key features and their main conditions of exercise, including the price and the date of exercise and any changes in these conditions; 3° in case of departure, the reason(s) and the decision of the board of directors/supervisory board, made upon a proposal of the remuneration committee, on the question whether the individual is entitled to severance pay, and the calculation basis of this allowance; 4° where applicable, information on the use of the possibility to claim back the variable remuneration; 5° information on any deviation from the procedure for implementing the remuneration policy and any derogation applied in accordance with the remuneration policy, including the explanation of the nature of the exceptional circumstances and the indication of the specific elements concerned by the derogation. The remuneration report also describes the annual evolution of the remuneration, the company's performance and the average earnings of employees – other than directors, members of the management board, members of the supervisory board, other directors and daily management delegates – on a full-time equivalent basis of employees during at least the last five financial years, presented together and in a way that allows the comparison to be made.	2. annual changes in compensation, the company's performance and the average compensation of the employees – other than directors – on a full-time equivalent basis over at least the five most recent financial years, presented together and in a way that allows a comparison to be made; 3. any remuneration paid by a company belonging to the same group; 4. the number of shares and the number of stock options granted or offered, as well as the main conditions of exercise, including the price and the date of exercise and any modification of the conditions; 5. information on the use of the possibility of claiming back the variable remuneration; 6. information on any deviation from the procedure for implementing the remuneration policy and any derogation applied in accordance with the remuneration policy, including an explanation of the nature of the exceptional circumstances and the indication of the specific elements concerned by the derogation. Companies may not include specific categories of personal data of individual directors within the meaning of Article 9 (1) of the (EU) Regulation 2016/679 of the European Parliament and of the Council, or personal data relating to the family situation of directors. The companies process the personal data of the directors contained in the remuneration report for the purpose of enhancing the transparency of the company, with a view to strengthening directors' accountability and the right of shareholders to oversee directors' compensation. Companies do no longer publicly disclose the personal data of directors contained in the remuneration report after ten years from the date of publication of the remuneration report. After the AGM, companies must disclose the remuneration report to the public – free of charge – on their website, for a period of ten years, and may decide to keep it available for a longer period, provided that the personal data of directors are no longer included. The statutory auditor must verify that the information required by article 7ter of the Law has been communicated. The company's directors, acting within their powers conferred upon them by law, have the collective responsibility to ensure that the remuneration report is prepared and published in accordance with the requirements of the Law implementing the (revised) SRD.

	Belgium	Luxembourg
	As far as directors, members of the management board, members of the supervisory board and daily management delegates are concerned, this information is disclosed on an individual basis. The information mentioned under the above points 1°, 4° and 5° is disclosed on an aggregated basis as regards the other directors. Information reported under points 2° and 3° is disclosed on an individual basis. The term “other directors” refers to members of any committee where the general management of the company is discussed and which is established outside of the committees organised by article 7:104 of the Code. Listed companies do not include any specific categories of personal data of natural persons individually within the meaning of Article 9 (1) of (EU) Regulation 2016/679 of the European Parliament and Council of 27 April 2016 on the protection of individuals with regard to data processing of personal data and the free movement of such data, and repealing Directive 95/46 / EC, or personal data relating to the family situation of individuals. Companies process the personal data of natural persons contained in the remuneration report for the purposes of enhancing the company’s transparency with respect to the remuneration of directors, members of the management/supervisory board, other directors and daily management delegates. Without prejudice to any longer period required by specific legal provisions, companies do no longer publicly disclose the personal data of natural persons contained in the remuneration report after ten years from the date of publication of the remuneration report.	

Feedback of the 2019 proxy season

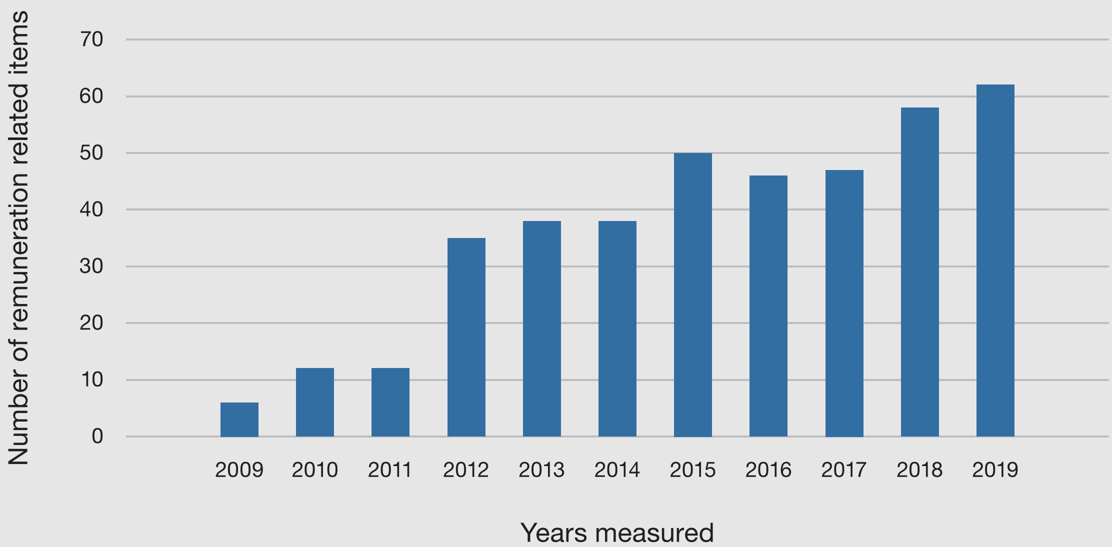
Votes on remuneration related matters

From a sample of 49 companies (the “Selected Index”), only a few companies had not yet disclosed the AGM’s results on their website at the time of the preparation of this report.

In Belgium, article 7:141 of the Belgian Companies and Associations Code establishes the obligation of quoted companies to publish the minutes of the AGM along with the mention, for each decision, of the number of shares for which votes have been validly cast, the proportion of the capital represented by these shares, the total number of votes validly cast, the number of votes cast for and against each decision and, if applicable, the number of abstentions. The company must publish this information on the company’s website within fifteen days following the AGM.

The number of resolutions related to remuneration items has significantly increased over the years, as shown by the graph below. The increasing number of resolutions on remuneration items is the result of the rising scrutiny on executives and non-executives’ remuneration combined with legislative and regulatory developments in this respect.

Number of remuneration related resolutions

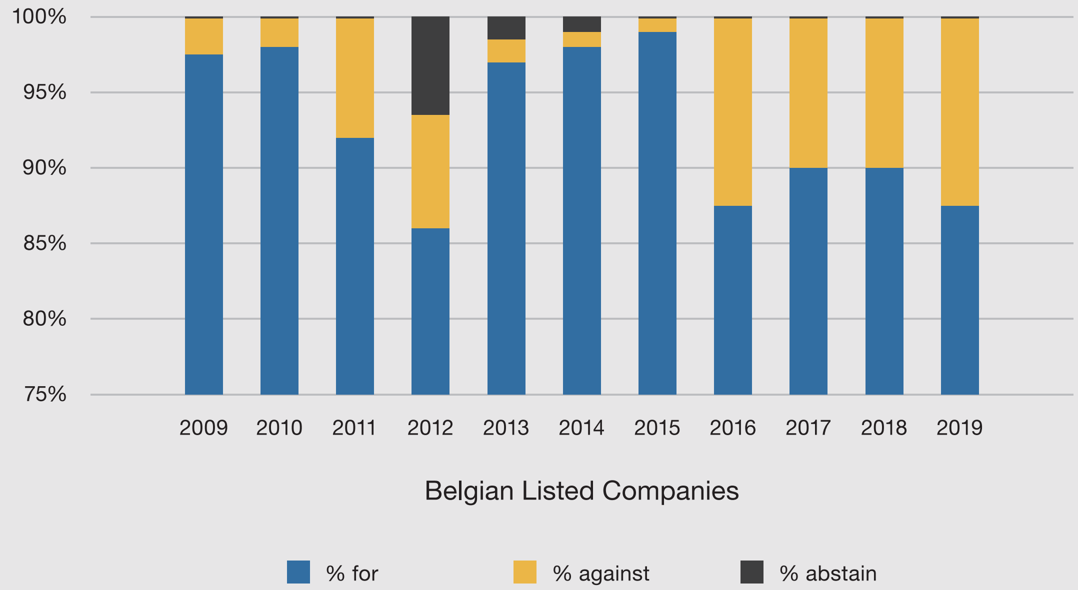


CGLytics Corporate Governance Data & Analysis

The evolution of the proportion of votes for versus against and abstentions on remuneration items at AGMs is represented in the following two graphs for Belgian and Luxembourg listed companies of the Selected Index. Based on the sample surveyed, the data reveals that Belgian companies were more affected by shareholder revolt on remuneration related items than Luxembourg companies.

The proportion of votes against remuneration items increased in 2011 and 2012 for Belgian companies, then decreased between 2013 until 2015, and increased again significantly in 2016 and 2019. The proportion of votes against of Luxembourg companies also increased significantly in 2012 and 2019 (but for the latter not in a comparable way as for Belgian companies).

Evolution of the proportion of for / against / abstain votes on remuneration items (Belgium)



Evolution of the proportion of for / against / abstain votes on remuneration items (Luxembourg)

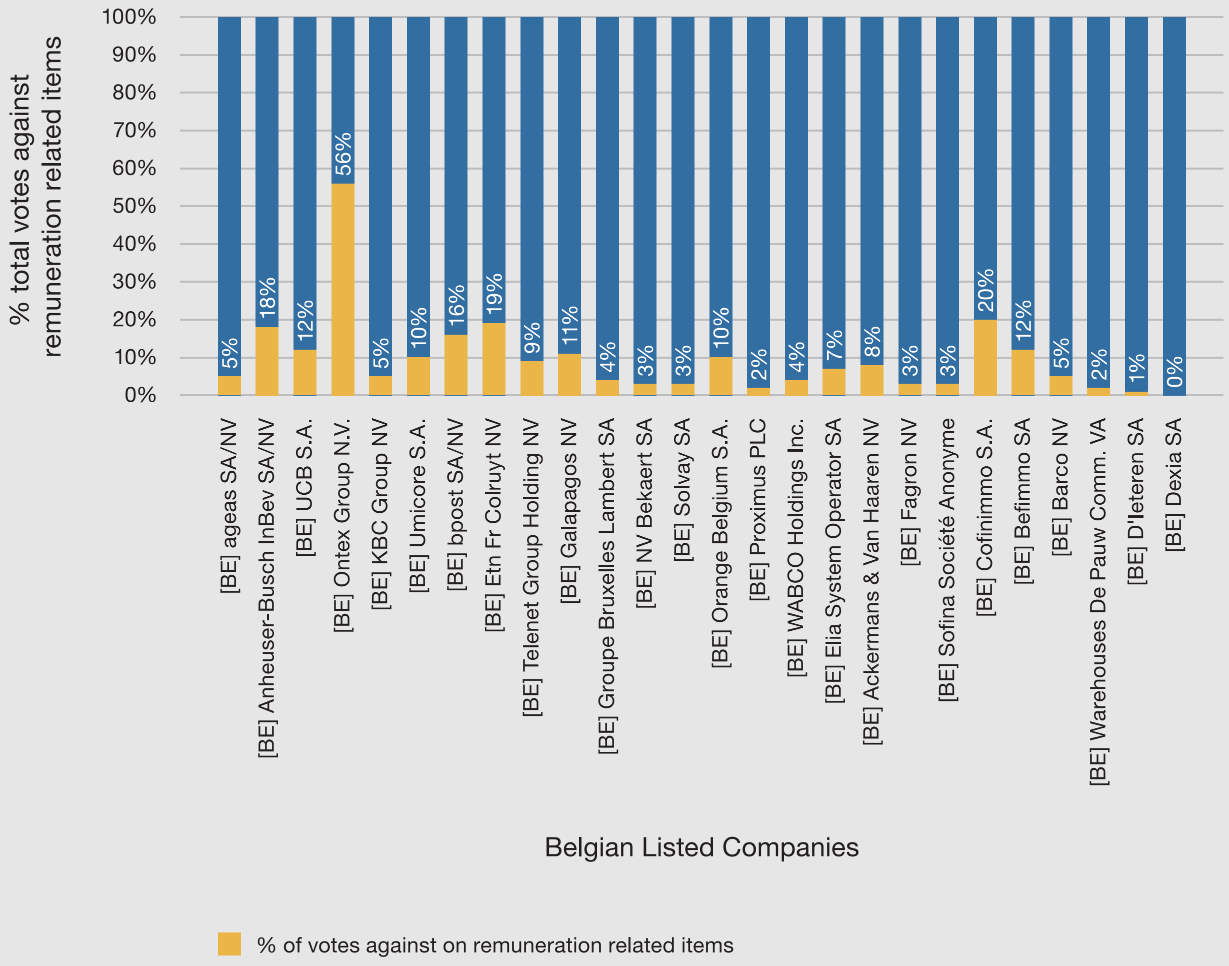
CGLytics Corporate Governance Data & Analysis

Shareholders revolt (2019)

The first graph shows the proportion of votes against on remuneration related items at the 2019 AGM of Belgian listed companies (Selected Index) compared to the total votes on remuneration related items, including votes for and abstentions.

The remuneration report of Ontex Group NV has been rejected by the shareholders with 56% votes against. Shareholders of Anheuser-Busch InBev SA/NV approved the remuneration report and some changes to the fixed remuneration of directors, however with a shareholder revolt (i.e. more than 10% votes against). The remuneration report of bpost SA/NV was also approved with a shareholder dissent.

2019 Remuneration – % votes against on remuneration related items (Belgium)



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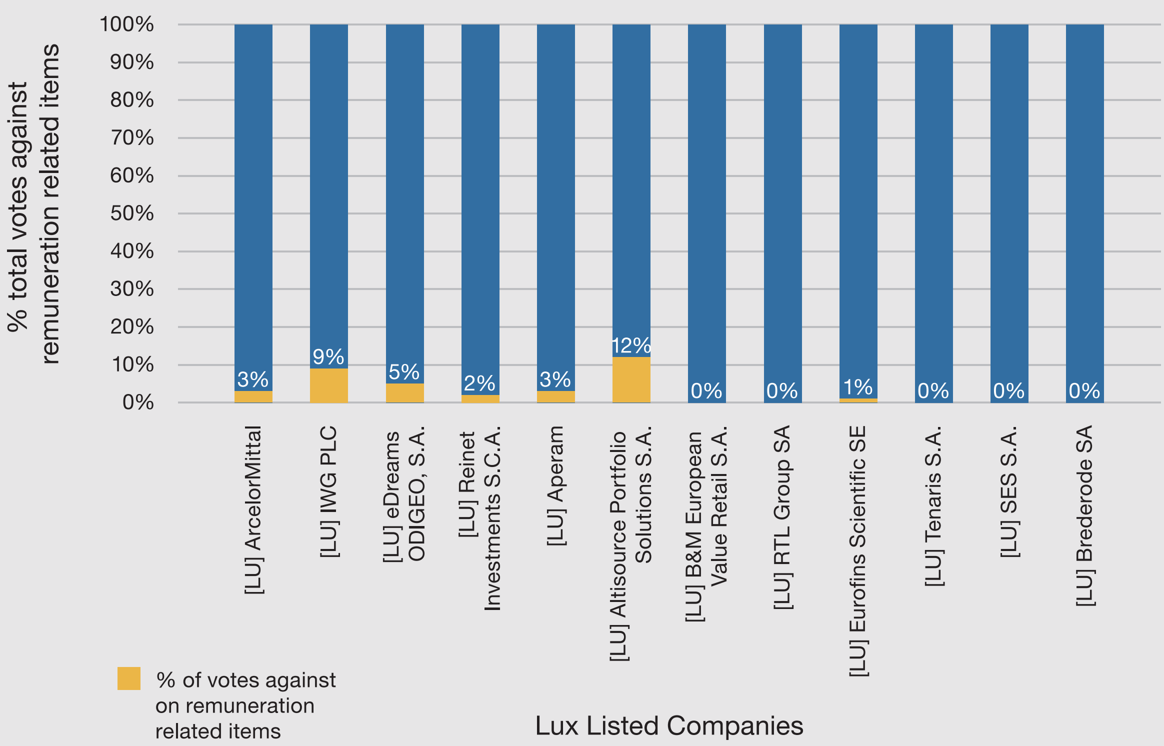
The second graph shows the proportion of votes against remuneration related items at the 2019 AGM of Luxembourg listed companies (Selected Index) compared to the total votes on remuneration related items, including votes for and abstentions.

2019 Remuneration – % votes against on remuneration related items (Luxembourg)

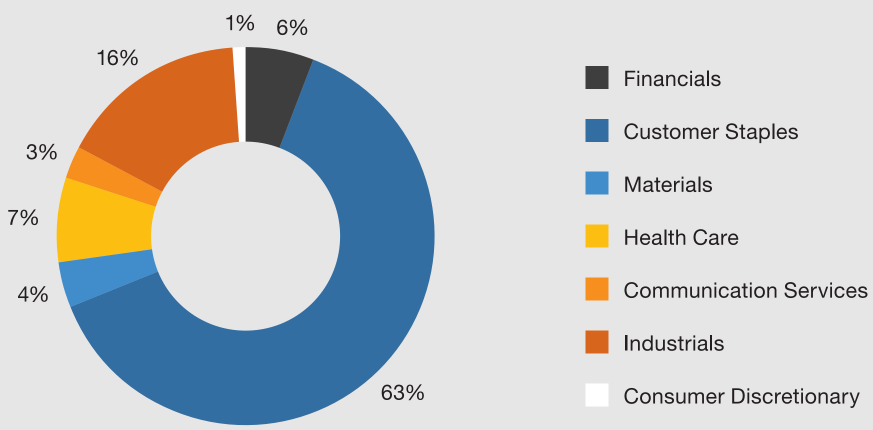


CGLytics Corporate Governance Data & Analysis

Only a few companies submitted their remuneration policies to shareholders approval at the 2019 AGM, a.o. Anheuser-Busch InBev SA/NV, IWG PLC and eDreams ODIGEO S.A.

The graph below shows the allocation of total votes against remuneration related items by sector. The largest sector is consumer staples (i.e. Ontex Group NV and Anheuser-Busch InBev SA/NV are included in this group).

Total votes against on remuneration items by sector



CGLytics Corporate Governance Data & Analysis

Executive remuneration

Compensation design

Ratio of fixed versus variable remuneration

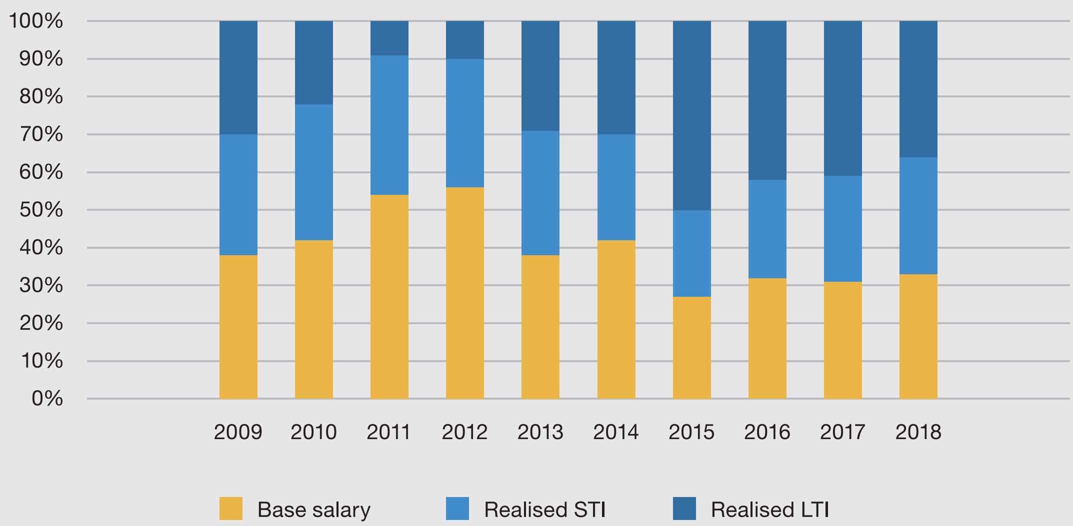
In Belgium, the remuneration restrictions to variable pay, the grant and exercise of stock options/shares and severance pay remain applicable (*art. 7:91 and 7:92 of the Belgian Companies and Associations Code – the reader is referred to the first publication of April 2019 "Corporate governance and executive pay – Legislative landscape and market insights 2019" for the description of these requirements*). These restrictions are not subject to changes further to the implementation of SRD II, given that the current Belgian provisions are more complete than the text of the directive.

It is noticeable that neither the Belgian Companies and Associations Code nor SRD II requires a cap on variable remuneration. However, the 2020 Belgian Corporate Governance Code provides a cap on short-term variable remuneration granted to the executive management. No further guidelines are provided to determine the cap. The evolution of the proportion of short-term variable remuneration should be monitored to see how this cap will affect the granting of STIs as from 2020.

The graph below shows the evolution of the proportion of obtained variable remuneration (short-term and long-term incentives) compared to base salary for the Belgian companies of the Selected Index. In terms of figures, a small difference may be observed for years 2009 – 2017 compared to the first report due to some companies having been added to the Selected Index. Financial year 2018 shows the same tendency as the one observed since 2015. The proportion of base salary tends to increase compared to realised STI and LTI.

This observation may be explained by the increasing focus on long-term sustainable value creation, which is now clearly enacted in the 2020 Belgian Corporate Governance Code. It means that the proportion of STI decreased as from 2013 and continued to stagnate over the past few years. Next year's analysis will tell us whether the recent regulatory developments (a.o. the introduction of a cap on STI in the 2020 Belgian Corporate Governance Code) will impact the proportion of pay components. Further, one should be aware that the Belgian banking law of 25 April 2014 may also explain the decrease of proportion of STI as from 2013 given that some companies of the banking sector composed part of the Selected Index.

Evolution of proportion of base salary, STI and LTI (2009–2018) – all sectors*

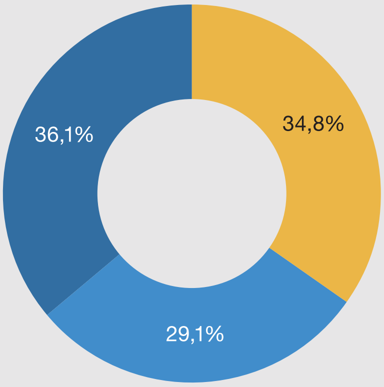


* Companies whose shares are admitted to the LuxX index are excluded from the graph.

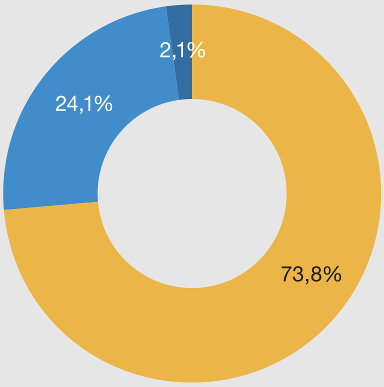
CGLytics Corporate Governance Data & Analysis

The pie charts below show the proportion of STI and LTI for the Selected Index across all sectors versus the banking sector. The chart on the right reflects the cap on variable remuneration for companies operating in the banking sector, which applies to both STI and LTI.

Proportion of base salary, STI and LTI (2018) – all sectors of the Selected Index



2018 – Banks & insurance companies of the Selected Index*



Base salary   Realised STI   Realised LTI

* Companies included in the banks & insurance graph: ageas SA/NV, Dexia, KBC Group NV and BNP Paribas Fortis SA/NV

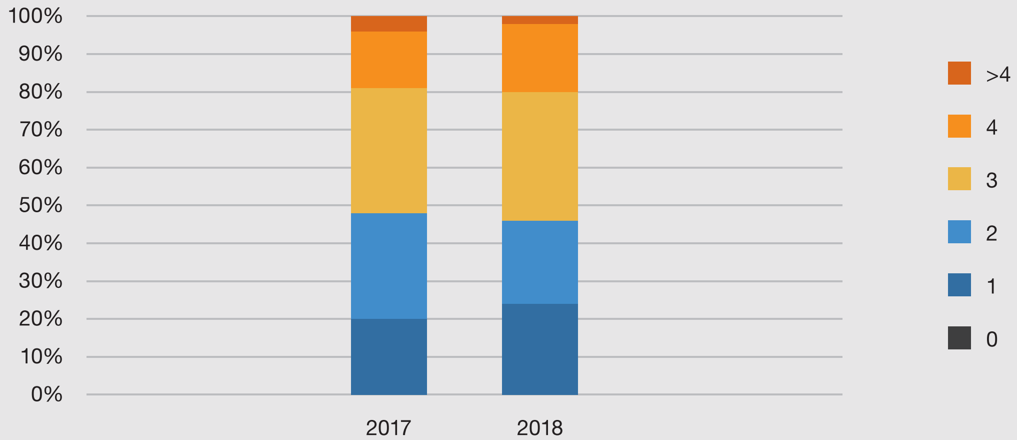
CGLytics Corporate Governance Data & Analysis

Incentive plans

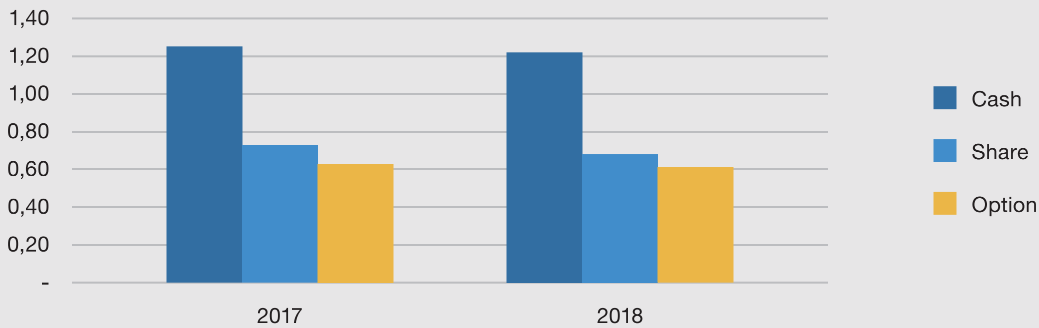
Short-term and long-term incentives (STI/LTI)

The graphs below represent the percentage of companies within the Selected Index that have a specific number of incentive plans in place, and the average number of Cash/Share/Option Plans.

% of companies with # of plans



Average # of Cash/Share/Option plans



CGLytics Corporate Governance Data & Analysis

Stock option plans are expected to be one of the most popular instruments for LTI plans in combination with other share related instruments. The above graph shows a more nuanced view when comparing all incentive schemes (both short-term and long-term). Short-term incentives are still predominantly settled in cash. Moreover, as there are more companies that have a short-term incentive plan than companies having a long-term incentive plan, the relative number of option plans is almost half of the number of cash incentive plans.

Key performance indicators (KPIs)

Financial performance indicators remain dominating factors in the evaluation of a company's performance. Non-financial KPIs are more frequently used for executive remuneration STIs rather than LTIs. Despite this, non-financial company KPIs typically reflect long-term goals especially when linked to sustainability.

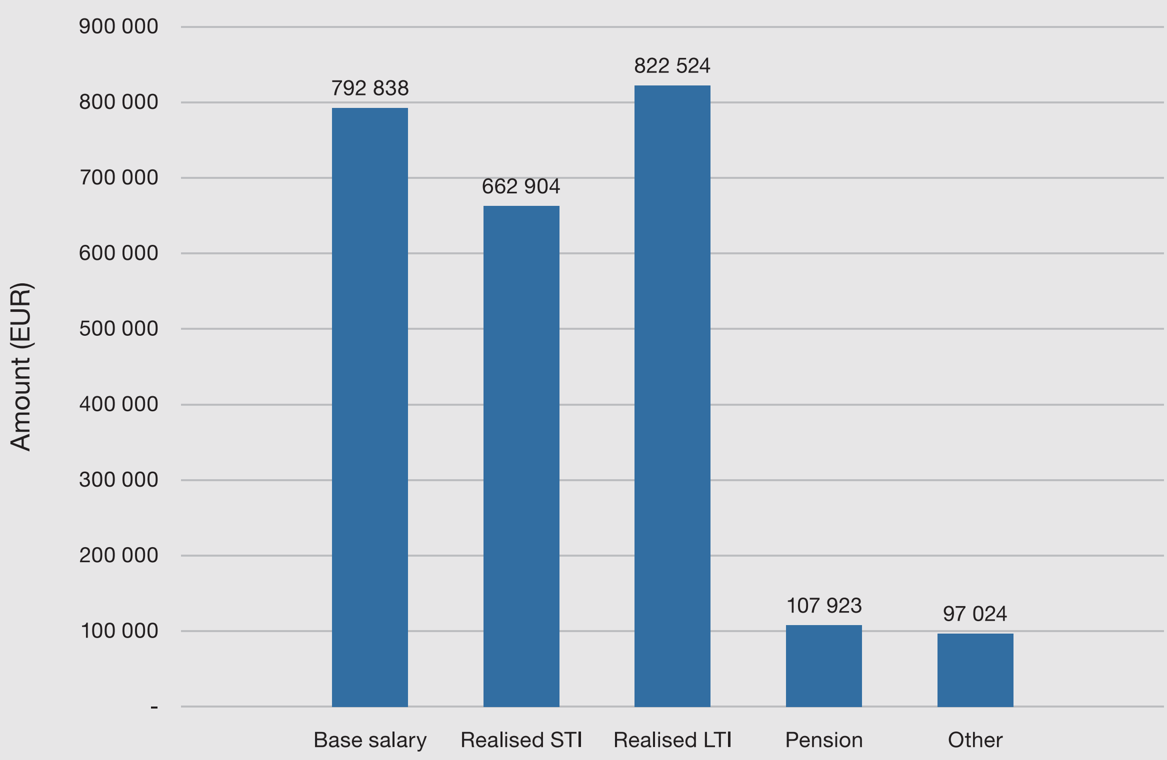
Amongst the non-financial KPIs used for STI plans in 2018, most companies used individual performance combined with other factors (i.e. corporate social responsibility and governance, qualitative targets, customer satisfaction, employee satisfaction, etc.).

According to the Non-Financial Reporting Directive, companies should disclose KPIs relevant to their particular business. The guidelines on non-financial reporting (supplement reporting on climate related information) released by the European Commission in 2019 suggest the disclosure of recommended key indicators, such as GHG emissions, energy, physical climate risks, products and services, green finance, sector-specific indicators relevant for the company's industry, indicators on related environmental issues (e.g. water, soil productivity or biodiversity, forest degradation or deforestation), and indicators on related human capital and social issues (e.g. training and recruitment of employees). The company's policies related to climate should describe whether and how the company's remuneration policy takes account of climate related performance, including performance against targets set. The question can be asked whether the executive pay related non-financial ESG KPIs are already sufficiently aligned with the ambition reflected in the sustainability report of the company.

CEO pay components

The graph below shows the average CEO compensation of the Selected Index, broken down by pay components (figures for 2018).

Average CEO pay components for 2018



CGLytics Corporate Governance Data & Analysis

The following table provides an overview of the tendencies observed per quartile in 2018. The remuneration package should reflect the job complexity, responsibility and performance as well as ensuring competitiveness for the same position compared to companies operating in the same/a similar industry in the relevant geographic area. The table below suggests that CEO pay is mainly driven by market cap and size of the company, which often means a larger scope of responsibilities and a higher level of complexity.

2018	Market cap in EUR (xMln)	Employees in number	Revenue in EUR (xMln)	Asset base in EUR (xMln)	Net income in EUR (xMln)	TSR in %	CEO TGC in EUR	CEO TRC in EUR
25%	1.416	1.078	534	2.011	40	-32%	1.040.450	900.450
50%	3.065	6.478	2.292	4.449	253	-12%	1.758.831	1.411.736
75%	7.621	22.708	5.586	12.447	659	3%	4.380.139	2.418.465
90%	12.344	30.225	9.700	84.095	1.172	27%	6.508.778	6.135.162
Average	7.057	17.795	5.467	28.134	509	0%	3.073.786	2.483.214

Key governance themes for boards

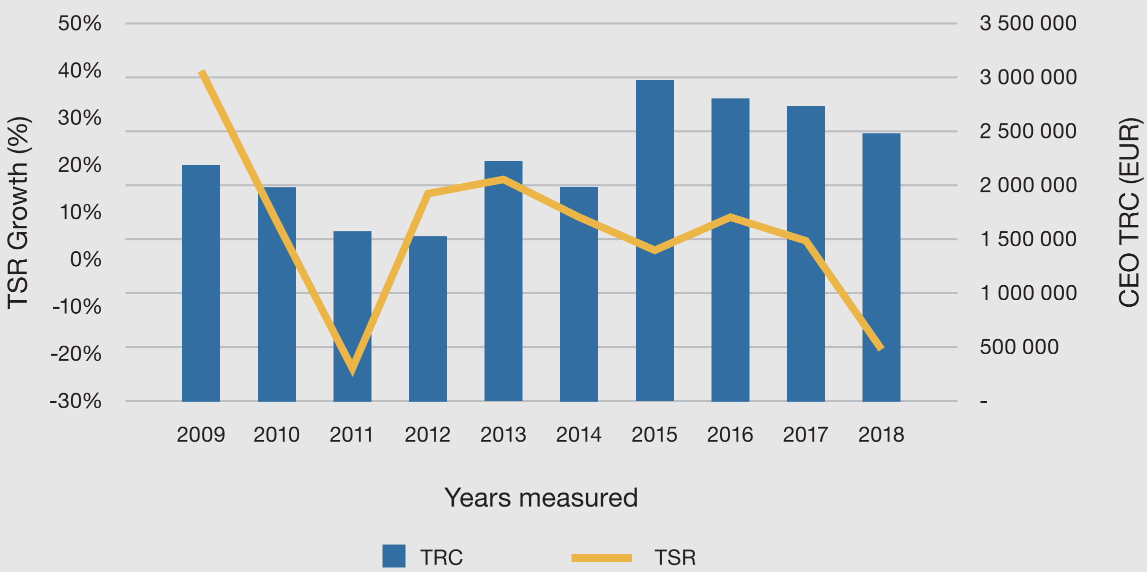
Pay for performance (P4P)

The graph below shows the evolution of total shareholder return (TSR) compared to the total realised compensation (TRC) of CEOs of the Belgian companies of the Selected Index.

The total realised compensation includes all realised components of compensation in the year under consideration. It is defined as the sum of total direct and indirect compensation realised during the year, i.e. the sum of base salary, benefits, bonus, deferred cash bonus, deferred share bonus, value of performance/restricted shares vested, value of performance/restricted options exercised and other compensation. The TRC is calculated based on performance indicators that have been met during the performance period. Most companies clearly disclose the performance period and vesting period and the percentage that will be paid in the next year. For example, for shares that vested on 31 March 2019 but where the performance period ended on 31 December 2018, shares are included in realised compensation for financial year 2018. Where the company does not disclose the average share price over the last quarter, the company's year-end share price was used to calculate the value of the vested multi-year share packages.

The figures highlight that CEO total realised compensation (TRC) is decreasing since 2015 while the total shareholder return (TSR) only started to decrease as from 2016. In 2017, the TSR was still positive (4%) while in 2018 it decreased further to become negative (-19%). The decreasing trend of the TSR is in line with other European stock markets that are impacted by the broader macro-economic and political challenges..

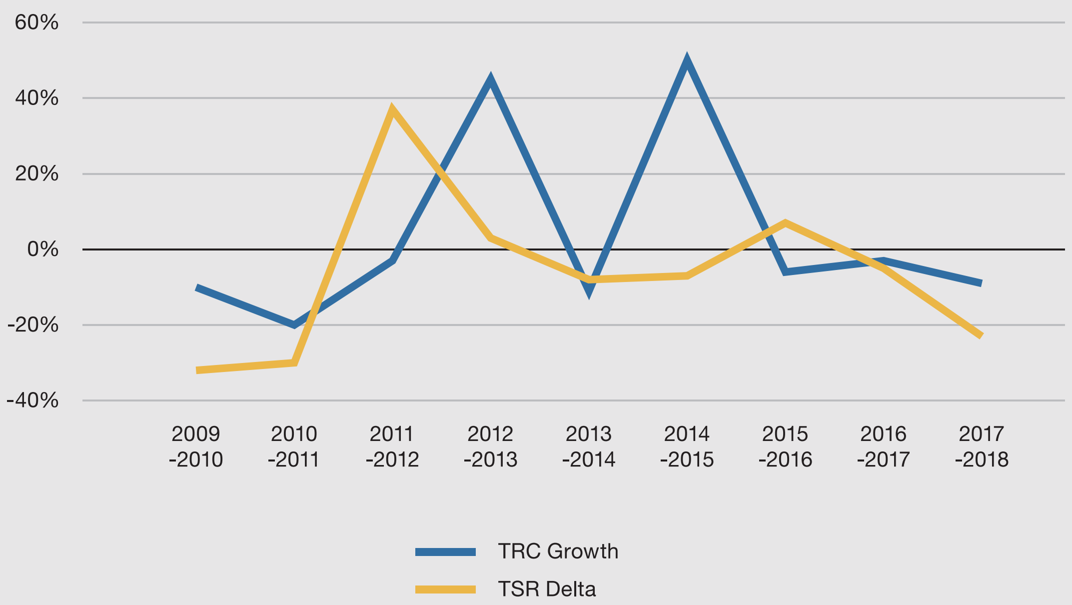
TRC vs TSR: absolute growth



CGLytics Corporate Governance Data & Analysis

In terms of relative growth, the graph below shows the same tendency as the absolute growth.

TRC vs TSR: relative growth



CGLytics Corporate Governance Data & Analysis

P4P alignment

The CGLytics' P4P analysis includes all companies of the Selected Index except for Aperam, Intelsat S.A., Luxempart S.A., Reinet Investments S.C.A., RTL Group SA, SES S.A., Socfinaf SA, Socfinasia S.A., Ardagh Group S.A., B&S Group S.A., Tenaris S.A. and Brederode SA as they do not have compensation data disclosed for the CEO position for the years 2016-2018.

Pay for performance review: 2018

- 35.14% of companies display good pay for performance alignment.
- 32.43% of companies are conservative in their pay practices.
- 32.43% of companies display pay for performance misalignment.

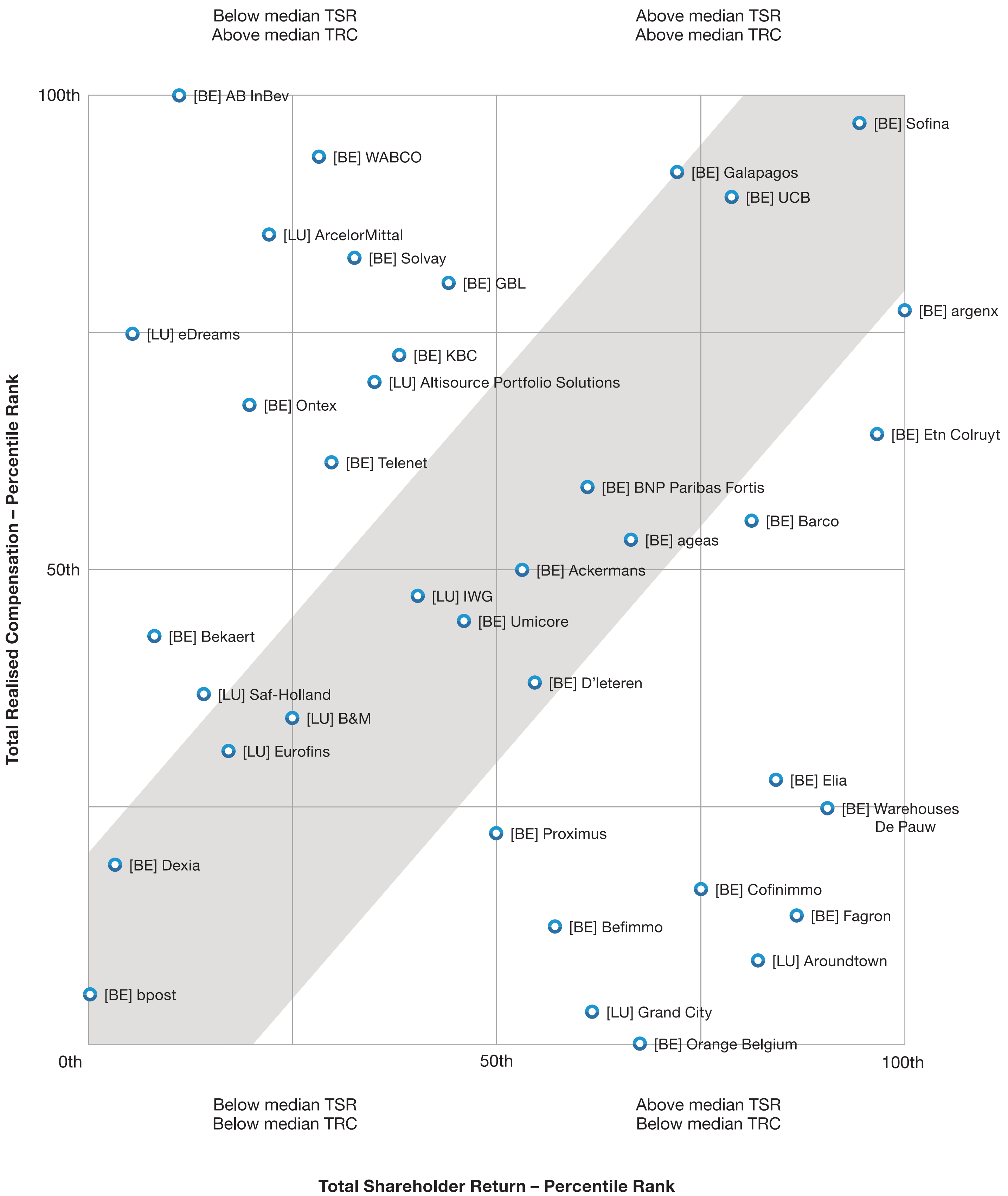
Pay for performance review: Three-year basis

- 29.73% of companies display good pay for performance alignment.
- 40.54% of companies are conservative in their pay practices.
- 29.73% of companies display pay for performance misalignment

The interpretation of such observations must take into account the company's situation, such as its size and sector and its local or international activities, whether investments were made during the financial year under consideration, etc.

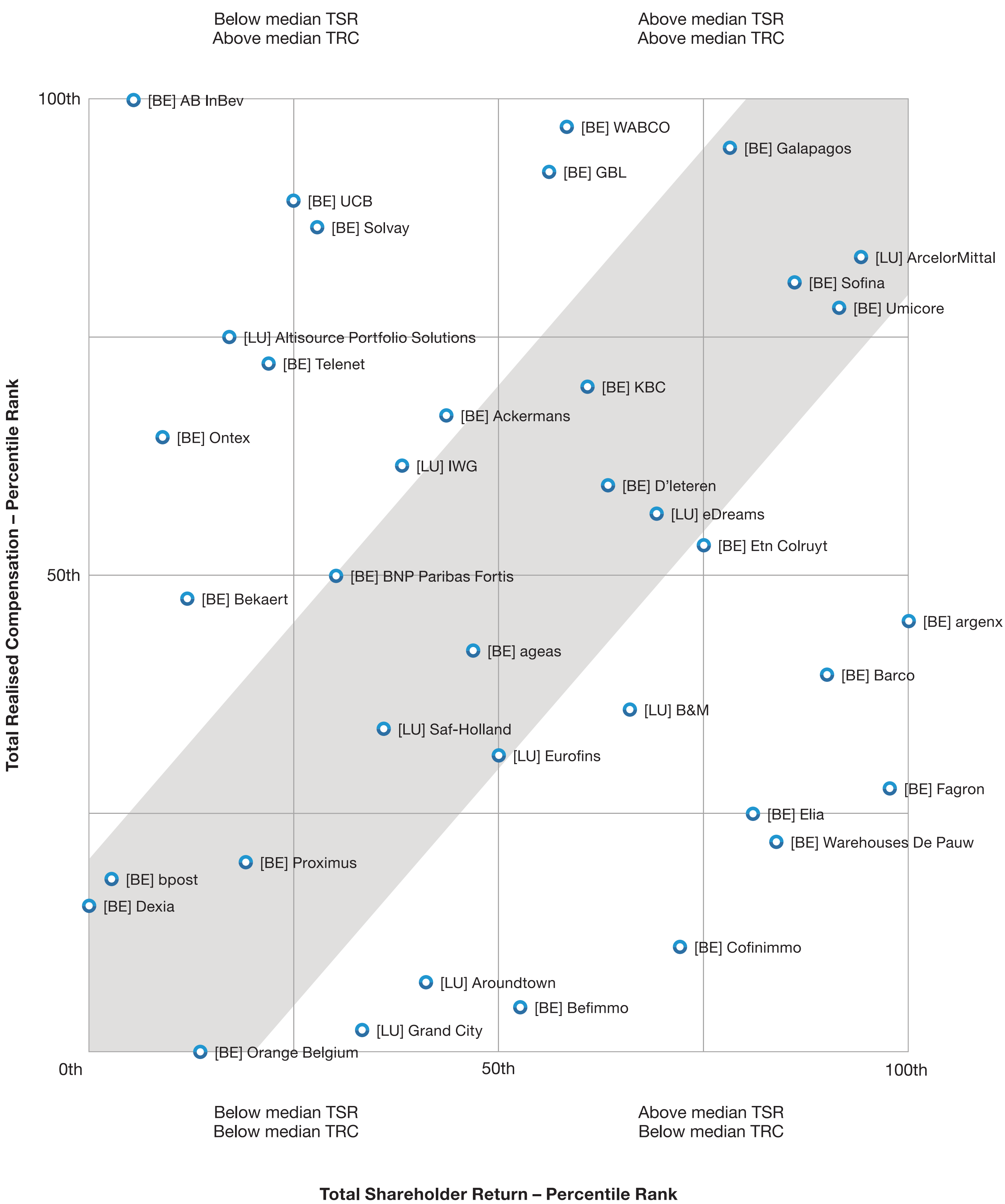
CGLytics CEO Pay for Performance alignment: 2018

CEO Total Realised Compensation (TRC) vs Total Shareholder Return (TSR) (Percentile Rank)



CGLytics CEO Pay for Performance alignment: 3-year basis (2016-2018)

CEO Total Realised Compensation (TRC) vs Total Shareholder Return (TSR) (Percentile Rank)



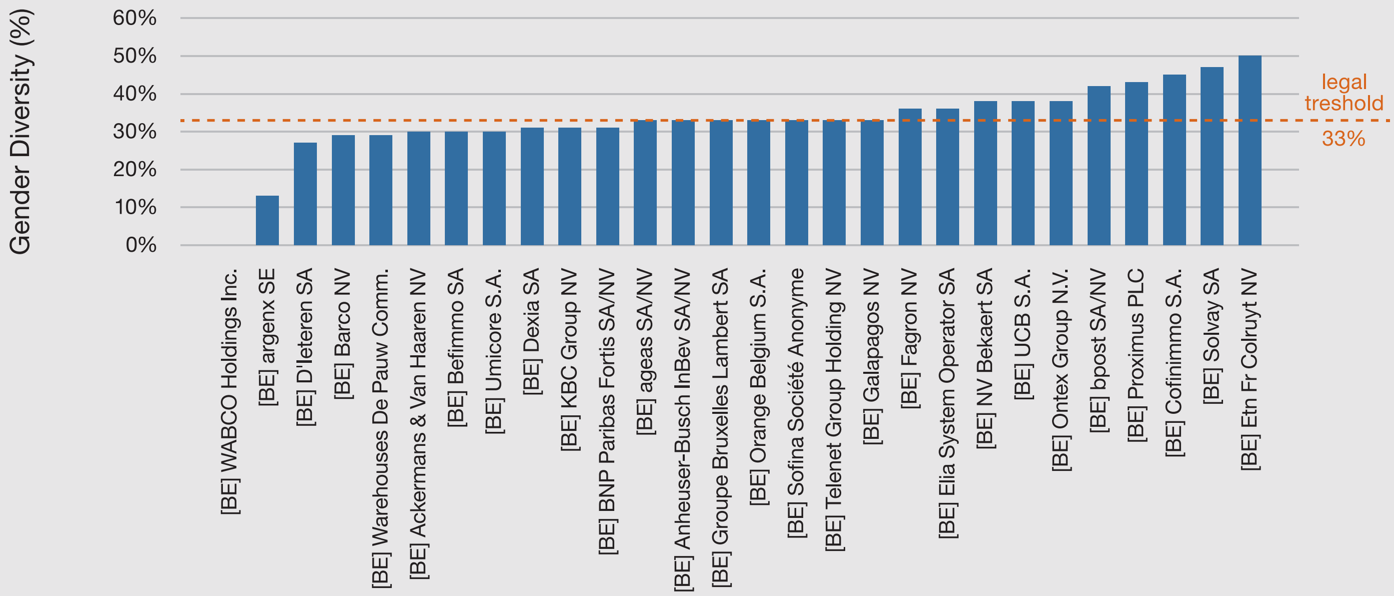
Board composition

The board size of the Selected Index remained stable compared to the 2018 graphs (*reference is made to the first report "Corporate governance and executive pay – Legislative landscape and market insights 2019"*). The size of the board of the Selected Index ranges from five to 18 members, with an average of 11 members. Only three Belgian companies of the Selected Index have more than 16 members on their board. The Luxembourg Corporate Governance Code recommends the board not to exceed the number of 16 directors, whereas no recommendation is made in terms of board size in the 2020 Belgian Corporate Governance Code.

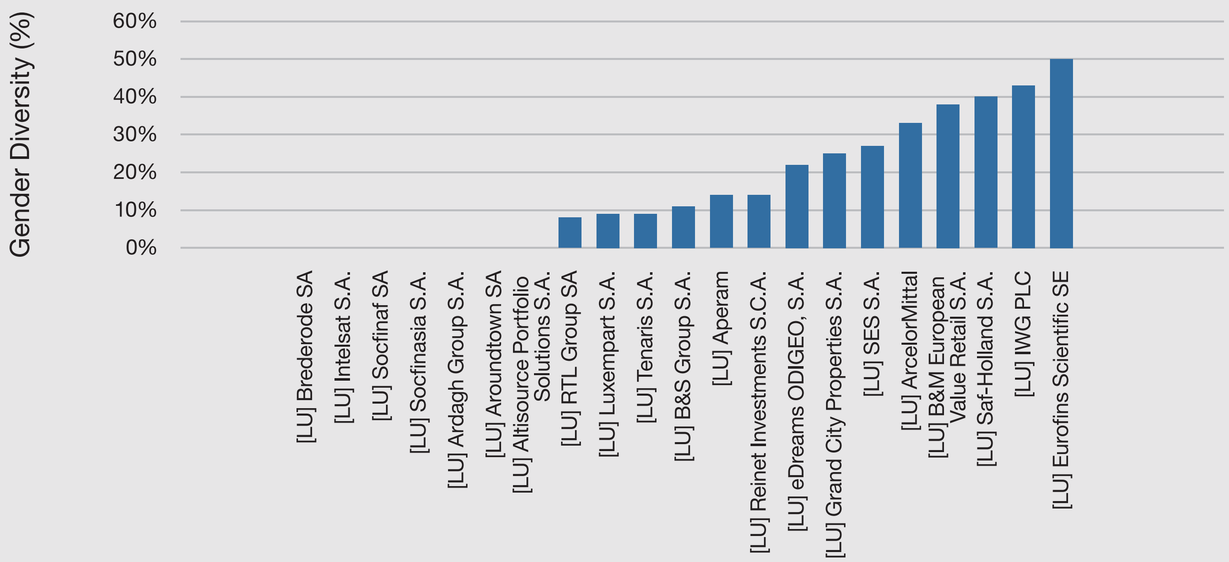
The findings from 2018 (prior to the 2019 proxy season) revealed that only half of the Belgian companies of the (previously) Selected Index reached the one-third threshold of women on boards, stated in Belgian law. The graph below suggests that some companies took actions with respect to gender diversity in their board.

The comparison of the Selected Index again reveals that Luxembourg companies are lagging behind Belgium in the area of board diversity in 2019. This can be explained by the absence of legal thresholds or best practices for gender diversity for boards in Luxembourg.

Board Gender Diversity (%) – Belgian Index



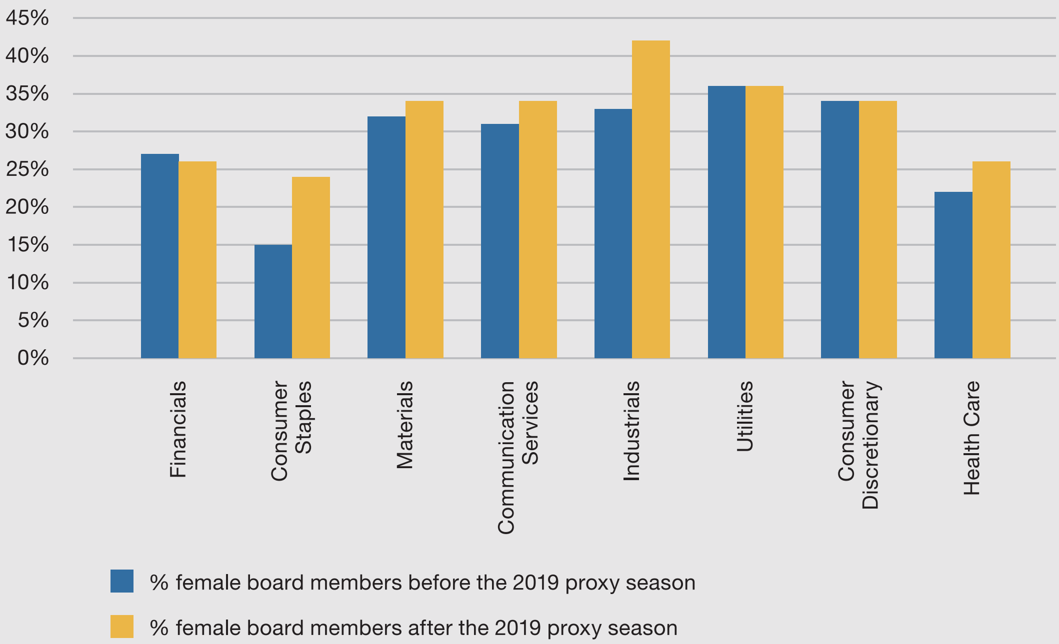
Board Gender Diversity (%) – LuxX Index



CGLytics Corporate Governance Data & Analysis

The graph below shows the percentage comparison of female board members of the Selected Index by sector. It is apparent that companies in the financial, consumer staples and health care sectors have less than 33% of women on their board. Consequently, companies operating in these sectors should ensure to take appropriate actions to increase gender diversity on their board (e.g. actions regarding recruitment, talent retention, development, succession planning, etc.).

Gender Diversity – Comparison of the % of female board members before vs after the 2019 proxy season



CGLytics Corporate Governance Data & Analysis

Appendix – CGLytics CEO P4P Overview

The below ranking is based on the degree of alignment between TRC and performance found in the “CGLytics – 2018 P4P Alignment” chart.

	Ranking: 2018 (2016)	BeLux	2018			
			Total Realised Compensation (mln eur)	2018 TSR	Percentrank compensation	Percentrank performance
Strong alignment	1 (25)	Ackermans & Van Haaren NV	1,4	-8%	50	53
	2 (1)	Umicore S.A.	1,3	-11%	44	47
	3 (4)	Sofina Société Anonyme	7,9	28%	97	94
	4 (24)	BNP Paribas Fortis SA/NV	1,7	-4%	58	61
	5 (14)	bpost SA/NV	0,6	-65%	6	0
	6 (-)	IWG PLC	1,3	-17%	47	42
	7 (5)	B&M European Value Retail S.A.	1,2	-32%	33	25
	8 (32)	UCB S.A.	5,6	9%	89	78
	9 (17)	Eurofins Scientific SE	1,2	-35%	31	17
	10 (26)	ageas SA/NV	1,4	0%	53	67
	11 (6)	Dexia SA	0,8	-63%	19	3
	12 (16)	D’Ieteren SA	1,3	-5%	39	56
	13 (27)	Galapagos NV	7,0	2%	92	72
Conservative policy	14 (22)	argenx SE	4,0	62%	78	100
	15 (11)	Barco NV	1,4	12%	56	81
	16 (2)	Proximus PLC	0,8	-10%	22	50
	17 (9)	Etn Fr Colruyt NV	1,8	46%	64	97
	18 (13)	Befimmo SA	0,7	-5%	11	58
	19 (18)	Elia System Operator SA	1,1	24%	28	86
	20 (19)	Cofinimmo S.A.	0,8	5%	17	75
	21 (3)	Grand City Properties S.A.	0,5	0%	3	64
	22 (15)	Warehouses De Pauw Comm. VA	0,9	27%	25	92
	23 (-)	Orange Belgium S.A.	0,5	1%	0	69
	24 (20)	Fagron NV	0,7	26%	14	89
	25 (-)	Aroundtown SA	0,6	15%	8	83
Misaligned	26 (-)	Saf-Holland S.A.	1,2	-36%	36	14
	27 (10)	Telenet Group Holding NV	1,8	-24%	61	31
	28 (30)	Altisource Portfolio Solutions S.A.	1,8	-20%	69	36
	29 (12)	NV Bekaert SA	1,3	-41%	42	8
	30 (23)	KBC Group NV	2,2	-18%	72	39
	31 (29)	Groupe Bruxelles Lambert SA	4,0	-14%	81	44
	32 (31)	Ontex Group N.V.	1,8	-34%	67	19
	33 (7)	Solvay SA	4,6	-23%	83	33
	34 (8)	ArcelorMittal	5,0	-33%	86	22
	35 (28)	WABCO Holdings Inc.	7,0	-25%	94	28
	36 (21)	eDreams ODIGEO, S.A.	2,4	-50%	75	6
	37 (33)	Anheuser-Busch InBev SA/NV	12,6	-36%	100	11

	BeLux	Δ 2016-2018				2016-2018				
		Growth 2016-2018 TRC	Δ 2016-2018 TSR	Percentrank compensation	Percentrank performance	3YR Total Realised Compensation (mln eur)	3Y TSR	Percentrank compensation	Percentrank performance	2018 year end value of 100 eur investment made January 1st, 2016
Strong alignment	**Ackermans & Van Haaren NV**	-18%	-7%	31	62	**5,9**	1%	67	42	**101**
	Umicore S.A.	-76%	-53%	0	15	**11,1**	89%	78	92	**189**
	Sofina Société Anonyme	208%	5%	97	74	**11,2**	67%	81	86	**167**
	BNP Paribas Fortis SA/NV	4%	2%	52	71	**5,1**	-4%	53	33	**96**
	bpost SA/NV	-29%	-69%	22	9	**2,3**	-58%	17	3	**42**
	IWG PLC	-54%		6		**5,4**		62		
	B&M European Value Retail S.A.	-28%	-35%	25	24	**4,4**	8%	39	65	**108**
	UCB S.A.	67%	35%	91	97	**14,4**	-11%	89	27	**89**
	Eurofins Scientific SE	23%	-62%	70	12	**3,2**	3%	34	47	**103**
	ageas SA/NV	-17%	9%	34	80	**4,9**	2%	45	45	**102**
	Dexia SA	33%	15%	85	86	**2,2**	-92%	14	-	**8**
	D'Ieteren SA	-8%	-29%	40	30	**5,3**	6%	59	62	**106**
	Galapagos NV	5%	-5%	55	65	**18,7**	42%	95	77	**142**
Conservative policy	**argenx SE**	952%	19%	100	95	**5,0**	664%	48	100	**764**
	Barco NV	-22%	-20%	28	47	**4,5**	69%	42	89	**169**
	Proximus PLC	-5%	-5%	46	68	**2,7**	-11%	23	21	**89**
	Etn Fr Colruyt NV	4%	45%	49	100	**5,1**	38%	56	74	**138**
	Befimmo SA	23%	-8%	73	59	**1,8**	3%	9	50	**103**
	Elia System Operator SA	25%	5%	79	77	**2,7**	46%	28	80	**146**
	Cofinimmo S.A.	20%	-8%	67	56	**2,2**	29%	12	71	**129**
	Grand City Properties S.A.	6%	18%	64	89	**1,6**	-4%	6	36	**96**
	Warehouses De Pauw Comm. VA	5%	19%	58	92	**2,7**	57%	25	83	**157**
	Orange Belgium S.A.		12%		83	**1,1**	-20%	0	15	**80**
	Fagron NV	-48%	-22%	13	39	**2,8**	119%	31	97	**219**
	Aroundtown SA					**1,2**		3		
Misaligned	**Saf-Holland S.A.**		-49%		18	**2,6**	-1%	20	39	**99**
	Telenet Group Holding NV	24%	-30%	76	27	**9,6**	-11%	73	24	**89**
	Altisource Portfolio Solutions S.A.	-48%	-15%	9	53	**10,4**	-19%	75	18	**81**
	NV Bekaert SA	-30%	-79%	19	6	**5,0**	-21%	50	12	**79**
	KBC Group NV	5%	-21%	61	45	**6,3**	6%	70	59	**106**
	Groupe Bruxelles Lambert SA	-60%	-17%	3	50	**18,6**	4%	92	53	**104**
	Ontex Group N.V.	-15%	-21%	37	42	**5,4**	-43%	64	9	**57**
	Solvay SA	27%	-39%	82	21	**14,4**	-5%	87	30	**95**
	ArcelorMittal	35%	-165%	88	0	**12,8**	101%	84	95	**201**
	WABCO Holdings Inc.	-7%	-29%	43	33	**27,5**	5%	98	56	**105**
	eDreams ODIGEO, S.A.	134%	-107%	94	3	**3,5**	25%	37	68	**125**
	Anheuser-Busch InBev SA/NV	-30%	-27%	16	36	**42,6**	-46%	100	6	**54**

PwC & CGLytics

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- Executive pay
- Meeting employee expectations & designing flexible remuneration packages
- Reward in deals
- Pay for performance
- Reward communication and administrative support
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- Pay for Performance modeller
- Intelligent board oversight
- Governance risk monitoring
- Structured data delivery

About CGLytics

CGLytics is transforming the way corporate governance decisions are made. Combining the broadest corporate governance dataset in the market to date with the most comprehensive analytics tools. CGLytics empowers corporations, investors and professional services to instantly perform a governance health check and indicate red flags in seconds, for effective governance oversight.

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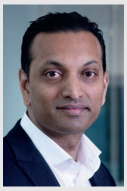

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