



## **Nyrstar NV Remuneration policy**

### **1. Introduction**

In accordance with Article 7:89/1 of the Belgian Code of Companies and Associations (the “BCCA”) and the 2020 edition of the Belgian Code of Corporate Governance (“2020 Code”) Nyrstar NV (“Nyrstar” or the “Company”), a Belgian listed company, has established a remuneration policy (“Remuneration Policy”) which describes the reward philosophy and related policies applicable to the remuneration of Nyrstar’s Board members.

The Remuneration Policy is overseen by our Nomination and Remuneration Committee, whose role and responsibilities are described in the Corporate Governance Charter adopted by our Board of Directors. The Remuneration Policy describes Nyrstar’s rationale on how we have developed our remuneration policies and practices in view of our specific context, considering relevant market practices and in line with the requirements of our Corporate Governance framework.

The Remuneration Policy 2021 was approved by the Nomination and Remuneration Committee on 13 May 2021 and approved by the Board of Directors on 13 May 2021. The Remuneration Policy is to be submitted to the general shareholders meeting on 29 June 2021 and if approved, will be applicable as from the financial year starting on January 1, 2021.

The Remuneration Policy will be made available on Nyrstar’s website ([www.nyrstar.be](http://www.nyrstar.be)). The Remuneration Policy is intended to be applicable for four years, unless the Nomination and Remuneration Committee seeks approval for material changes at this policy at an earlier point if appropriate.

### **2. Objectives and principles**

Upon recommendation and proposal of the Nomination and Remuneration Committee, the Board of Directors determines the remuneration of the directors to be proposed to the general shareholders’ meeting.

Nyrstar has not implemented any changes in the Remuneration Policy in comparison with the remuneration paid in accordance with the existing remuneration principles over the last financial year, except with respect to the fixed fee for the chairman of the Nomination and Remuneration Committee and the chairman of the Audit Committee, which is reduced from respectively EUR 20,000 per year to EUR 15,000 per year and EUR 30,000 per year to EUR 20,000 per year as from 2021. Apart from this, the Remuneration Policy is in line with the decisions by the general shareholders’ meeting held on 27 April 2011, as amended and supplemented from time to time.

The Remuneration Policy needs to enable us to retain our directors, with proven experience and knowledge of the Company, in view of its specific circumstances, which are described in the annual report of the Company.

### **3. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee consists of at least three members appointed by the Board of Directors. All members of the Nomination and Remuneration Committee are non-executive directors with a majority of independent directors.

The Nomination and Remuneration Committee meets as frequently as necessary for the efficient operation of the Committee, but at least once a year.



The detailed composition, functioning and specific responsibilities of the Nomination and Remuneration Committee are set forth in its terms of reference, which are part of the Company's Corporate Governance Charter which is available on Nyrstar's website ([www.nyrstar.be](http://www.nyrstar.be)).

The principal role of the Nomination and Remuneration Committee is to guide the Board of Directors with respect to all its decisions relating to the remuneration policy applicable to the members of the Board of Directors and the individual remuneration packages. It ensures that the members of the Board of Directors are incentivised to achieve, and are compensated for, appropriate performance. The Nomination and Remuneration Committee prepares (and revises as the case may be) the remuneration policy and the remuneration report.

In exceptional circumstances, the Company may temporarily derogate from the Remuneration Policy. These exceptional circumstances cover situations in which the derogation is necessary to serve the long-term interests and sustainability of the Company as a whole or to assure its viability. Such derogation requires the approval of both the Nomination and Remuneration Committee and the Board of Directors. The remuneration report relating to the relevant financial year will include information on any derogation, including its justification.

As noted above, the Nomination and Remuneration Committee is composed exclusively of non-executive directors and its members qualify as independent directors. This helps to prevent conflicts of interest regarding the establishment, amendments and implementation of the Remuneration Policy.

In addition, the power to approve the Remuneration Policy, prior to its submission to the shareholders' meeting, is vested with the Board of Directors upon recommendation of the Nomination and Remuneration Committee. As regards the remuneration of the directors, all decisions are adopted by the shareholders' meeting.

#### **4. Remuneration policy for Board members**

Nyrstar Board members (non-executive directors) are compensated for their services through a cash-based compensation program. The level of pay has been set based on benchmarks against the remuneration of similar positions in companies included in the Bel20 index, Bel Mid index and Bel Small index.<sup>1</sup> The remuneration is set to retain and motivate directors who have the profile determined by the Nomination and Remuneration Committee.

Board members' pay consists of a fixed annual payment for the Board and committee membership fee which can vary based on the specific mandate. Board members do not receive an attendance fee per meeting attended. The annual payments are pro-rated according to the number of months served as an active Board member during the calendar year.

Non-executive directors do not receive any performance-related remuneration. No long-term equity incentives nor other form of variable pay are granted. Following a full benchmarking and taking into account the Company's specific circumstances, there is no plan to introduce a portion of remuneration in shares of the Company for non-executive directors (in deviation from principle 7.6 of the 2020 Code).

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<sup>1</sup> The Bel20 index is an index composed of the 20 companies with the highest free float market capitalization having shares trading on the continuous trading segment of the regulated market of Euronext Brussels. The BEL Mid index is made up of stocks not included in the BEL20 index, having a higher free float market capitalisation than the level of the BEL 20 index multiplied by EUR 55,000 (entry level; the exit level is BEL 20 times EUR 45,000), and a free float velocity of at least 15% (10% for current index members). The BEL Small index is made up of stocks not included in the BEL20 index, having a free float market capitalisation which is higher than the level of the BEL 20 index multiplied by EUR 5.500 (entry level; the exit level is BEL 20 times EUR 4.500), and a free float velocity of at least 15% (10% for current index members).



In addition, the Board may set and revise, from time to time, the rules and level of compensation for directors carrying out a special mandate and the rules for reimbursement of directors' business-related out-of-pocket expenses.

The Company is prohibited from making loans to directors, whether for the purpose of exercising options or for any other purpose (except for routine advances for business related expenses in accordance with the Company's rules for reimbursement of expenses).

The Company does not provide pensions, medical benefits or other benefit programs to directors.

Pursuant to Belgian law, the general shareholders' meeting approves the remuneration of the directors, including inter alia, each time as relevant, (i) in relation to the remuneration of executive and non-executive directors, the exemption from the rule that share-based awards can only vest after a period of at least three years as of the grant of the awards; (ii) in relation to the remuneration of executive directors, the exemption from the rule that (unless the variable remuneration is a quarter or less of the annual remuneration) at least one quarter of the variable remuneration must be based on performance criteria that have been determined in advance and that can be measured objectively over a period of at least two years and that at least another quarter of the variable remuneration must be based on performance criteria that have been determined in advance and that can be measured objectively over a period of at least three years; (iii) in relation to the remuneration of non-executive directors, any variable part of the remuneration; and (iv) any provision of service agreements to be entered into with executive directors providing for severance payments exceeding twelve months' remuneration (or, subject to a motivated opinion by the Nomination and Remuneration Committee, eighteen months' remuneration). The general shareholders' meeting of the Company has not approved any of the matters referred to in paragraphs (i) to (iv) with respect to the remuneration of the directors of the Company.

The remuneration of non-executive directors takes into account their general role as director, and specific roles as chairman, chairman or member of a board committee, as well as their relevant responsibilities and time commitment and is set as follows:

#### CHAIRMAN:

- Annual fixed remuneration of EUR 200,000 per year.
- No additional attendance fees.

#### OTHER DIRECTORS:

- Annual fixed remuneration of EUR 50,000 per year for membership of the Board of Directors.
- Fixed fee of EUR 10,000 per year per board committee of which they are a member.
- Fixed fee of EUR 15,000 per year for the chairman of the NomRem Committee.
- Fixed fee of EUR 20,000 per year for the chairman of the Audit Committee.
- No additional attendance fees.

Board members are appointed and the length of their terms are approved by the general meeting of shareholders. They are at all times subject to dismissal by the general meeting of shareholders. The board members are not offered a severance pay upon dismissal.

Each Board member acts without conflict and always puts the interests of Nyrstar before his/her personal interests. In case a conflict of interests is recognised in the determination of an element for the



remuneration policy, conflict of interest guidelines, as outlined in the Corporate Governance Charter, are applied.

#### **5. Other**

This Remuneration Policy does not detail remuneration awarded to other persons in charge of the management of the Company or persons in charge of the daily management, in accordance with Article 7:89/1§2, 1° of the Belgian Code of Companies and Associations, as such persons are not present within Nyrstar.

This Remuneration Policy also does not include an explanation of how the wage and employment conditions of employees was taken into account when determining the Remuneration Policy, in accordance with Article 7:89/1§2, 2° of the Belgian Code of Companies and Associations, as Nyrstar currently does not have any employees.