

Remuneration Report

Introduction

The Company prepares a remuneration report relating to the remuneration of directors. This remuneration report is part of the Corporate Governance Statement, which is a part of the annual report. The remuneration report will be submitted to the annual general shareholders' meeting for approval.

Remuneration policy

Nyrstar's remuneration policy is designed to:

- enable Nyrstar to retain talented persons; and
- promote sustainable business performance.

The remuneration awarded to the members of the Board of Directors and the managers substantially changed following the implementation of the restructuring that was announced by the Company on 15 April 2019 and completed on 31 July 2019 (the "Restructuring").

All members of the Executive Management were employees of Nyrstar Sales & Marketing AG, a legal entity which is part of the operating group that was transferred to NN2 Newco Limited on the Restructuring. Immediately following the Restructuring, the Company no longer had an Executive Management nor any employees.

At the extraordinary shareholders' meeting that was held by the Company on 9 December 2019 to deliberate on the continuation of the Company's activities, the shareholders rejected the continuation of the Company's activities. The Company was therefore due to convene an extraordinary shareholders' meeting to deliberate upon the dissolution of the Company. Certain minority shareholders then initiated summary proceedings 5 May 2020 at the Antwerp Enterprise Court seeking to have a panel of experts appointed in accordance with Section 7:160 of the Belgian Companies and Associations Code. At the request of the minority shareholders, on 26 June 2020, the court of Antwerp ruled that the decision on the dissolution of the Company is to be postponed until three months after a final decision will have been rendered in a separate proceeding before the court appointing a body of experts.

This remuneration report reflects the Company's remuneration practices for the financial year ended on 31 December 2020, having due regard to the Company's exceptional circumstances.

Remuneration policy as of 2021

As the Company was not placed into effective liquidation during 2020, steps have been taken to implement a remuneration policy in accordance with article 7:89/1 of the Belgian Code of Companies and Associations. Such remuneration policy will be submitted for approval to the general shareholders' meeting of 29 June 2021 (the "Remuneration Policy"). Nyrstar has not proposed any changes to be reflected in the Remuneration Policy in comparison to remuneration paid in accordance with its 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.

Remuneration and compensation in 2020

Directors

The level of pay for the Board of Directors is regularly assessed against both European peer companies as well as companies listed on Euronext Brussels benchmark stock market index (BEL 20).

Remuneration

During 2020 the following gross remuneration was paid to the directors, pursuant to the decisions of the general shareholders' meeting held on 27 April 2011, as amended and supplemented from time to time. It is noted that the below remuneration is only fixed remuneration and that the total amount of remuneration is therefore not split out between base salary and variable remuneration. In accordance with the currently existing remuneration principles, non-executive directors do not receive variable remuneration nor are they entitled to other benefits other than customary directors' and officers' insurance. No pension expenses were awarded.

	Remuneration cost	Paid in cash
Martyn Konig	€ 200,000	€ 200,000
Carole Cable	€ 70,000	€ 70,000, which consists of: - a fixed fee of €50,000 per year for membership of the Board of Directors; - a fixed fee of €10,000 per year for membership of the Audit Committee; and - a fixed fee of €10,000 per year for membership of the Nomination and Remuneration Committee.
Anne Fahy	€ 90,000	€ 90,000, which consists of: - a fixed fee of €50,000 per year for membership of the Board of Directors; - a fixed fee of €30,000 per year for chairmanship of the Audit Committee; and - a fixed fee of €10,000 per year for membership of Nomination and Remuneration Committee.
Jane Moriarty	€ 80,000	€ 80,000, which consists of: - a fixed fee of €50,000 per year for membership of the Board of Directors; - a fixed fee of €10,000 per year for membership of the Audit Committee; and - a fixed fee of €20,000 per year for chairmanship of the Nomination and Remuneration Committee.

Other benefits

The Company has implemented customary directors' and officers' insurance coverage. The D&O insurance that was placed for the benefit of the Company's directors in 2020 has a liability limit of EUR 20 million in aggregate. This insurance was brokered by Aon and placed at a cost of approximately €245,000.

Certain Management Services

In 2019 all members left the Management Committee following the completion of the Restructuring and the Management Committee was dissolved. Immediately following the Restructuring on 31 July 2019, the Company ceased to have any direct employees. Under the terms of the deed for the sale by the Company of assets and shares to NN2 Newco Limited that was executed as part of the Restructuring (the "Sale Deed"), certain limited ongoing executive services are provided to the Company by NN2 Newco Limited. These limited ongoing executive services are provided to the Company at no charge and include certain finance, tax, corporate counsel, IT and administration services. In addition, the Company during 2020 retained certain individuals to provide financial, legal and administrative services under secondment agreements from Nyrstar Sales & Marketing AG. The financial, legal and administrative services which were provided by these secondees during 2020 were beyond the scope of executive services provided under the terms of the Sale Deed and, as such, the costs of these seconded services were borne by the Company.

Directors' and other interests

Deferred Shares

In the year 2016 to 2018, the general shareholders' meeting approved that each of the non-executive directors referred to below (the "Eligible Directors") would be remunerated for his or her Director's mandate for the period from the respective general shareholders' meeting until the annual general shareholders' meeting of the following year in the form of "deferred shares units" of the Company, and not in cash, subject to the conditions set out below. The remuneration in shares for each Eligible Director was limited to the portion set out next to his or her name below (the "Eligible Share Remuneration") of the aggregate remuneration that applies to the director's mandate of the relevant Eligible Director in accordance with the principles that have been determined by the annual general shareholders' meeting of the Company held on 27 April 2011 and that otherwise would have been payable in cash (the "Eligible Remuneration"). The shares will not vest immediately, but will effectively vest and be delivered on the earlier of (i) the end of the Director's mandate of the Eligible Director, or (ii) a change of control over the Company. The shares are granted for free (i.e. for no additional consideration). Under the terms of the deferred shares units, the number of shares to be granted to an Eligible Director shall be equal to (i) the amount of the Eligible Remuneration that would otherwise have been paid in cash, divided by (ii) the average closing price of the Company's shares during the ten trading days preceding the date of the respective general shareholders' meeting that approved each grant, whereby the result is rounded down to the nearest whole number.

The current Eligible Directors and their respective Eligible Share Remuneration that have been paid in deferred shares are as follows: (i) Ms. Anne Fahy: EUR 10,000 of her Eligible Remuneration; (ii) Ms. Carole Cable: 50% of her Eligible Remuneration; (iii) Mr. Martyn Konig: 100% of his Eligible Remuneration; and (iv) Mr. Christopher Cox: 100% of his Eligible Remuneration¹. The Company's Nomination and Remuneration Committee was authorised to further document the grant and to determine the terms and conditions of the grant, which contain customary adjustment clauses to take into account and mitigate the effect of corporate actions, dilutive transactions and similar events, such as (but not limited to) stock splits, reverse stock splits, mergers and de-mergers, dividend payments, other distributions on shares, rights offerings, and share buy-backs.

¹ Following discussions between the Company's Board of Directors and Mr. Christopher Cox, his reappointment was not proposed to the general shareholders' meeting on 5 November 2019 resolving upon the annual accounts for the financial year ending 31 December 2018. Immediately following Mr. Cox's departure from the Board of Directors, his accrued DSUs were paid out in cash by the Company for a total consideration of €9,083.

The Board did not propose a remuneration in deferred share units of the Company for the non-executive directors at the annual general shareholders' meetings of the Company that were held on 5 November 2019 and 30 June 2020.

The Company did not grant any Deferred Share Units to its Directors in 2020. In the period 2016 to 2019, Deferred Share Units were granted to certain directors as approved by the respective AGMs in 2016 to 2018. The 2016, 2017 and 2018 AGM granted the following Deferred Share Units to directors:

	AGM 2016	AGM 2017	AGM 2018 for year 2018	AGM 2018 for year 2019	Total
Martyn Konig	27,285 DSU	37,282 DSU	34,494 DSU	34,361 DSU	133,422 DSU
Carole Cable	4,774 DSU	6,524 DSU	6,036 DSU	6,013DSU	23,347 DSU
Anne Fahy	1,364 DSU	1,864 DSU	1,725 DSU	1,718 DSU	6,671 DSU
Jane Moriarty	-	-	-	-	-

Total Shareholding

As at 31 December 2020, none of the directors in office held any Nyrstar shares.

Change in remuneration of other employees

The Company currently does not have any employees and has therefore not described the annual changes to the remuneration, the annual changes to the development of the performance of the Company and the annual changes in the average remuneration of other employees of the Company other than the directors of the Company.