argenx

# EXPLANATORY NOTES REMUNERATION POLICY 2024

## 1. INTRODUCTION

### 1.1. General

1.1.1. Since the approval of our current remuneration policy at our 11 May 2021 AGM (the "**2021 Policy**"), we have gone through a period of rapid growth and development, into a global, integrated biotech company with commercial activities worldwide. We now find our remuneration policy is in need of an update to address our evolving needs. We furthermore acknowledge that support for our advisory say-on-pay vote has declined in recent years (76.6% in 2021, 51.9% in 2022 and 44.1% in 2023), and view the revision of our remuneration policy as an opportunity to also address shareholder concerns.

1.1.2. These explanatory notes to our new draft remuneration policy (the "**2024 Policy**" or the "**new policy**") describe:

- How we addressed key stakeholder feedback in drafting our new policy;
- The key changes we made in comparison to our 2021 policy, and the rationale for such changes.

### 1.2. Policy scope

1.2.1. Our 2021 Policy applied to our statutory directors (executive directors and non-executive directors of our Board of Directors (the "**Board**")). The 2024 Policy will be expanded to apply not only to our non-executive directors ("**NEDs**") and our Chief Executive Officer (and sole executive director) (CEO) but also to our Chief Financial Officer (CFO) and Chief Operating Officer (COO) who are not statutory directors (hereinafter the CEO, CFO and COO are together referred to as named executive officers, or "**NEOs**").

## 2. STAKEHOLDER ENGAGEMENT

2.1.1. We have reached out to all our known holders of more than 1% of share capital and those otherwise voluntarily engaging with us on this topic (jointly representing more than 60% of our share capital) as well as with key proxy advisors and external remuneration advisors. This has led to more than 40 interactions since our last annual general meeting, including more than 20 live meetings with top holders and proxy advisors. Senior company personnel working on our remuneration policies were involved in the interactions and/or their preparations, including members of our senior management team. Our NEDs, led by the members of our Remuneration and Nomination Committee, have been heavily involved in the process of collecting, reviewing and weighing the shareholder feedback received, and several meetings took place between our Board and its Remuneration and Nomination Committee (the "**Committee**") and senior management since our 2023 AGM to ensure we are appropriately collecting and addressing stakeholder concerns with the highest degree of responsiveness.

## 3. KEY FEEDBACK TO 2021 POLICY; KEY CHANGES

### 3.1. General

When reflecting on stakeholder feedback in this section, we are sharing a summary of the main stakeholder feedback received per topic. There was no consensus on almost any topic throughout the engagements, and we note that where we reference 'stakeholder feedback' this reflects feedback we received and feel is relevant to share and address, but it does not mean that this feedback was shared by multiple or a majority of stakeholders we engaged with.

### 3.2. NEDs participating in stock option plan

3.2.1. Stakeholder feedback

- NEDs should not participate in performance-based equity programs such as stock option plans.

3.2.2. Company evaluation

- We no longer deem it necessary to grant stock options to NEDs to be able to offer competitive director compensation.

3.2.3. Outcome for the 2024 Policy

- We will not grant stock options to NEDs.

### 3.3. NEDs receiving equity compensation

3.3.1. Stakeholder feedback

- Some stakeholders prefer that we grant no equity compensation to NEDs at all, but this did not seem to be the case for the majority of stakeholders. Many stakeholders recognize that the granting of equity to NEDs is accepted practice in the markets where we operate.

3.3.2. Company evaluation

- Granting equity compensation to NEDs continues to be the dominant market practice, especially for our NASDAQ-listed reference companies. We need to attract and retain top talent on our Board, with skills and experience appropriate for a high-growth, globally active, dual-listed company with significant activities in the United States. We deem it in the interest of the Company and its stakeholders to continue to ensure we are able to attract highly talented individuals to our Board of directors, and as such we want to ensure we can offer compensation in line with market practice and to offer RSU grants to our NEDs. We consider that vesting after one year combined with a 3-year post-vesting holding period for NED equity is appropriate.

3.3.3. Outcome for the 2024 Policy

- NED compensation will be in the form of cash and RSUs, which will be subject to a one year vesting period and a 3-year post vesting holding requirement.

### 3.4. Compensation quantum for NEDs

3.4.1. Stakeholder feedback

- Some stakeholders were concerned with respect to our overall reported pay levels for NEDs.

3.4.2. Company evaluation

- Our practice has been to benchmark the target value ahead of each calendar year, and set the number of units we will grant to NEDs in the following year. Due to stock price developments between the benchmark date and the grant date, this has in the past led to the reported Black-Scholes valuation of equity granted differing from the target value used to set the number of units.

3.4.3. Outcome for the 2024 Policy

- Value for RSU grants to NEDs will be set in a fixed USD amount.

- USD amount will be paid out in RSUs at the share price applicable no more than 30 days before the time of grant.

### 3.5. Vesting period for NED equity

3.5.1. Stakeholder feedback

- Some stakeholders disfavored service based vesting periods for NED equity.

3.5.2. Company evaluation

- We believe that Company equity held by NEDs should be a long term investment in the Company, aligning the interests of the Company and the directors around objectives that contribute to long term value creation, and discourage short term thinking. For this reason, we continue to deem it appropriate to have a combination of vesting requirements and post vesting holding requirements for NED equity.

3.5.3. Outcome for the 2024 Policy

- Vesting period for NED RSUs reduced to one year.

- 3-year post-vesting holding requirement for all NED equity introduced.

### 3.6. Executive equity program: performance conditions

3.6.1. Stakeholder feedback

- Certain stakeholders request the introduction of performance conditions for executive equity compensation. There appears to be no consensus on this topic, with some shareholders taking the view that performance share programs have not proven to guarantee pay for performance, and they would instead prefer for example straight forward RSU programs with long vesting terms.

3.6.2. Company evaluation

- We have carefully considered the views for and against the introduction of a performance share unit program. We recognize that a stock option program rewards share value generation, but that share value is not the sole performance metric we should consider when rewarding for Company performance. We also recognize that our Company continues to be in rapid development, and it may prove challenging to set performance targets which, more than 3 years from setting the targets, will still appear achievable, relevant and challenging. We want to ensure our executive compensation plan continues to be competitive and effective, and helps us attract and retain the best talent, on which the success of our business largely depends.

- As from the 2024 Policy, we believe we are in a position to set relevant and challenging long term vesting conditions in relation to equity compensation, and consequently are proposing the introduction of a performance share unit (PSU) program. We do however wish to ensure some flexibility in our equity plan composition going forward, over the projected 4-year term of the 2024 Policy, to allow us to learn and adjust as needed along with the growth of the Company, including by adjusting the relevant components of the equity plan (stock options, PSUs and/or RSUs). For this reason, instead of fixing the equity mix for the full term of the policy, we are proposing flexibility in the equity plan composition.

3.6.3. Outcome for the 2024 Policy

- Introducing a performance share unit program for our NEOs.

- At least 50% of equity pay-out to NEOs will be linked to performance conditions other than share price performance.

- At least 50% of equity performance conditions linked to financial targets.

- Performance period is at least 3 years.

- Goals will be specified and disclosed proactively where possible, retroactively where necessary due to competitive sensitivity.

- PSU pay-out capped at 200% of target value, rewarding overachievement based on clear measurable stretch performance metrics which we will report along with the final calculations and pay-out rationale.

### 3.7. EXECUTIVE EQUITY PROGRAM: USE OF STOCK OPTIONS

3.7.1. Stakeholder feedback

- Certain stakeholders oppose the use of stock options, although many stakeholders were not opposed to their use. The key concern raised against stock options is that they could incentivize short-term thinking and reward only for share price performance which is not the only relevant success metric.

- Some questions demonstrated that we needed to more clearly state that our CEO stock options cannot be exercised prior to the 4th year from the grant date. This is not a change from our policy.

3.7.2. Company evaluation

- We continue to view stock options as an effective tool to align the interest of our management team with those of our shareholders by rewarding share value appreciation over the long term.

- Furthermore, within our reference group of companies competing for talent in the same markets where we operate, the use of stock options continues to be common practice.

3.7.3. Outcome for the 2024 Policy

- Stock options continue to be included in our policy for NEOs.

- Retaining restriction on CEO stock options, which cannot be exercised prior to the 4th year following the year of grant.

- Stock options for other NEOs will continue to vest 1/3 after the first anniversary of the grant date and in 24 equal instalments after that, leading to a total vesting term of 3 years aligned with benchmarked market practice.

Our retention policy applies until 2 years after NEO departure from the company (see section 3.9 of the 2024 Policy).

### 3.8. Executive equity program: overall pay quantum

3.8.1. Stakeholder feedback

- Some shareholders raised questions about our overall pay quantum in the form of equity.

3.8.2. Company evaluation

- Our target equity pay levels are positioned between the 50th and 75th percentile of our reference group. We note that due to the time difference, between the moment where we benchmark and translate the benchmarked value into a target number of equity instruments, has sometimes led to a different reported pay value than the actual target equity value at grant, as a result of share price movements between the date of setting the target level, and the actual grant.

- We also note that differences in parameters we are required to apply to equity valuation in different regions, have led us to report significantly higher equity values for the same equity instruments granted to Belgian participants compared to non-Belgian participants.

3.8.3. Outcome for the 2024 Policy

- Equity target levels continue to be based on benchmarked dollar value amounts between the 50th and 75th percentile of our reference group.

- Target dollar amounts will be disclosed.

- Overall caps on equity pay targets will be implemented in our policy.

- Company will continue to review ways to reduce time lag between setting pay target levels and grant.

- Transparency and explanations on benchmarked equity values and target values at grant will be further improved to ensure shareholders can understand the process and can appreciate that the value we are setting is reasonable and fair.

### 3.9. Executive short term incentive program

3.9.1. Stakeholder feedback

- Stakeholders have requested increased transparency on the target setting, weighing, evaluation and pay-out of our short-term incentive program.

3.9.2. Company evaluation

- As we continue to evolve, and especially since the launch of our first commercial product and our starting to generate revenues from product sales, we are now able to set more quantitative, financial performance targets.

- We do continue to believe that in order to build long-term value, we have to set objectives which include success milestones in our research and development programs, and which support building the Company and company culture for the long term.

3.9.3. Outcome for the 2024 Policy

- Increased disclosure on short-term incentive payout, including weighting per target, evaluation per target, payout per target, all in percentages and dollar amounts for maximum transparency.

- Portion of short-term variable pay linked to quantitative performance targets increased.

### 3.10. Reference/peer group

3.10.1. Stakeholder feedback

- Some stakeholders have opposed the relevance of US-based companies in our reference group.

3.10.2. Company evaluation

- We do not consider country of incorporation or country of primary listing important factors for the selection of reference companies, as we have not found them to be a relevant indicator of whether those companies compete with us for talent in our key talent markets. For example, globally present US headquartered companies may (and do) recruit European based directors or executives and vice versa. Also when selecting NEDs we typically select persons with extensive global industry practice and who have the right experience and expertise to serve on the board of a company listed (also) on NASDAQ, and we have found that those qualities do not necessarily correlate with an individual's nationality or country of residence.

- While some proxy advisor firms (such as Institutional Shareholder Services Inc., or ISS) consider that the inclusion of US peers can be inappropriate, we note that in our case there is no real alternative. If we would set our global remuneration policy at the median of a purely European-headquartered peer group, our pay levels and practices would not be competitive against US-based companies who compete for talent in the same markets we do (including Europe) but apply a global approach to pay. We also note that the US-based companies we include in our reference group typically do not distinguish in their equity pay practices depending on their executives' nationality or primary country of residence. For these reasons, in the interest of our long-term talent acquisition and retention capabilities and the resulting potential for success in our global mission and the related stakeholder value creation, we will continue to select reference companies based on company criteria other than country of incorporation or country of primary listing.

- Finally, as a result of rapid successes and failures, growth and acquisitions, our landscape of reference companies continually evolves. In addition, our own company profile evolves rapidly as we continue on our path from a European-based R&D company to a globally present and commercially active fully integrated biotech company. Consequently, we regularly review the reference group we use to ensure it continues to be a reliable representation of the companies with whom we compete for talent.

3.10.3. Outcome for the 2024 Policy

- Peer group continues to be selected based on objective criteria other than country of incorporation or headquarters, meaning that as long as most of our key competitors for talent are US-based and/or apply US market practice remuneration principles, we will continue to align with the relevant peer group to ensure effectiveness of our program in attracting and retaining our key talent and being competitive.

- When determining pay values, we will not consider peer companies that have received a negative 'say-on-pay' vote in their two most recent reporting cycles.

### 3.11. OTHER RELEVANT CHANGES

3.11.1. We consider it in the interest of the Company to ensure a smooth and correct tax reporting of NED income from argenx, which can be complex due to our cross-jurisdictional presence. We are introducing a re-imbursement of advisory fees for tax filings of director compensation based on actual cost, and not exceeding USD 10,000 per annum per NED.

argenx

# REMUNERATION POLICY 2024

subject to approval at our general meeting of 7 May 2024

This policy is subject to a 75% majority approval at our general meeting. If no such approval can be obtained, the company is required to continue to apply the current (2021) policy.

## 1. INTRODUCTION AND KEY PRINCIPLES

### 1.1. SCOPE

1.1.1. This 2024 Policy applies to our non-executive directors ("**NEDs**"), our Chief Executive Officer (and sole executive director) (CEO) and our Chief Financial Officer (CFO) and Chief Operating Officer (COO) (hereinafter the CEO, CFO and COO are referred together as named executive officers, or "**NEOs**").

### 1.2. OUR MISSION AND VALUES, GOALS OF THIS POLICY

1.2.1. Our mission is to transform patients' lives by providing them with life-changing medicines which build on scientific breakthroughs in immunology. To achieve our mission, we will need to be successful across a range of challenging activities in an extremely competitive environment. This includes the discovery, research, and development of highly innovative pharmaceutical product candidates, entering into and maintaining successful collaborations with key industry experts across the globe, managing our limited resources in a disciplined manner to enable us to progress our products all the way through to regulatory approval, and finally to successfully commercialize our products by bringing our innovative therapies to the patients who need them.

1.2.2. We strongly believe our long-term success depends on our ability to attract and retain exceptionally talented people focused on the execution of our business objectives while promoting and upholding our identity and core values along the way. Our core values are:

- **Co-Creation**. We create through collaboration.
- **Humility**. We listen to patients and their communities.
- **Excellence**. We live by our reputation for data-driven decision-making.
- **Empowerment**. We develop our people based on strengths to benefit the broader team.
- **Innovation**. We live to innovate and do so at every step.

1.2.3. This remuneration policy is designed to support our mission, our identity, and our core values. We believe in the intrinsic motivation of our entire team to contribute to our mission and we know that maximum alignment between the interests of our senior leadership team and our stakeholders is supportive of our long-term success. We believe in ensuring pay-for-performance, and more particularly, for the achievement of our business goals in line with our company culture. This means that when setting targets as well as when determining pay levels, we evaluate both the 'what' and the 'how': we strive to deliver a balanced incentive package which rewards delivering on key business value drivers in a way that effectively reinforces our core values, contributing to long-term, sustainable success.

1.2.4. This 2024 Policy is designed to allow us to:

- attract, retain and motivate top talent to serve on our senior leadership team by offering remuneration packages that are competitive in the markets where we operate;
- effectively reward strong performance, where possible pre-defined by defined metrics which contribute to key company value drivers in a way that reinforces our core values (taking into account the 'what' *and* the 'how') in achieving company objectives;
- promote sustainable long-term value creation over short-term success through co-ownership of our business;

- encourage effective risk management in line with the Company's risk appetite.

### 1.3. Ensuring competitiveness, fairness and broad support for our remuneration practices

1.3.1. In determining the remuneration packages offered to our NEDs and NEOs we perform benchmarking exercises to ensure that the remuneration offered by us is competitive and in line with market practice. Benchmarking outcomes will be considered as one component in a multi-faceted review of overall compensation practices, along with Company and individual performance, pay development over time, overall pay ratios throughout the Company, shareholder say-on-pay feedback and other relevant circumstances.

1.3.2. We annually review the ratio between our CEO's remuneration package and that of our median employee remuneration package, report our remuneration practices (including pay ratios) to our shareholders and discuss the application of our remuneration policy in the previous year. We are committed to being transparent about our remuneration practices and seeking meaningful dialogue with our stakeholders to help us continually improve the quality of our disclosures.

1.3.3. Any decision to set or change the remuneration level of our NEDs and NEOs is based on a recommendation from our Remuneration and Nomination Committee (the "**Committee**"). The Committee substantiates why its recommendations are competitive, reasonable, and fair, on the basis of:

- the unique talents and expertise of the individual concerned and the value they bring to the Company,
- external benchmarking activities against a pre-selected peer group of companies operating in the markets where we operate,
- the pay ratios within the Company, and
- the feedback from our shareholders and external stakeholders to date, securing continued public support for our remuneration policy and practices.

1.3.4. Prior to establishing the remuneration packages for our NEDs and NEOs, our Board performs a scenario analysis to simulate the possible outcomes of the proposed remuneration. For NEO remuneration, the analysis serves to ensure the remuneration correlates directly to the value of the individual's contributions to the Company as well as overall company performance and value creation. The Committee furthermore requests and considers feedback from the individual on their own proposed remuneration changes prior to making recommendations to the Board in relation thereto.

## 2. COMPETING GLOBALLY, BENCHMARKING

### 2.1. Reference group selection

2.1.1. We perform external benchmarking through independent third-party advisors to ensure that our total remuneration packages, including fixed cash compensation amounts, variable cash compensation amounts, equity incentive grants and other benefits are fair, reasonable and competitive in the geographical markets where we operate.

2.1.2. Target NEO and NED pay levels are set between the 50th and 75th percentile of the global reference group.

2.1.3. Actual remuneration levels may be lower than the targeted benchmark value, in which case the Board may propose fair and reasonable step by step changes to the remuneration, which are explained in the Company's remuneration report.

2.1.4. Our reference group will include a representative number (no less than 12) of public life sciences companies with a global presence, with a preference for companies commercializing their own pipeline of innovations who compete for talent in the same key markets we do. To identify the final reference group from the available peers, we will consider primarily stage and rate of growth, number of employees, company market cap, global presence, complexity, market capitalization, revenues and profitability. We will report on the reference group(s) we use for our pay practices, as well as the selection criteria applied, in our annual remuneration report for maximum transparency.

## 3. NAMED EXECUTIVE OFFICER (NEO) REMUNERATION

### 3.1. REMUNERATION PACKAGE COMPONENTS

Our NEOs receive a remuneration consisting of a fixed cash compensation and customary fringe benefits, as well as performance-based compensation consisting of an annual variable cash compensation (short-term incentive plan or “**STIP**”) and a long-term incentive plan (“**LTIP**”) in the form of stock options, performance share units (“**PSUs**”) and/or Restricted Stock Units (“**RSUs**”).

### 3.2. FIXED CASH COMPENSATION

Target NEO cash pay levels are set between the 50th and 75th percentile of the reference group. The final determination of an NEO's fixed pay is made considering this benchmark, the individual's skills, experience and performance, the remuneration practices and conditions across the wider organization and our interactions with key stakeholders to secure broad public support for our remuneration practices. The rationale for significant pay increases year-over-year, will be explained in detail in our remuneration report.

### 3.3. SHORT TERM INCENTIVE PLAN (STIP)

3.3.1. Our NEOs are eligible to receive an annual short-term, performance-based incentive in the form of a variable cash remuneration equal to a percentage of their total base pay. The relative portions are as follows, expressed as a percentage of base pay:

| | Target | Max |
|---|---|---|
| CEO | 60% | 120% |
| COO | 50% | 100% |
| CFO | 40% | 80% |

3.3.2. The Board shall set at least 4 performance targets for each NEO per year, aligning STIP payout with the achievement of key objectives of the Company for the year and rewarding the achievement of those objectives while taking into account the Company’s core values. The STIP may contain a mix of financial and non-financial performance targets. The following will be taken into account for STIP targets set under this 2024 Policy:

- All targets will be correlated to key value drivers for the Company;
- A significant portion of the targets will be linked to financial performance metrics;
- Qualitative targets will be milestone-based to the extent possible, and measurement and payout determinations will be linked to objective criteria which we will disclose in our remuneration report.

Targets will be set on ‘building the business’ and ‘building the organization’ objectives, which may include for example:

- generating revenue, components of revenue, profit, cash flow from operations, growth, attributable profit, EBIT and/or other financial metrics;
- progressing our product candidates through specific stages of development and/or submitting applications for the marketing approvals for our products;
- entering into or successfully developing collaborations with third parties or achieving certain milestones under such collaborations;
- achieving (revenue generating or other) milestones under our collaborations with third parties and/or achieving other means of financing our business goals;
- successfully hiring and/or developing key talent and building out new segments of our organization in line with our company's development stage and strategic goals;
- supporting and promoting our company culture and promoting a 'tone at the top' that supports our identity and core values; and
- building the Company's reputation and brand value in support of our mission.

3.3.3. Payout of the STIP is determined by the Board and reported in the Company’s remuneration report, including the relative value of each target, its measured achievement and the corresponding payout. When determining the payout, the Board shall consider both the ‘what’ (% of target achieved) as well as the ‘how’ (alignment with core company values). Pay-out occurs in the first quarter of the year following the year for which the targets where achieved. In the case of an NEO leaving the Company (other than in the event of termination for cause), if any payment is made under an existing STIP, such payment will be pro-rated for time and performance.

3.3.4. The Board may adjust the total variable pay payout (upward or downward) under the STIP if necessary to ensure fair pay-for-performance outcomes (the Board has this right by operation of Dutch corporate law), for example to take into account the impact of circumstances which were reasonably unforeseeable at the time of setting the targets. In the event of an adjustment of targets or of payout, this will be explained in detail in the Company's remuneration report.

3.3.5. Overall STIP payout will in any case not exceed the maximum STIP opportunity for the relevant year.

### 3.4. EQUITY INCENTIVE (LTIP) COMPOSITION, QUANTUM & GRANT PRACTICE

3.4.1. Our NEOs may receive annual grants of equity incentives, consisting of stock options, PSUs and/or RSUs, the amount and mix of which will be determined by the Board at the recommendation of the Remuneration and Nomination Committee. The equity package composition and its incentivizing and retentive effects will be reviewed on an annual basis and the Board may adjust the value allocation between the various instruments taking into account overall (expected) pay outcomes, changes to market practice in our reference group and stakeholder feedback as part of our annual say-on-pay votes.

3.4.2. For 2024, the benchmarked target grant value for our CEO equity is USD 10,734,000 and for our other NEOs this is USD 3,540,000 and comprises of a 50/50 target value allocation between stock options and PSUs.

3.4.3. We will review target pay opportunities regularly and perform an external benchmark at least once every 4 years.

3.4.4. Total target equity grant value will not exceed 15x base salary for any NEO.

3.4.5. Grant practices

To allow us to follow a 'steady-course-of-action' and to ensure we are able to grant equity at a pre-defined time to defined persons, with pre-defined terms and in pre-defined numbers, we will operate an annual 'equity allocation scheme' setting out the total number of instruments to be granted in the following calendar year, based on role level. We will evaluate ways to minimize the time between setting the allocation scheme and granting the equity, to limit differences in valuation at benchmarking and at grant, to the extent possible within the (Dutch) legal framework in which we operate.

### 3.5. VESTING SCHEMES AND OTHER LTIP TERMS

3.5.1. Stock options

- Stock options granted to our CEO are not exercisable until the 4th calendar year after the year in which they were granted;
- Stock options will vest over a period of no less than 3 years, but the Board may set longer vesting periods if deemed appropriate based on then current benchmark data;
- Exercise price of stock options will be set at fair market value (Euronext closing price the trading day prior to the date of grant), no discounts will apply;
- No vesting will occur in the first year;
- We will not reprice stock options.

3.5.2. PSUs

- PSUs will have a performance period of no less than 3 years;
- PSUs will vest at once at the end of the performance period, subject to the achievement of the defined performance criteria;
- PSUs will have the following type of performance targets and weighting:
  - *Financial performance* targets (totaling at least 50% of target PSU pay), aimed at driving financial performance metrics;
  - *Innovation and pipeline development* targets (milestone based, at least 25% of target PSU pay), aimed at driving long-term value creation opportunities through innovation; and
  - *People and culture* targets, aimed at building a long-term sustainable company in line with our cultural values.
- Targets will be set on an annual basis and will be disclosed in our remuneration report, proactively where possible, retroactively where necessary (due to potential competitive sensitivity).
- In the event of an NEO leaving the Company, the following will apply for unvested PSUs:

| Reason for departure | Effect for unvested PSUs |
|---|---|
| - Dismissal by the Company for reasons unrelated to personal performance;<br>- Resignation by the NEO as a result of reaching legal retirement age. | PSUs linked to targets set for the period prior to the NEOs departure (which period must be at least 12 months from the grant date) and to targets which were achieved, will vest in accordance with their terms.<br><br>Other PSUs will be forfeited. |
| Serious long term or permanent illness and inability to continue to perform their role as a result (determined by the Board in good faith) or (iii) death of the NEO | For performance periods of at least 12 months served by the NEO, vesting in accordance with achievement of targets for those periods; and<br><br>For performance periods after passing away of the NEO, non-vested PSUs will vest at target (100%). |
| All other circumstances | Non-vested PSUs are forfeited. |

3.5.3. RSUs

- RSUs will vest over a period of no less than 4 years;
- No vesting will occur in the first year.

### 3.6. BENEFITS

We offer our NEOs participation in the benefit plans which are customary for employees of the legal entity of which the NEO is an employee, and which we apply consistently for employees of the relevant legal entities. Depending on the market, these may be comprised of pension contributions, a representation allowance, hospitalization and disability insurance and/or the use of a company car, phone and laptop.

### 3.7. PAY MIX AND PAY RATIO REPORTING

The mix between fixed and variable remuneration components for our NEOs for at least the last 3 years is available in our annual remuneration report, published on our website.

### 3.8. SEVERANCE ARRANGEMENTS

3.8.1. We will under this remuneration policy not offer severance arrangements to NEOs that are in excess of the statutory arrangements applicable to them under the law governing their employment contract. Contractual arrangements already in place at the time this 2024 Policy is adopted will not be affected by this policy and are disclosed in our remuneration report.

3.8.2. We will prevent 'pay for failure' and will therefore not pay a severance arrangement in the event of seriously culpable or negligent behavior on the part of an NEO being dismissed. We will also not pay severance if the agreement is terminated at the initiative of the NEO, other than due to serious culpable conduct or neglect on the part of the Company.

3.8.3. If deemed necessary to attract NEOs, we may offer one time sign-on grants to new NEOs of no more than 2x target equity value, which may consist of a mix of stock options, PSUs and/or RSUs.

3.8.4. If deemed necessary by the Board in the interest of the Company to attract key talent, the Board may decide to grant a 'buy-out' award to new NEOs to compensate executives for awards foregone at their previous employer, in which case the cost is kept to a minimum and shall not exceed the realistic value of rewards forfeited by changing employer.

### 3.9. HOLDING REQUIREMENTS

3.9.1. NEOs are required to build up a holding of shares in the Company, and to retain such holding for at least 2 years until after their departure from the Company. The minimum holding requirement applicable for 2024 is 3x annual cash compensation for the CEO and 1x annual cash compensation for other NEOs. This holding requirement may be revisited from time to time to ensure it represents assurance of a meaningful long-term investment in the Company.

#### 3.10. CLAW-BACK POLICY

3.10.1. In accordance with the Dutch Civil Code, US listing requirements and our Claw Back Policy (available on our website here), we will partially or fully claim back variable compensation components paid to NEOs to the extent that such variable compensation was paid out on the basis of erroneous information about the achievement of the performance targets underlying such variable compensation or the circumstances on which such variable compensation was conditional, for example as a result of material restatements of financials (refer to the aforementioned Claw Back Policy for further details). The covered period under our Claw Back Policy is three fiscal years prior to any Restatement Date (defined in the policy) and any transition period of less than nine months following those three completed fiscal years.

#### 3.11. MAIN CHARACTERISTICS OF NEO AGREEMENTS

3.11.1. The following are the main terms of engagement of our NEOs:

| | |
|---|---|
| Term | Indefinite |
| Notice period | Per local laws, otherwise not exceeding 12 months* |
| Supplementary pension schemes and early retirement schemes | Per local market practice, in line with local employee base |
| Conditions for termination and severance payments | Per local laws/local market practice** |
| * our CEO (whose contract predates this 2024 Policy) has a contractual termination period of 18 months<br><br>** our current NEO contracts other than the CEO contract do not include severance arrangements in excess of local employment law requirements. | |

## 4. NON-EXECUTIVE DIRECTOR (NED) REMUNERATION

#### 4.1. CASH COMPENSATION

Our NEDs receive a fixed remuneration for their services as NEDs, and may receive an additional remuneration for serving on special committees and/or for being chairperson of the Board or any of its committees. As of 2024, the fees are as follows:

| | | USD |
|---|---|---|
| Board of Directors | Chairperson | 95,000 |
| | Member | 60,000 |
| Audit & Compliance committee / R&D committee | Chairperson | 25,000 |
| | Member | 12,500 |
| Remuneration & Nomination committee and Commercial committee | Chairperson | 20,000 |
| | Member | 10,000 |

These amounts have been updated to align with our most recent benchmark data, and take into account the significantly increased time commitment required from our NEDs, including as a result of the growth of the range, scale and complexity of our activities globally and the resulting need for more frequent interactions between our Board members and our management team, increased duration and frequency of formal and informal Board and committee meetings and calls and contact in between formal meetings. Our fees had been set at our Euronext initial public offering in 2014 and have since been adjusted only once in 2022 (€10,000 increase).

These amounts may be adjusted from time to time as necessary to ensure that we continue to offer fair and competitive remuneration.

Fees for being on special committees of the Board serve as compensation for the significant additional time commitment and responsibilities that come with fulfilling these duties in addition to those generally required for serving as a non-executive director on our Board. A non-executive director serving multiple committee positions will receive the appropriate additional compensation for each of these committee positions. Members of ad-hoc committees will not receive additional remuneration for their membership of such committees.

#### 4.2. EQUITY COMPENSATION

4.2.1. Our NEDs will receive an annual grant of RSUs. These RSUs will vest on the first anniversary of the grant date. A post holding requirement of 3 years after vesting applies. The sole exception to the holding period, is the sale of shares required to cover immediate tax liabilities as a result of the grant and/or vest of the RSUs granted.

4.2.2. The number of RSUs granted will be in the value of 400,000 USD (expressed in shares at the share price no more than 30 days prior to the actual grant date of the RSUs). The aforementioned amount of USD 400,000 is for 2024, and may be adjusted from time to time as necessary to ensure that we continue to offer fair and competitive remuneration.

4.2.3. For the sake of completeness, we note that this 2024 Policy does not affect the vesting periods, holding requirements and other rights/restrictions applicable to equity grants made prior to the date hereof (and which have been disclosed in the relevant annual reports and remuneration reports disclosed prior to the date hereof).

#### 4.3. COST REIMBURSEMENTS

4.3.1. Reasonable out-of-pocket (travel) costs incurred by NEDs in their duties are reimbursed by us.

4.3.2. We (through a third-party service provider or otherwise) may support NEDs in the preparation and/or filing of tax returns related to the services provided for the Company. External costs incurred or reimbursed for this purpose shall not exceed USD 10,000 per NED per year.

#### 4.4. LEAVER EQUITY

Equity granted to NEDs under this 2024 Policy shall vest after one year. If any NED leaves the Board prior to the first anniversary of any equity granted to them herein, they shall forfeit the unvested equity. Equity granted under prior remuneration policies shall be treated in accordance with the contractual terms applicable to such equity (typically set out in the then applicable equity plan or grant agreement).

#### 4.5. HOLDING REQUIREMENT

4.5.1. NEDs are required to build up a holding of shares in the Company, and to retain such holding for at least 2 years after their departure from our Board. The minimum holding requirement applicable for 2024 is 3x annual cash compensation. This holding requirement may be updated from time to time to ensure it adequately reflects a meaningful long-term investment in the Company.

### 5. PROCESS FOR DETERMINING, REVISING AND APPLYING THE REMUNERATION POLICY

#### 5.1. DETERMINING THE REMUNERATION POLICY

Our remuneration policy and any revisions thereof are established by our general meeting with a 75% majority vote, at the proposal of our Board. If a newly proposed remuneration policy is not approved at our general meeting with the required majority, we are required by law to continue the remuneration practices and policies we then have in place, and to make a new remuneration policy proposal at the next general meeting. We will put our remuneration practices up for an advisory vote annually and will submit our remuneration policy to our shareholders for (renewed) approval every four years. We will take into account stakeholder feedback on our annual remuneration report in our application of this 2024 Policy in the years following such feedback.

#### 5.2. DEVIATING FROM THE REMUNERATION POLICY

Our Board may in specific circumstances temporarily deviate from this 2024 Policy, if deviation is deemed necessary to serve the long-term interests and sustainability of the Company or to safeguard the viability of the Company.

In case the Board intends to grant any remuneration in deviation from this 2024 Policy, the following requirements and restrictions apply:

(i) the principles of this 2024 Policy and its core objectives may not be deviated from, and specifically remuneration offered to any individual shall be based on the value that individual brings to the Company, shall be competitive in the relevant markets where we compete for talent and shall for executives include a significant variable component linked to specific performance targets aligned with our company strategy, and that we will avoid pay-for-failure;

(ii) unless the deviation is proposed by the Remuneration and Nomination Committee, the Committee will be consulted on the necessity, extent, manner and proportionality of the proposed deviation and will be allowed sufficient time to deliberate the impact thereof;

(iii) the deviation will be limited in time until the next scheduled meeting where we will propose any amendments to this 2024 Policy as needed;

(iv) we will report any deviations from this 2024 Policy in our annual remuneration report delivered to our shareholders, and such report will include an overview of the key considerations for deviating from the 2024 Policy and the expected duration of the deviation, and our shareholders will be asked to provide an advisory vote on our remuneration practices for the respective year; and

(v) we will not deviate from section 1 and this section 5 of the 2024 Policy.

***