4 CORPORATE GOVERNANCE STATEMENT

4.1 CORPORATE GOVERNANCE STATEMENT

Corporate Governance aims to define several rules and behaviours according to which companies are properly managed and controlled, with the objective to increase transparency. It's a system of checks and balances between the shareholders, the Board of Directors, the Chief Executive Officer and the Executive Committee.

GOVERNANCE MODEL

EXMAR NV ("EXMAR" or "the Company") adopted the Belgian Corporate Governance Code 2020 ("Code 2020") as a reference code.
The Code 2020 is structured under 10 principles:

1. The Company shall make an explicit choice regarding its governance structure and clearly communicate it;
2. The Board and the Executive Management shall remain within their respective remits and interact constructively;
3. The Company shall have an effective and balanced Board;
4. Specialized Committees shall assist the Board in the execution of its responsibilities;
5. The Company shall have a transparent procedure for the appointment of board members;
6. All Board members shall demonstrate independence of mind and shall always act in the best interests of the Company;
7. The Company shall remunerate Board members and executives fairly and responsibly;
8. The Company shall treat all shareholders equally and respect their rights;
9. The Company shall have a rigorous and transparent procedure for evaluating its governance regime;
10. The Company shall publicly report on the application of the code.

EXMAR's Corporate Governance Charter was approved by the Board of Directors on 3 December 2020.

The Charter is a summary of the rules and principles around which EXMAR's corporate governance policy is organised, and is based on the provisions of the coordinated articles of association, the Belgian Code of Companies and Associations as adopted by Royal Decree of 12 May 2019 ("BCCA"), and the Code 2020.

The Charter was revised by the Board of Directors in 2020 in order to designate the Code as reference code within the meaning of Article 3:6, §2, 1° of the BCCA.

Before adopting the Charter, the Board of Directors reflected thoroughly on its governance structure, sustainable value creation and focus on long term. EXMAR is aware of the importance of sound governance, and is convinced that compliance with the highest standards of corporate governance is fundamental to long term growth and is important for all stakeholders of the Company. EXMAR is an institutional member of Guberna, a knowledge centre promoting corporate governance in all its forms offering a platform for the exchange of experiences, knowledge and best practices.

The key features of the governance model of EXMAR are:

- A Board of Directors, which defines EXMAR's general policy and strategy and supervises the operational management;
- An Audit and Risk Committee, a Nomination and Remuneration Committee and an Executive Committee created by the Board of Directors;
- A Chief Executive Officer (CEO) who takes primary responsibility for daily management.

EXMAR aims to comply with most provisions of the Code 2020, but the Board of Directors is of the opinion that deviation from provisions may be justified in the light of the Company's specific situation. If applicable, an explanation is provided in the Corporate Governance Statement (the "Statement") about such deviations during the past financial year in accordance with the "comply or explain" principle.

EXMAR deviates from provisions 7.6 and 7.9 of the Code 2020. These deviations are described and explained in the remuneration report.

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement describes the measures taken by EXMAR to ensure compliance with laws and regulations. To reduce the risks of infringements and the adverse consequences for EXMAR and all the stakeholders a compliance program was implemented.

The Charter should be read together with the coordinated articles of association of the Company, the annual financial report (including the Statement) and any other information made available by EXMAR. The elements listed in Article 34 of the Belgian Royal Decree of 14 November 2007 and Article 14 of the Law of 2 May 2007 are disclosed in this Statement and in the report of the Board of Directors to the shareholders and should consequently be read in conjunction.

The Charter and Statement of EXMAR can be consulted on the website:
http://exmar.be/en/investors/corporate-governance.

BOARD OF DIRECTORS

One-tier structure

The extraordinary general meeting of 11 September 2020 approved the articles of association of the Company revised in order to comply with the BCCA. A one-tier governance structure was adopted. At least once every five years, the Board of Directors evaluates whether the chosen governance structure is still appropriate, and if not, proposes a new governance structure to the General Meeting.

Composition

Currently, the Board of Directors consists of 10 members, of a sufficient number of directors to ensure proper operation, taking into account the specificities of the Company.

Functions and terms of office of the directors on the Board as per 31 December 2021:

Name – Function	Beginning of mandate	End of mandate
FMO BV represented by Francis MOTTRIE * • Executive director • Chief Executive Officer (CEO) *Appointed at AGM of 18 May 2021 as executive director in replacement of / in continuation of the mandate of Mr. Francis Mottrie	11 September 2020	General Meeting 2022
Nicolas SAVERYS • Executive chairman • Executive director	20 June 2003	General Meeting 2024
Michel DELBAERE • Independent director • Chairman Nomination- and Remuneration Committee * As from 9 September 2021	17 May 2016	General Meeting 2022
JALCOS NV represented by Ludwig CRIEL* • Non-executive director • Chairman Nomination- and Remuneration Committee • Chairman Audit and Risk Committee *Appointed at AGM of 16 May 2017 as non-executive director in replacement of / in continuation of the mandate of Mr. Ludwig Criel (who was appointed as a director on 20 June 2003)	16 May 2017	1 July 2021
Ariane SAVERYS • Non-executive director	15 May 2012	18 May 2021
Pauline SAVERYS • Non-executive director	15 May 2012	18 May 2021
Baron Philippe VLERICK • Non-executive director • Member Audit and Risk Committee	20 June 2003	General Meeting 2023
Barbara SAVERYS • Non-executive director	19 May 2015	27 July 2021
Isabelle VLEURINCK • Independent director • Member Nomination- and Remuneration Committee • Member Audit and Risk Committee	21 May 2019	General Meeting 2022
Wouter DE GEEST • Independent director • Member Audit and Risk Committee	19 May 2020	General Meeting 2022

Name – Function	Beginning of mandate	End of mandate
Carl-Antoine SAVERYS • Executive director (replacing Ariane Saverys)	18 May 2021	General Meeting 2024
Stephanie SAVERYS • Non-executive director (replacing Pauline Saverys)	18 May 2021	General Meeting 2024
ACACIA I BV represented by Els VERBRAECKEN • Independent director • Member Audit and Risk Committee • Member Nomination- and Remuneration Committee	9 September 2021 by co-optation	General Meeting 2022
Maryam AYATI • Independent director	9 September 2021 by co-optation	General Meeting 2022

Powers and responsibilities

The Board of Directors is the highest decision-making body of the Company. The powers and the operation of the Board are described extensively in the Charter.

The Board is authorised to perform all acts that are necessary or useful for the realisation of the object of the Company, with the exception of those that are reserved for the General Meeting by the BCCA or the coordinated articles of association.

The Board of Directors strives for the long-term success of the Company, providing the necessary leadership and ensuring that risks can be identified and managed. The Board of Directors is responsible for the overall strategy and values of EXMAR, based on social, economic and environmental responsibility, gender diversity and diversity in general.

Activities

During 2021, the Board held five meetings, all of which were held under the chairmanship of Mr. Nicolas Saverys. All directors were present or represented at the meetings. The Board further decided at three occasions by written resolutions dealing with specific matters.

In addition to exercising the powers provided by law, the articles of association and the Corporate Governance Charter, the Board of Directors deals with reviewing and deciding on the long-term strategy, key policies and structure of the Company and disclosing the accounts and financial statements of the Group.

COMMITTEES

Audit and Risk Committee

COMPOSITION
JALCOS NV represented by Ludwig CRIEL • Non-executive director • Chairman Audit and Risk Committee * *Until 1 July 2021
Baron Philippe VLERICK • Non-executive director • Chairman Audit and Risk Committee * *As from 9 September 2021
Isabelle VLEURINCK • Independent director
Wouter DE GEEST • Independent director
ACACIA I BV represented by Els VERBRAECKEN * • Independent director *As from 9 September 2021

The Code 2020 provides that the Board of Directors establishes an Audit Committee in accordance with the BCCA. Given its role in risk matters, this Committee may also be referred to as the “Audit and risk Committee”. The Board of Directors decided in 2020 to merge the existing Audit Committee and Risk Committee into one Audit and Risk Committee.

Following the resignation of JALCOS NV as of 1 July 2021, Philippe Vlerick was nominated as chairman of the Committee at the meeting of 9 September 2021 and ACACIA I BV represented by Els Verbraecken was appointed by the Board as member of the Committee as from 9 September 2021.

Powers and responsibilities

The Board of Directors has granted the Audit and Risk Committee the broadest powers of investigation within its area.

The Audit and Risk Committee assists the Board of Directors with the fulfilment of its supervisory task and to ensure monitoring in the broadest sense. It is the main point of liaison for the Internal Auditor and the External Auditor. All the members of the Audit and Risk Committee possess the necessary expertise concerning accounting and auditing, and are familiar with financial reporting, accounting standards and risks, because of their qualifications, their careers in various multinational groups and/or their current professional activities.

With the entry into force of the EU General Data Protection Regulation 2016/679 (GDPR) as of 25 May 2018, a Data Protection Committee (DPC) has been appointed. The DPC reports to the Audit and Risk Committee.

Activities

The specific responsibilities of the Audit and Risk Committee are set out in the Corporate Governance Charter and in an Audit Charter. This Audit Charter was approved by the Board of Directors on 31 March 2011 and is revised from time to time and lastly on 19 March 2021.

Four meetings were held in 2021, each in the presence of all members. The Internal Auditor attended all four meetings and the Statutory Auditor attended three meetings.

The Audit and Risk Committee deliberated on specific financial matters, internal control and risk management and matters of compliance that arose during the year and made recommendations to the Board of Directors.

Nomination and Remuneration Committee

COMPOSITION
Michel DELBAERE • Independent director • Chairman Nomination and Remuneration Committee* *As from 9 September 2021
JALCOS NV represented by Ludwig CRIEL * • Non-executive director • Chairman Nomination and Remuneration Committee *Until 1 July 2021
Isabelle VLEURINCK • Independent director
ACACIA I BV represented by Els VERBRAECKEN * • Independent director *As from 9 September 2021

The Nomination and Remuneration Committee operates in compliance with Article 7:100 BCCA:

- Composed out of a majority of independent directors
- Chaired by a non-executive director
- Other members are non-executive

The Nomination and Remuneration Committee was composed of three members on 31 December 2021 and reports to the Board of Directors. Following the resignation of JALCOS NV as of 1 July 2021, the Committee was temporarily reduced to two members until 9 September 2021 when the Board nominated ACACIA I represented by Els Verbraecken as member of the Committee. The Committee members elected Michel Delbaere as chairman of the Committee on 9 September 2021.

Powers and responsibilities

The Committee has a balanced composition and has the necessary independence, skills, knowledge, experience and capacity to execute its duties efficiently.

The Committee assists the Board of Directors with carrying out its responsibilities with respect to the determination of the Company's remuneration policy and the nomination procedures.

Activities

The specific responsibilities have been set out in EXMAR's Corporate Governance Charter and a Nomination and Remuneration Committee Charter. The latter was approved by the Board of Directors on 29 November 2011 and is revised from time to time and lastly on 3 December 2021. The Board of Directors also approved a revision of the procedure for the nomination and reappointment of directors and members of the Executive Committee, on 3 December 2021.

Four meetings were held in 2021, in the presence of all members except for the meeting on 18 May 2021, which was attended by two of the three members.

With respect to remuneration, the following items were discussed:

- Remuneration package
- Remuneration report

With respect to the nominations of the newly appointed directors and members of the Executive Committee, the Committee formulated recommendations in line with the diversity policy of the Company.

EVALUATION

In order to function effectively, it is required for the Board of Directors to have a transparent means by which it can measure and review its performance with a clear potential path for renewal and improvement.

The Code 2020 and the Charter foresee this requirement by periodically requesting Board members to complete an evaluation.

The Board of Directors, under the guidance of its Chairman, first introduced the evaluation process in 2011 which was repeated from time to time. A new evaluation process was implemented in 2021.

The evaluation has the main objective of improving the added value of the Board of Directors. It should reinforce the values of the Company, increase efficiency also assists in detecting and proactively dealing with any potential problems.

Following the evaluation, feedback by the members of the Board of Directors may result in fine-tuning the functioning of the Board of Directors and the committees where required.

Secretary

Mr. Mathieu Verly, Secretary, was appointed as of 1 July 2015.

The Secretary ensures that Board procedures are complied with and that the Board acts in accordance with its statutory obligations and its obligations under the coordinated articles of association. He shall advise the Board on all governance matters and assist the Chairman in fulfilling his duties as detailed above, as well as in the logistics associated with the affairs of the Board (information, agenda, etc.).

Executive Committee – CEO

COMPOSITION AS PER 31 DECEMBER 2021
FMO BV represented by Francis MOTTRIE • Executive director • Chief Executive Officer (CEO)
FINMORE BV represented by Christine VERHAERT • Chief Financial Officer (CFO)
Lisann AS represented by Jens ISMAR • Executive Director Shipping
FLX Consultancy BV represented by Jonathan RAES • Executive Director Infrastructure

On 3 December 2020, the Board of Directors set up an Executive Committee which, under the responsibility of the Board of Directors, is responsible for the day-to-day management and policy of the Group, the implementation of decisions taken by the Board of Directors, and the specific tasks delegated to it by the latter.

Powers and responsibilities

The Board determines the specific powers and tasks entrusted to the Executive Committee, and develops a clear delegation policy in close consultation with the CEO.

The Executive Committee is responsible for the day-to-day management and daily policies of EXMAR and the EXMAR group, the execution of the decisions taken by the Board and the specific tasks that the Board has delegated to the Committee, as set out in the Charter and the Executive Committee Charter, which was updated in 2020.

The Executive Committee meets on a regular basis. The CEO is the chairman of the Executive Committee.

GENERAL INFORMATION ABOUT EXMAR AND ELEMENTS LISTED IN ARTICLE 34 OF THE BELGIAN ROYAL DECREE OF 14 NOVEMBER 2007

Date of establishment and amendments to the articles of association

The Company was established by notarial deed on 20 June 2003, published in the appendix to the Belgian Official Gazette of 30 June thereafter, reference 03072972, and of 4 July thereafter, reference 03076338.

The articles of association were amended several times. New articles of associations were adopted in order to meet the stipulations of the BCCA by deed executed before civil law notary Benoit De Cleene in Antwerp, replacing his colleague notary Patrick Van Ooteghem in Temse, on 11 September 2020, published in the appendix to the Belgian Official Gazette of 26 November thereafter, reference 20139984.

Registered office

De Gerlachekaai 20, 2000 Antwerp, Belgium.

VAT BE0860.409.202
Company Registration Antwerp – section Antwerp.

Capital and shares

The issued capital amounts to USD 88,811,667, is fully paid-up and is represented by 59,500,000 shares without nominal value. For the application of the provisions of the BCCA, the reference value of the capital is set at EUR 72,777,924.85.

All shares have been paid up in full. During the past financial year, no capital changes have occurred that must be reported in accordance with article 7:203 of the BCCA.

Notwithstanding the provisions laid down in article 3:42 of the BCCA, the capital and the accounting are expressed in US dollars. This derogation was granted by the Ministry of Economic Affairs and was confirmed in writing on 2 July 2003. The reasons for which this derogation was requested remain applicable.

All EXMAR shares are entitled to the same rights. There are no different classes of shares. Each share entitles its holder to one vote at the shareholders' meetings. Of the 59,500,000 shares 8,565,334 shares are registered and 50,934,656 shares were dematerialized as per 31 December 2021.

Authorized capital

Pursuant to the BCCA, the Board of Directors may be authorized by the shareholders, during a five years' period, to increase the capital up to a defined amount and within certain limits.

By decision of the Extraordinary General Meeting of Shareholders held on 11 September 2020, the Board of Directors was authorized to increase the share capital of the Company once or several times, in the manner and at conditions to be determined by the Board of Directors, within a period of five years with effect from the date of publication of such a decision, by a maximum amount of USD 12,000,000, the reference value of EUR 7,703,665.66 for application of the provisions of BCCA. The special report of the Board of Directors was drawn up in accordance with the provisions of Section 7:199 of the BCCA.

In 2021 the Board of Directors did not make use of the right to increase the capital in the framework of the authorized capital.

Procedure for changes in EXMAR's share capital

EXMAR NV may increase or decrease its share capital by decision of the extraordinary general meeting of shareholders in accordance with the BCCA. There are no conditions imposed by the articles of association that are more stringent than those required by law.

Purchase of own shares

The Extraordinary General Meeting of Shareholders of 11 September 2020 decided to authorize the Board of Directors to acquire maximum 20% of the existing shares or profit-sharing certificates for a period of five years from the date of publication of this decision in the Annexes to the Belgian Official Gazette, at a price per share which shall not exceed the maximum price per share acceptable under applicable legislation and shall not be less than 0.01 euro.

The number of treasury shares as at 31 December 2021 amounted to 3.82%, which represents 2,273,263 shares.

Transfer of shares and shareholders' arrangements

The articles of association impose no restrictions on the transfer of shares.

Defensive mechanisms

On 11 September 2020 the Extraordinary General Meeting of Shareholders authorised the Board of Directors, subject to the applicable legislation and to prevent an imminent grave disadvantage to the Company, including a public takeover bid on the Company's securities, to acquire and sell the Company's shares or profit-sharing certificates for a period of three years from the date of publication of the decision made by the Extraordinary General Meeting of Shareholders on 11 September 2020 in the Annexes to the Belgian Official Gazette.

Moreover, the Board of Directors was also authorised to increase the Company's capital within the limits of the authorised capital in the event of a notification from the Financial Services and Markets Authority (FSMA) concerning a public takeover bid on the Company's securities.

Anti-takeover provisions in EXMAR's articles of association

EXMAR NV's articles of association currently do not contain any anti-takeover provisions.

Anti-takeover provisions under Belgian law

Under Belgian law, public takeover bids for all outstanding voting securities of the issuer are subject to the supervision of the FSMA. If the latter determines that a takeover violates Belgian law, it may lead to suspension of the exercise of the rights attached to any shares that were acquired in connection with the envisaged takeover. Pursuant to the Belgian Law of 1 April 2007 on public takeovers, a mandatory takeover bid must be made when, as a result of its own acquisition or the acquisition by persons acting in concert with it, a person owns, directly or indirectly, more than 30% of the securities with voting rights in a company with registered office in Belgium whose securities are admitted to trading on a regulated or recognized market. The acquirer must offer to all other shareholders the opportunity to sell their shares at the higher of (i) the highest price offered by the acquirer for shares of the issuer during the 12 months preceding the announcement of the bid or (ii) the weighted average price of the shares on the most liquid market of the last 30 calendar days prior to the date on which it became mandatory for the acquirer to launch a mandatory takeover bid for the shares of all other shareholders.

Control mechanism of any employee share scheme where the control rights are not exercised directly by the employees

There is no employee share scheme with such a mechanism.

Shareholders' agreements

The Company has no knowledge of any agreements made between shareholders.

EXMAR shares and shareholders

Shareholding as per 31 December 2021:
SAVEREX: 43.79%
EXMAR: 3.82%
Cobas Asset Management S.G.I.I.C. SA: 5.002%
FREEFLOAT: 47.388%

The EXMAR share is listed on Euronext BRUSSELS and is part of the Bel Small index (Euronext: EXM).

During the course of 2021 and until the date of this report no notifications in the context of the Transparency Act of 2 May 2007 were received.

The latest notifications received by the Company as notified to the FSMA are as follows:

- On 18 July 2019 EXMAR NV announced that Cobas Asset Management S.G.I.I.C. S.A. crossed a downward threshold (from 5.02% to 4.98%).
- On 8 August 2019 EXMAR NV announced that Cobas Asset Management S.G.I.I.C. S.A. crossed a threshold of 5% due to an acquisition of shares.
- On 30 October 2019 EXMAR NV announced that SAVEREX NV disclosed that due to the sale of 500,000 voting rights the threshold of 50% was crossed.

In accordance with Section 74§6 of the law on public takeover bids of 1 April 2007, SAVEREX NV notified the FSMA on 15 October 2007, updated on 26 August 2021, that it holds more than 30% of the securities with voting rights in EXMAR NV, a listed company.

The statutory information is published on the website (www.exmar.be).

Articles of association, General Meetings, participation, and exercising of voting rights

The Annual General Meeting of Shareholders takes place on the third Tuesday of May at 14h30.

The rules governing the convening, the participation, the conducting of the meeting, the exercising of the voting rights, amendments to the articles of association, nomination of the members of the Board of Directors and its committees can be found in the articles of association and the Charter of the Company, both of which are available on the Company's website under investor relations. http://exmar.be/en/investors/reports-and-downloads/articles-association

Important Agreements that contain change of control provisions

Following important agreements in force in 2021 contain change of control provisions:

Loan Agreement between Export LNG Limited as Borrower and EXMAR NV as Guarantor, the banks and financial institutions listed in Schedule 1 as Lenders, Bank of China Limited as Arranger, Facility Agent and Security Agent (the "Loan Agreement") dd 29 June 2017, as amended from time to time	The clause provides that EXMAR NV shall not, without the prior consent of the Facility Agent, cease to be controlled (in the sense of Belgian law) by SAVEREX NV. In case of breach the Facility Agent cancel the Total Commitments, declare that all or part of the loan, together with accrued interest, and all other amounts accrued or outstanding under the finance documents be immediately due and payable, and/or declare that all or part of the loan be payable on demand, and take any action it is entitled to take under any finance document or any applicable law or regulation.
Ten Bareboat Charter Agreements entered into by EXMAR Small-Scale LPG Hong Kong Limited as charterer, whose obligations are guaranteed by EXMAR NV under a charter guarantee of even date as the bareboat charter agreements, five of which are dated 23 October 2018 in respect of the fully-pressurized LPG carriers FATIME, ANNE, DEBBIE, SABRINA and HELANE, one of which is dated 22 November 2018 in respect of MAGDALENA and four of which are dated 4 April 2019, in respect of JOAN, ELISABETH, ANGELA and MARIANNE.	The clause, which is identical in each of the ten agreements, provides that the owner may terminate the chartering of the ship and that the charterer will pay to the owner the unpaid rental, costs and moneys due and payable, the amount of any losses excluding loss of profit, that are unpaid and the stipulated loss value, (a) in case SAVEREX NV ceases to hold at least 33.3% of the voting rights in, or share capital of, EXMAR NV or otherwise ceases to have control over EXMAR's board; or (b) other than in respect of SAVEREX NV, if any person or group of persons acting in concert, obtains at least 33.3% of the voting rights in, or share capital of EXMAR NV or otherwise obtains control over EXMAR's board.
Bond Terms between EXMAR Netherlands BV, as issuer of the bonds, EXMAR NV as guarantor and Nordic Trustee ASA as Bond Trustee for the bondholders, dd 27 May 2019	The clause provides that in case any person or group of persons under the same decisive influence, or two persons acting in concert (other than SAVEREX NV or any indirectly or directly owned subsidiary of SAVEREX NV) obtains decisive influence over EXMAR NV, or a de-listing of EXMAR NV's shares from NYSE Euronext Brussels or any other recognised stock exchange occurs, each bondholder will have the right to require that the issuer purchases all or some of the bonds held by that bondholder at a price equal to 101 percent of the nominal amount plus accrued interest on the redeemed bonds.
Aircraft Loan Agreement between EXMAR Marine NV als borrower and GEFA BANK GmbH as Lender dd. 28 januari 2020, amended on 26 February 2021 and 26 May 2021, guaranteed by EXMAR NV	The clause provides that the Lender is entitled to terminate the loan agreement, declare the outstanding repayments and other amounts due and payable, if any, and interests, immediately payable and/or to enforce the security given under the loan, in case of a change of control in the shareholding of EXMAR NV without the Lender's prior written approval.

Revolving Credit Facility Agreement, dd 29 May 2020, amended and restated on 1 February 2022, between EXMAR NV and EXMAR Marine NV, as Borrower and Guarantor, and KBC BANK NV as Coordinator, Mandated Lead Arranger, Lender, Agent and Security Agent, Belfius Bank SA/NV and BNP Paribas Fortis SA/NV as Mandated Lead Arrangers and Lenders as lenders.	The clause provides that when The Company notifies the Agent that Nicolas Saverys or his heirs or any funds controlled by Nicolas Saverys or his heirs cease directly or indirectly to control EXMAR NV, or any person or group of persons acting in concert gains direct or indirect control of EXMAR NV, a Lender shall not be obliged to fund a Utilisation (except for a Rollover Loan), or if a Lender so requires, the Agent shall cancel the commitment of that Lender and declare the participation of that Lender in all outstanding utilisations and all ancillary outstandings owing to that Lender, together with accrued interest, and all other amounts accrued under the Finance Documents immediately due and payable.
Term Facility Agreement dd. 10 November 2021 between EXMAR Netherlands B.V. as borrower, EXMAR NV as parent, Sequoia Investment Management Company Limited as arranger, Sequoia IDF Asset Holdings S.A. as original lender and U.S. Bank Global Corporate Trust Limited as agent	The clause provides that when any person or group of persons under the same decisive influence, or two or more persons acting in concert, not including SAVEREX NV or any entity under the decisive influence of Nicolas Saverys or his family up to the second degree, obtains decisive influence over the borrower; or a de-listing of EXMAR NV's shares from Euronext Brussels (or any other recognized stock exchange), a Lender shall not be obliged to fund a Utilisation and if a Lender so requires, the Agent shall cancel the available commitment of that Lender and declare the participation of that Lender in all loans, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents, immediately due and payable.

DIVERSITY POLICY OF EXMAR

In accordance with provisions of the Code 2020 and the BCCA EXMAR ensures that each employee is selected on the basis of, among other things, competencies, talents and skills. Overall it is believed that the diversity of employees (including age, gender, cultural background and professional experience) is added value for an international company.

During 2021, EXMAR complied with the Law of 28 July 2011 with respect to gender diversification in the Board of Directors, and in accordance with article 7:106 of the BCCA.

Also EXMAR's Board of Directors reflects diversity in its composition: directors differ not only in terms of their background, education, age and gender, but also in their independence, experience and professional expertise.

Such diversity will ensure a range of perspectives, insights and the critical thinking that are essential to enable efficient decision-making and good governance.

The Nomination and Remuneration Committee reviews and assesses the composition of the Board of Directors and Executive Committee and advises the Board of Directors on the (re-)appointment of new Board members and appointment of members of the Executive Committee. The Nomination and Remuneration Committee considers candidates on merit, without losing sight of the need for diversity including criteria such as background, education, age, gender, independence, professional skills, professional and personal experience.

SUPERVISION

External audit

By decision of the Annual General Meeting of Shareholders of 19 May 2020, Deloitte Belgium was reappointed as Statutory Auditor of the Company for a period of three years, represented by Mr. Rik Neckebroeck and Mr. Ben Vandeweyer.

The auditor conducts the external audit of both the consolidated and statutory figures of EXMAR.

The Audit Committee in its meeting of 1 September 2017 proposed to the Board of Directors, and the Board agreed, to no longer review the half-year results, in line with other listed companies' policies. The auditor however was requested to review the updated version of the interim condensed consolidated financial statements to ensure consistency with the adjustments proposed by the Commitee, if any.

Internal audit

EY has been appointed to assist the Company in the conducting of its internal audit activities. The internal auditor was reappointed for a term of three years until 31 December 2024.

Compliance Officer

The Board of Directors appointed FINMORE BV represented by Christine Verhaert as Compliance Officer of EXMAR, upon recommendation of the Audit and Risk Committee, with effect from 1 July 2021.

The Compliance Officer is responsible for the implementation and the supervision of compliance with the Company's Dealing Code and the tasks described in the Company's Compliance Model.

The Company's compliance policies confirm EXMAR's commitment to comply with applicable laws and rules. To this end, trainings are given to the EXMAR employees.

RULES, POLICIES AND PROCEDURES

Conflicts of Interest

Each member of the Board of Directors and of the Executive Committee is encouraged to organize his or her mandate as efficiently as possible and personal and business interests in such a way that there is no direct or indirect conflict of interest with the Company.

Transactions, if any, between EXMAR or an affiliated company and a member of the Board will take place at arm's length. The same applies for transactions between the Company or an Affiliate and a person closely related to a member of the Board and the Executive Company.

The provisions of the BCCA and the Corporate Governance Charter will apply in the event of a conflict of interest.

EXMAR has no knowledge of any potential conflicts of interest among the members of the Board of Directors and the members of the Executive Committee in the meaning of articles 7:96 or 7:115 BCCA, except those described in the Annual Report of the Board of Directors to the Shareholders, if any.

Related Party Transactions

Currently SAVERBEL NV and SAVEREX NV, companies controlled by Mr. Nicolas Saverys, provide administrative services and Saverex NV consultancy services to the EXMAR Group. These services are invoiced and are at arm's length conditions.

A policy has been prepared and adopted by the Board of Directors of EXMAR on 9 September 2021 in accordance with article 7:97, §1 of the BCCA in order to set forth the procedures applicable to the assessment by the Company of ordinary course related-party transactions and decisions.

Certain transactions or decisions of the Company and its subsidiaries that are Board competences and "concern" related parties within the meaning of the international accounting standard (IAS) 24 must be subject to the prior review of a committee of at least three independent directors, which must then issue a non-binding opinion on such transaction or decision to the Board. The Committee may, but must not, be assisted by one or more independent experts (financial, legal, technical, etc.). The Company's statutory auditor must be informed before the Board meeting in order to issue an opinion on the financial and accounting data used. The Board subsequently deliberates on the proposed transaction or decision.

Code of Business Ethics

The Code of Business Ethics is a part of the Corporate Governance Charter. Integrity and ethics have always characterized EXMAR's way of conducting business. Operating with a strong sense of integrity is critical to maintaining trust and credibility with our customers, partners, employees, shareholders and other stakeholders. Our Code of Business Ethics contains rules regarding individual and peer responsibilities, as well as responsibilities to our employees, customers, shareholders and other stakeholders.

Political contributions

EXMAR did not make contributions or payments or otherwise give any endorsement, directly or indirectly, to political parties or committees or to individual politicians.

The employees of EXMAR may not make any political contribution on behalf of EXMAR or through the use of corporate funds or resources.

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS – ASSESSMENT

Main characteristics of internal control and risk management systems

Internal control can be defined as a system developed and implemented by management, which contributes to managing the activities of the Company, its efficient functioning and the efficient use of its resources, appropriate to the objectives, the size and the complexity of its activities.

Risk management can be defined as a structured, consistent and continuous process aimed at identifying, assessing, deciding on responses to and reporting on the opportunities and threats that may affect the achievement of the Company's objectives.

Risks, as described in more detail in the 'Risk Factors' section below, are all compiled in the risk register and include the key strategic, operational and financial risks to the Company. The Board of Directors, Audit and Risk Committee, Executive Committee and all employees with managerial responsibilities are responsible to control the risks. The Executive Committee is responsible for the day-to-day management and policies of EXMAR and the EXMAR group. The Executive Committee meets on a regular basis. The CEO is the chairman of the Executive Committee.

The Executive Committee develops, maintains and ongoingly improves (with the support of external advisers) adequate internal control and risk management procedures (i) to offer a reasonable assurance concerning the realization of goals, the reliability of the financial information and the observance of applicable laws and regulations and (ii) to enable the execution of internal control and risk management procedures.

The quality of the internal control and risk management is assessed during the course of the financial year and by the execution of internal audits for the identified potential risks. The conclusions are shared and validated with the Audit and Risk Committee.

EXMAR has established an internal audit function for the purpose of reviewing and analyzing strategic, operational and financial risks, to conduct specific assignments in accordance with the annual internal audit plan and to report and discuss the findings with the Audit and Risk Committee. The scope of internal audit is both on operations and on internal control over financial reporting. The internal audit function is outsourced to a qualified service provider (EY). The EY Internal Audit Manager reports both to the CFO and to the Audit and Risk Committee.

A. Strategic risks

Description of risk	Potential impact	Limiting factors and control
MARKET RISKS		
The overall oil and gas markets and the interlinked worldwide transportation market for these markets are cyclical and volatile.	A decline in global oil and gas output could impact the freight rates for transportation of gas and would affect our income and cash flows, thereby affecting the value of our fleet and our financial position.	Diversified client base and a significant coverage with a mix of long-term and short-term charters. The value of our fleet is continuously monitored and assessed by using internal and external information. Our position as long-term operator helps to mitigate sudden changes in freight rates or product market output.
Lower demand for gas carriers, as well as other floating assets.	A lower demand could ceteris paribus impact the freight rates and the number of off-hire days of our fleet. This would impact our business and cash flows as well as the value of our fleet and our financial position.	A significant part of our fleet is secured on long-term charters. Geographical diversification and a qualitative client portfolio and network through integration in the markets thanks to years of experience. We are a flexible shipping Company aiming for structural quality and durability for our clients. With gas recognized as global intermediary fuel towards 2050, there will be continued LPG products generated, hence, safeguarding the supply of the relevant products we carry. Some of our MGCs are on leases with the flexibility of purchase options throughout the contract: if market conditions would fundamentally change, we can simply not rebuy the vessel.
POLITICAL ENVIRONMENT IN FOREIGN COUNTRIES		
Deterioration of the economic, legal and political circumstances in countries, including political, civil and military conflicts. Such changes can from time to time result in attacks on ships, disruption of waterways, piracy, terrorism and other activities.	Changes to economic, legal and or political circumstances could affect the trading patterns of LPG and LNG and could affect our fleet and infrastructure assets, our result of operations and our ability to obtain financing. Instability could result in a reduced demand for our services. It could also expose us to increased, additional or unexpected expenses to comply with changed laws and regulations and could affect our insurance expense or policy.	Continuous assessment and monitoring of economic, political and legal circumstances in order to anticipate, limit or avoid any possible impact. Gathering information from authoritative and or industry organisations as well as from specialised consultants. Our insurance policy is regularly updated and includes among others protection and indemnity, hull and machinery and loss of income at insured values deemed to be appropriate to cover anticipated losses. Use of adequate charter contracts with industry charters (e.g. BIMCO) already to a large impact mitigate this risk. Many of our clients are oil/gas companies with strong balance sheets and strong corporate governance which reduce political risk and possible defaults on charter payments.

Description of risk	Potential impact	Limiting factors and control
COMPETITION		
Competitors investing in LPG carriers, FSRUs or other floating assets through consolidation, acquisitions of second-hand or newbuildings.	The process of obtaining a charter is highly competitive. Increased competition may cause greater price competition for time charter rates and might impact the price of vessels or other floating assets. This could have a material effect on our results and cash flows and the value of our fleet and our financial position.	Defining a strategy with a long-term vision and consistent management of ongoing trends in the industry. Experience of our management/chartering team and our Board of Directors. Investing in a variety of factors such as the quality of our operations, technical abilities and reputation, quality and experience of our crew and relationships within the industry. Long-term standing in the market with strong clientele often extending period charters thanks to our experience and in-house shipmanagement. Price is often determined by market forces so that experience and quality of services offered are key.
CAPITAL ALLOCATION		
Inefficient capital allocation and long-term vision and strategy, thereby reducing shareholders' value.	Inefficient investment decisions and/or an inappropriate long-term investment strategy will have a direct negative impact on the group's financial resources (obtaining financing, covenant compliance) and overall performance (revenues, EBITDA and impairment).	EXMAR's management and Board of Directors closely monitors this risk and regularly challenges its long-term strategy in view of market and business evolutions. Risk is spread over different markets, divisions and clients with different risk profiles.

B. Operational risks

Description of risk	Potential impact	Limiting factors and control
RISKS ENTAILED IN THE OPERATION OF VESSELS AND OTHER FLOATING ASSETS		
Environmental accidents, epidemic diseases, work interruptions caused by mechanical defects, human error, war, terrorism, political actions in various countries, strikes and bad weather. Vessels not meeting certain performance standards.	Any such event would harm our reputation as reliable shipping company and would result in increased costs and an increase of the number of off-hire days. The cost of urgent repairs are more unpredictable and can be very high. In case performance standards are not met the charterer could withhold a portion of the hire.	Our experience within the industry and our policies and procedures such as our maintenance, HSEQ and training program should limit or avoid certain risks inherent in our business. All our vessels and assets are covered by adequate insurance. Demands of HSEQ and risk reporting are further scrutinized by our vessels in partnership (e.g. Seapeak).
INCREASED OPERATING EXPENSES		
Operating expenses and maintenance expenses represent a substantial part of our cost.	Operating expenses and drydock capital expenditures depend on a variety of factors which are outside our control and affect the entire shipping industry. Drydocking of vessels can also result in loss of income.	Proactive in-house shipmanagement and a continuous internal and external inspection of our assets. Our maintenance policy is updated and improved on a day-to-day basis with the objective to maintain the highest quality levels.

Description of risk	Potential impact	Limiting factors and control
FLEET AGE PROFILE		
As a ship ages class requirements become more stringent and compared to new modern ships the vessel will be less competitive and more expensive to operate. Age restriction can limit deployment opportunities of vessels in certain ports.	We must make substantial capital expenditure to maintain the operational capacity of our fleet. These expenditures could vary significantly and can increase as a result of customer requirements, competitive standards and regulations or organizations standards.	The average age of our fleet is monitored and our strategy includes regular investments in new vessels to keep our fleet competitive. Our in-house ship manager and commercial team have many years of experience to assess the operational and commercial performance. All our vessels are certified as "in class" by a classification society which is also a requirement for insurance coverage. Inspections of our fleet are carried out on a day-to-day basis at sea or in port. Based on these inspections the continued maintenance plan of each vessel is created, updated and implemented. Especially in gas markets, safety and reliable operations are key so that requirements by our clients (oil/gas companies) require us to offer vessels in top condition. Risk of age restriction in ports is mitigated by strong charter party terms and impose charterer deployment restrictions. Often, aged shipping units are cheaper in terms of freights and deployed in niche markets with less stringent age limitations.
ASSETS UNDER CONSTRUCTION		
Specific risks apply to our assets under construction and include the solvency of our contractor as well as the timely delivery of the asset in accordance with all specifications and securing all required permits.	Failure by the shipyard to construct or deliver our assets under construction or bankruptcy by the shipyard would have a substantial impact on our financial position and our results. In the event the shipyard does not perform and we are not able to enforce the refund guarantee we might lose all or part of our investment. Additionally we might fail to comply with our obligations towards the charterer.	Advance payments are made to the shipyards and these payments are secured by refund guarantees and thus backed by strong banks. Progress of the construction and compliance with all technical and regulatory specifications is closely monitored by our technical/ supervision teams on site at the shipyards. Charter contracts linked to newbuilding investments are often made back-to-back, meaning that the risk of late delivery of vessel is covered for by e.g. suitable lay-can provisions.
EMPLOYMENT		
Vessels or other floating assets remain off-hire for a substantial period or charters are not renewed or terminated early.	In case we cannot enter into profitable long-term charters for our existing fleet or our assets under construction our result, cash flows and financial position might be substantially affected. We would be subject to a short-term or spot market or charters based on changing market prices. In addition it might be more difficult to obtain financing for such assets at reasonable terms. In absence of long term employment of our main assets, our EBITDA and covenants might be substantially affected.	Our management team and our commercial team have many years of experience and have an extensive network in the market. Our charter portfolio is very diversified. The commercial strategy is to remain flexible in the market by having a good balance between long-term and short-term charters. A sizable fleet in especially midsize (MGC LPG carriers) has been able to mitigate this risk almost in full. For the Infrastructure fleet, proper termination clauses are negotiated and included in long-term charter agreements so that in case of early termination, the legal and commercial teams have sufficient time to find a new charterer at decent rates.

Description of risk	Potential impact	Limiting factors and control
REGULATIONS		
New regulation could come into force, including the risk of a reversal of existing favorable tax regimes (such as the Belgian tonnage tax regime). Environmental law changes, including the imposition of other forms of taxation such as carbon tax, can also be implemented by public or other authorities.	Regulatory changes could impact our ability to charter our vessels or floating assets and might increase expenditure to be made to comply with all requirements and legislation. Compliance with changes in laws, regulations and obligations relating to climate change could increase our costs related to operating and maintaining our vessels and require us to install new emission controls, acquire allowances or pay taxes. Revenue generation and strategic growth opportunities may also be adversely affected.	Continuous monitoring and anticipation of changes in legislation and applicable requirements. Our in-house ship manager and our management team have many years of experience and an extensive network within the industry to monitor ongoing trends and changes. Often, regulations have long lead times for implementation offering us ample time to anticipate on these things. A global legal changed framework often affects the entire market fleet, so that owners are confronted with same changes. Many of the changes also are the responsibility of the charterer given that mostly in industrial markets period/time charter contracts are used which mean that charterers are responsible for the voyage/fuel/port costs.
CLIMATE CHANGE		
Climate change may adversely impact our operations and markets.	Adverse effects of climate change, including growing public concern about the environmental impact of climate change, may affect the value of our fleet, demand for our services and/or the public interest for our shares. In addition, the effects of climate change, including changes in weather patterns, extreme weather events, rising sea levels, scarcity of water resources, may negatively impact our cost structure, our operations or operations of service providers upon whom we depend, such as ports infrastructures. Any long-term material adverse effect on the industry could have a significant financial and operational adverse impact on our business that we cannot predict with certainty at this time.	Our legal, commercial and technical teams are monitoring climate change regulations and related applicable requirements and potential impacts on our fleet and overall business. Management has many years of experience and an extensive network within the industry to monitor ongoing changes.
INFORMATION TECHNOLOGY SYSTEMS		
Information technology systems change rapidly and are fundamental for the day-to-day operations.	The failure of key information technology systems or processes could adversely affect the operations or lead to data breaches. Cyber-attacks, ransomware or other security breaches could make information technology systems unavailable, interrupt our vessel operations and result in a loss of hire.	A dedicated IT team monitors continuously the information technology changes and exposures. Several measures such as firewalls, anti-virus software and separated networks etc. are in place. An information technology risk assessment is performed on a regular basis. Policies and procedures are in place and include a disaster recovery plan, an incident response plan and a business continuity plan.

Description of risk	Potential impact	Limiting factors and control
RAPID TECHNOLOGICAL INNOVATION IN VESSEL DESIGN AND EQUIPMENT		
Specific risks apply to our assets that designs/ equipment become obsolete because of technical/ technological progress and innovation.	Assets become obsolete or uncompetitive in view with market practice and evolving standards.	EXMAR has a strong position as innovator and has always managed to advance new designs/ size of ships to the market, and being regarded as pioneer in both shipping activities and floating solutions. Roots from shipbuilding, strong technical expertise and a separate technical desk and lots of engineers staffed (Houston, Paris, and Antwerp) to make/improve asset designs ascertain that we can continue to be the best/first in class. Mounting focus on ESG will only reinforce our drive towards innovation and apply high standards taking account of future changes in energy markets.
OUTBREAK OF PANDEMIC DISEASE		
Our seafarers as well as the supplies are crucial for our operations, an outbreak of a pandemic virus (such as the recent COVID-19 pandemic) or contagious disease can complicate operations.	An outbreak of a pandemic virus in any region or on a global scale would impact our operations. Local or international measures such as but not limited to travel bans, limited or no port access or quarantine measures following such outbreak, could complicate supplies for our floating assets and complicate embarking or even suspend the possibility for seafarer to embark. Such events could result in the asset to be off-hire and a loss of income for the asset or part of our fleet.	Specific and strict policies and procedures are in place for an isolated outbreak on board of an asset and our people are specifically trained on how to deal with such event. Events and risks are continuously monitored by our operational teams who also participate in local and international associations and industry organizations to align with changes in requirements, ongoing guidelines and measures. Our operations are very diversified and our assets are deployed on a global scale, our seafarer are also sourced globally and neither dependent on one nationality or a specific region. Planning of our seafarer is flexible and contracts can be extended if needed in case replacement is not immediately possible or available. A business continuity plan is available to respond to such event and the measures foresee the possibility to have all our shore based teams working remotely or even isolated. In case operations need to be stopped, some of our commercial agreements include clauses covering force majeure and in case of an off-hire event exceeding a specific number of days, our insurance policies cover temporary the loss of income.

C. Financial risks

Description of risk	Potential impact	Limiting factors and control
COUNTERPARTY RISKS		
Dependency on a limited number of clients, we receive a considerable part of our income from a limited number of clients.	Deterioration of the financial viability of one of our significant clients would lead to a significant loss of income and cash flows.	Obligations of clients under long-term charters can be secured by guarantees or other securities. Most of our significant clients have been client of EXMAR for many years, our management team has the necessary experience and knows how to assess the operations and financial viability of our clients. Furthermore, for the Infrastructure fleet, proper termination clauses are negotiated and included in long-term charter agreements so that in case of early termination, the legal and commercial teams have sufficient time to find a new charterer at decent rates.
Charterers can be in default or can become bankrupt.	In case of the loss of a client our income and cash flows would be impacted. The costs of having to charter out the vessel can be high and the market conditions can be unfavorable.	Our customer base is diversified and consists of major companies active in the oil and gas market. Extensive credit checks are performed for new clients and additional securities or guarantees are requested if deemed necessary. Charter hire is in most cases payable in advance as period contracts are the most used employment contract.
Dependence on third party service providers.	The third-party service providers the Company has selected may not provide a standard of service comparable to that of the Company if it would directly provide such service. The Company relies on its third-party service providers to comply with applicable law, and a failure by such providers to comply with such laws may subject the Company to liability or damage its reputation and could have a material adverse effect on the Company's reputation and business.	EXMAR currently outsources to third party service providers certain management services of its fleet as well as its internal audit function. Contractual agreements between all parties involved exist. The contractual agreements are included in the contract management system and monitored on a periodic basis. On a periodic basis, detailed supplier evaluations (including third party service providers) are performed.
Risks related to the joint ventures and associated companies may adversely affect the Company's operations, business and results of operations.	Views from the other partner(s) may not be in line with EXMAR's views, as a result of which specific treatment of the risks may be limited or even prevented. The different approaches to these risks may lead to consequences other than those which EXMAR would have incurred or would have wished to incur, which may adversely affect EXMAR's operations, business and results of operations. Non-alignment on operational, financial or commercial issues could affect long term cooperation with our joint venture and associate partners.	EXMAR provides general, accounting, corporate, site supervision and shipmanagement services to its joint ventures and associated companies. For these services, fees are charged based on contractual agreements between all parties involved. In addition, EXMAR has a long lasting relationship with its main joint venture partner, Seepeak (former Teekay LNG Partners).

Description of risk	Potential impact	Limiting factors and control
FINANCING		
EXMAR is subject to restrictions on credit agreements, such as financial covenants and restrictions for EXMAR and its subsidiaries to take on further debts, distribute dividends, undertake certain investments, and sell part of its business without the consent of its lenders.	The existing financing arrangements for our fleet are secured by the vessels and parent company guarantees and contain restrictions and other covenants that may restrict our business and financing activities. Any default could result in the acceleration of the maturity date and lenders could call on the guarantees of these facilities.	Our cash flows and our financial position, including the requirements under the financing agreements, are continuously monitored. Our financing strategy aims for a diversification of financing resources and a spread of maturity dates. A dialogue is maintained with different investors and financial partners in order to build a long-term relationship. On 31 December 2021, all applicable financial covenants under the financing arrangements are complied with.
Financing to be obtained for assets under construction, operational assets and existing financing arrangements to be refinanced at maturity date.	Impossibility to finance or refinance our assets under construction and our existing fleet would have a substantial impact on our financial position. The financing possibilities and the cost of financing can be volatile and dependent on the overall economic circumstances.	Financing is inherent in our activities and investments. Our management team has numerous contacts and support of different financing partners and has many years of experience in obtaining financing for a variety of activities and investments. In shipping, there are often different candidates (e.g. in Japan) willing to offer lease/bareboat schemes.
INTEREST AND EXCHANGE RATES		
A significant portion of our financing arrangements has a variable interest rate. The majority of our operations are in USD but certain operating costs are expressed in different currencies (primarily in EUR) and a portion of our financial debt is in NOK.	An increase of the interest rates on the international financial markets would negatively impact our results and cash flows and could negatively impact the fair value of financial instruments used to hedge the interest rate exposure. A weakening of the USD compared to the EUR would negatively influence our results. Additional cash guarantees might be required.	The interest rate exposure and the foreign currency exposure are actively managed and various instruments will be used to cover an appropriate part of the exposure (e.g. IRS contracts). Fluctuations in the fair value of hedging instruments represent a non-realized non-cash item.
IMPAIRMENT		
Negative variations in the fair market value of our fleet and other floating assets.	A significant decline in the fair value of our fleet could lead to an impairment loss to be recognized and would have a significant impact on our financial position and result. The ratio of the fair value of our fleet compared to the outstanding debt is a financial covenant in our financing arrangements. Our activities tend to be cyclical resulting in changes in the overall fair value of the fleet on the short-term. A significant decline could trigger an event of default under such arrangements.	The value of our fleet is continuously monitored using internal and external information and at least on each reporting date our fleet is tested for impairment. Testing is done by comparing the carrying amount of our fleet to appraisals of independent shipping brokers and to the net present value of the expected operating cash flows. The operating cash flows are based on internal information and a sensitivity analysis is performed on each assumption. Based on the testing performed as of 31 December 2021 it is concluded that the amount after impairment of our fleet is recoverable and that all financial covenants under our financing arrangements are complied with. Previously recorded impairments on the older vessels and the aircraft were partially reversed during 2021 upon their sale and/or classification as held for sale.

Description of risk	Potential impact	Limiting factors and control
LIQUIDITY RISK		
Financial obligations and working capital requirements can vary depending upon a number of factors.	Our cash generating activities can be cyclical/ volatile and dependent upon market circumstances while our outgoing cash flows can relate to operating, investing or financing activities. Any failure to meet our financial obligations could have material consequences for our operations and could trigger events of default under certain arrangements.	Liquidity is managed on a continuous basis to ensure that sufficient funds are available to meet our financial obligations when due under normal and stressed conditions. Based on our known contractual rights and obligations and using estimates or assumptions if needed, a monthly cash flow forecast is prepared and monitored per segment and for at least the subsequent 12 months. Our sources of operating income as well as our sources of financing are diversified. Payments relating to investing activities and our maturities of bank and other loans are also spread over different years.

REMUNERATION REPORT 2021

1. General

The Remuneration Report describes the application of the principles applied by EXMAR for the remuneration of its directors and executive managers. It has been drafted in compliance with the provisions of the legislation adopted by the Belgian Parliament on 28 April 2020 and published on 6 May 2020 for the implementation of the Second Shareholders' Rights Directive (**SRDII**), the Belgian Code of Companies and Associations (**BCCA**) and the Belgian Corporate Governance Code 2020 (**Code 2020**).

2. Description of the procedures to develop the remuneration policy as well as to determine the remuneration of individual directors and members of the Executive Committee

The remuneration policy is adopted by the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, whose role and responsibilities are described in the Corporate Governance Charter adopted by EXMAR. The policy, aligned to the new dispositions of the SRDII, BCCA and Code 2020, was approved by the Annual General Meeting of Shareholders of 18 May 2021.

EXMAR strives for remuneration which will attract, motivate, reward and retain the qualified professionals for the Board of Directors and the Executive Committee needed to obtain the Company's operational and strategic objectives and to promote long-term sustainable value creation.
EXMAR attempts to ensure that the members of the Board of Directors and of the Executive Committee do not act in their own interests, and/or do not take risks that do not fit in with the Company's strategy and risk profile.

3. Remuneration for non-executive directors

The remuneration of the non-executive directors is decided by the General Meeting of Shareholders on a proposal from the Board of Directors. This proposal is based on the recommendations of the Nomination and Remuneration Committee.

The remuneration of the non-executive directors takes into account their responsibilities, their role as Board member, the workload and specific roles such as chairman of the Board, or chairman or members of Board committees.

All non-executive directors receive an annual fixed fee of EUR 50.000. No attendance fees are being paid. Members of the Audit and Risk Committee and/or the Nomination and Remuneration Committee receive a supplementary fixed fee of EUR 10.000. The annual payments are pro-rated according to the number of months served as an active board member or member of a committee during the calendar year.

Because of their roles and responsibilities, the annual fixed fee for the chairman of the Board and the chairman of each of the Committees is equal to twice the fee of the other members of the Board or the Committees except for the Nomination and Remuneration Committee. The Company provides customary insurance policies covering the Board of Directors' activities in carrying their duties at group level.

The non-executive directors do not receive performance-based remuneration or any benefits in kind or benefits associated with pension schemes.

In deviation of provision 7.6 of the Code 2020 non-executive directors do not receive part of their remuneration in the form of shares of the Company. EXMAR is of the opinion that granting remuneration in shares (in part or in whole) would not necessarily contribute to enabling the directors to act from the perspective of a long-term shareholder value and risk profile of the Company. The Company will, at regular intervals, reconsider this issue.

Directors are appointed by and the length of their terms is approved by the General Meeting of Shareholders for a maximum of three years. They are not entitled to any notice periods or severance indemnities in relation to the termination of their mandates. They are at all times subject to dismissal by the General Meeting of Shareholders.

4. Remuneration for executive directors

The executive directors of EXMAR who are a member of the Executive Committee are only remunerated in their capacity as executive and not in their capacity as director/member of the Board. This applies also for board memberships of subsidiaries. If executive directors are remunerated for their role in subsidiaries, this remuneration is part of their agreed global package.

5. Overview of the remuneration of the members of the Board of Directors for 2021 (in EUR)

		Fixed Remuneration	Audit and Risk Commitee Remuneration	Nomination and Remuneration Committee Remuneration	Total
Nicolas Saverys	Chairman	100,000			100,000
FMO BV (Francis Mottrie)	CEO	-			0
JALCOS NV (Ludwig Criel) until 1/7/2021	non-executive Director	25,000	10,000	5,000	40,000
ACACIA I BV (Els Verbraecken) as from 09/09/2021	non-executive Director	15,616	3,123	3,123	21,863
Maryam Ayati as from 09/09/2021	non-executive Director	15,616			15,616
Michel Delbaere	non-executive Director	50,000		10,000	60,000
Isabelle Vleurinck	non-executive Director	50,000	10,000	10,000	70,000
Wouter De Geest	non-executive Director	50,000	10,000		60,000
Baron Philippe Vlerick	non-executive Director	50,000	13,164		63,164
Pauline Saverys until 18/05/2021	non-executive Director	18,923			18,923
Stephanie Saverys as from 18/05/2021	non-executive Director	31,077			31,077
Barbara Saverys until 27/07/2021	non-executive Director	28,699			28,699
Carl-Antoine Saverys as from 18/05/2021	executive Director	31,077			31,077
Ariane Saverys until 18/05/2021	non-executive Director	18,923			18,923
Total		**484,931**	**46,288**	**28,123**	**559,342**

6. Remuneration for the members of the Executive Committee and Nicolas Saverys (SAVEREX NV)

In line with EXMAR's total reward principles, the form and level of the Company's executive remuneration are aligned to company performance and individual skills and performance. The remuneration package is composed of three main elements:

- the fixed annual remuneration,
- the short-term variable remuneration (STI – short term incentive)
- the long-term variable remuneration (LTI- long term incentive).

The level and structure of the compensation packages are aligned with market practices for similar functions at comparable companies.

Overview of the remuneration of the CEO and Nicolas Saverys (SAVEREX NV) for 2021 (in EUR)

		Name Company	Fixed Remune-ration	STI	LTI	Pension benefit	Other insurances*	Other benefits**	Total
NICOLAS SAVERYS (SAVEREX NV)									
Nicolas Saverys SAVEREX NV			855,535	-	-	40,169	2,387	8,877	906,968
			94%	0%	0%	4%	0%	1%	100%
CEO									
Francis Mottrie	CEO	FMO BV	575,000	-	-	-	-	-	575,000
			100%	0%	0%	0%	0%	0%	100%

* hospitalisation insurance, travel insurance
** Car, cell phone

Overview of the remuneration of the other members of the Executive Committee for 2021 (in EUR)

		Name Company	Fixed Remune-ration	STI	LTI	Pension benefit	Other insurances*	Other benefits**	Total
OTHER MEMBERS OF THE EXECUTIVE COMMITTEE									
Patrick De Brabandere	CFO until 30/06/2021	Self employed	254,940	-	-	25,953	5,720	8,559	295,172
			86%	0%	0%	9%	2%	3%	100%
Christine Verhaert	CFO as from 01/07/2021	FINMORE BV	210,000	-	-	-	-	-	210,000
			100%	0%	0%	0%	0%	0%	100%
Jens Ismar	Managing Director Shipping	LISANN AS (Norway)	575,040	-	-	-	-	-	575,040
			100%	0%	0%	0%	0%	0%	100%
Jonathan Raes	Managing Director Infrastructure	FLX Consul-tancy BV	275,000	-	-	-	-	-	275,000
			100%	0%	0%	0%	0%	0%	100%

* hospitalisation insurance, travel insurance
** Car, cell phone

Fixed annual remuneration

The fixed annual remuneration includes a fixed annual base remuneration taking into account the responsibilities, skills, experience and performance of the executive manager. Other benefits, such as medical care, health insurance plan, death and disability coverage and other benefits are also provided according with market practices to executives with a self-employed or employee status.

The fixed annual remuneration is reviewed annually and may increase or decrease considering several factors, like change of scope and responsibilities, comparable remuneration in other companies.

The global package for executives with a self-employed status reflects the total cost for the Company, with the executives being responsible for their own tax and social security payments.

Short-term variable remuneration (STI)

The short-term variable remuneration is a non-deferred cash incentive based on the achievement of specific individual performance (for 25%) and company performance targets (for 75%), financial targets (such as REBIT, REBITDA, net income,...) and/or non-financial targets for a reference period of one year. Each of the criteria is developed and calibrated on an annual basis in line with company strategy, budget and targets, with clear performance indicators. Above target performance (100%) results in a short-term variable remuneration. The maximum short-term incentive is capped at 30% of the fixed annual remuneration for the CEO and 25% for the other executive managers. In case of a major environmental issue or in case the net result of the Company is negative, all STI amounts are reduced to zero (gateway to STI). Payment of the STI will be conditional of employment up to the payment date.

On recommendation of the Nomination and Remuneration Committee, the Board of Directors can approve a possible discretionary STI to one or more executive directors or managers in case of extraordinary circumstances or extraordinary performance, over and above the levels mentioned in the previous paragraph.

For 2021, no short-term variable remuneration was awarded.

Long-term variable remuneration

EXMAR works towards creation of sustainable economic value by means of long-term remuneration (LTI). The LTI consists of a deferred cash or share-based compensation based on the achievement of performance targets (as defined below) for the upcoming three years (2021-2023). The long-term incentive target is also expressed as a percentage of the annual fixed remuneration and is reviewed periodically. At target level long-term incentives represent 20% of fixed annual remuneration for the CEO and 15% of fixed annual remuneration for the other executive managers. The cumulative long-term variable incentive over the three-year reference period is capped at 50% of the fixed annual remuneration for the CEO and 40% of fixed annual remuneration for the other executive managers.

The level of the LTI is based on following financial criteria:

- The difference of the Net Asset Value of the Company calculated on 31 December and
- the market capitalization of the Company at the same date, each yearly measurement to be worth 1/3 of the award. The performance between the pre-defined threshold and the target will be measured and awarded on the basis of a linear scale.

The amount vested will be finally paid in cash or in shares (at the average share price of the 30 days preceding the vesting date) at the discretion of the Board on the proposal of the Nomination and Remuneration Committee as of the third anniversary to the beneficiary and will be conditional of employment up to the payment date.

Minimum threshold of shares to be held by the executive managers

In deviation of provision 7.9 of the Code 2020 the Board of Directors does not set an explicit minimum threshold for the holding of EXMAR shares for the members of the Executive Committee. EXMAR believes that, through its current remuneration policy, it establishes a clear link with the long-term strategy and performance of the Company.

Malus and claw-back clauses

The Nomination and Remuneration Committee has considered the feasibility of claw-back and malus conditions in its variable pay plans. Given the uncertainties on the validity and interest of claw-back clauses under Belgian law, EXMAR has currently not introduced claw-back provisions on performance-related payments, except in case of fraud or misconduct. In the event that any variable remuneration would be paid based on incorrect financial data, such miscalculation could be compensated with repayment or off-set from the payment of future variable remuneration.

Contractual arrangements

The members of the Executive Committee and the executive directors have entered into a formal contract with the Company. Such contracts were entered into for an indefinite term, with termination arrangements not exceeding 12 months of fixed remuneration. Members of the Executive Committee bound by a Management Agreement need to finance their pension plan through their management company. Those who were self-employed are enrolled into a defined contribution plan paid by the Company.

The Board of Directors, upon recommendation of the Nomination and Remuneration Committee, and the CFO, Mr. Patrick De Brabandere, agreed in mutual understanding to terminate the collaboration with Mr. De Brabandere with effect from 1 July 2021.

Pay ratio

The ratio between the highest remuneration (CEO) and the lowest remuneration (in full-time equivalent) is a factor 11.93. Lowest paid employee is defined as a full time employee in Belgium and holds the lowest base salary on the year-end. The actual total remuneration is considered in the calculation of the ratio. The ratio between the highest remuneration (CEO) and the average remuneration is a factor 6.44. The average remuneration of the employees takes into account the total actual wages at year end basis full-time equivalent, divided by the number of full-time equivalents at year-end.

The main difference in remuneration policy between the executive management and employees in general, is the balance between fixed and performance-related remuneration such as STI and LTI. Overall, the impact of performance-related remuneration, in particular longer-term incentives, is of more importance for the executive management. This reflects that executive managers have greater freedom to act and the consequences of their decisions are likely to have a broader and more far-reaching time span of effect.

Remuneration and Company performance over five years

	2017	% var.	2018	% var.	2019	% var.	2020	% var.	2021	% var.
Global remuneration board of directors and executive committee										
Global remuneration of the Board of Directors (1) (2) (in thousands of EUR)	580	-9%	580	0%	650	12%	600	-8%	580	-3%
Global remuneration of the CEO (3) (4) (in thousands of EUR)	1,937	87%	2,097	8%	998	-52%	1,876	88%	575	-69%
Global remuneration of the other members of the Executive Committee (4) (in thousands of EUR)	3,409	23%	2,991	-12%	2,493	-17%	1,530	-39%	1,355	-11%
Financial performance of the Company										
Net result for the period (in thousands of USD)	27,952	-31%	-16,070	-157%	-13,202	-18%	91,960	-797%	11,635	-87%
EBITDA for the period (5) (in thousands of USD)	141,393	21%	67,371	-52%	100,915	50%	239,855	138%	113,486	-53%
Adjusted EBITDA for the period (5) (in thousands of USD)	44,693	-52%	36,471	-18%	80,400	120%	77,655	-3%	56,185	28%
EBIT for the period (5) (in thousands of USD)	70,040	0%	22,017	-69%	34,377	56%	137,646	300%	36,975	-73%
Net financial indebtedness/ adjusted EBITDA (5)	11.30	88%	15.32	36%	7.01	-54%	6.28	-10%	8,76	39%
Average remuneration (6) (in thousands of EUR)	96	5%	99	3%	100	1%	98	-2%	89	-8%

(1) including Audit and Risk Committee and Nomination and Remuneration Committee
(2) annualised to allow a meaningful comparison
(3) including the remuneration of the executive chairman and deputy CEO in 2020
(4) excluding share options granted
(5) proportionate consolidation method
(6) total cost to the company, taking into account the actual wages at year-end basis full-time equivalent, divided by the number of full-time equivalents at year-end

Share Options

The members of the Executive Committee benefit from the share option plans as previously approved by the Board of Directors.
On the basis of the recommendations of the Nomination and Remuneration Committee the Board of Directors decided not to award share options for the year 2021.

	MAIN PLAN CHARACTERISTICS						MOVEMENTS OVER 2021			
Plan Name	Offer date	Grant date	Vesting date	End exercise period	Number of options granted	Exercise price (in €)	Number of SOP start of year	Forfeited/ expired	Exercised	Number of SOP end of year
Nicolas Saverys - Executive Chairman										
EXMAR TR8: 3/12/2013 10,54 EUR 2013-2021	03/12/2013	31/01/2014	01/01/2017	02/12/2021	60,000	10.54	60,000	60,000	0	0
EXMAR TR9: 9/12/2014 10,54 EUR 2014-2022	09/12/2014	06/02/2015	01/01/2018	08/12/2022	60,000	10.54	60,000	0	0	60,000
EXMAR TR10: 17/12/2015 9,62 EUR 2015-2023	17/12/2015	15/02/2016	01/01/2019	16/12/2023	60,000	9.62	60,000	0	0	60,000
						TOTAL	**180,000**	**60,000**	**0**	**120,000**
Patrick De Brabandere - CFO until 30/06/2021										
EXMAR TR8: 3/12/2013 10,54 EUR 2013-2021	03/12/2013	31/01/2014	01/01/2017	02/12/2021	40,000	10.54	40,000	40,000	0	0
EXMAR TR9: 9/12/2014 10,54 EUR 2014-2022	09/12/2014	06/02/2015	01/01/2018	08/12/2022	40,000	10.54	40,000	0	0	40,000
EXMAR TR10: 17/12/2015 9,62 EUR 2015-2023	17/12/2015	15/02/2016	01/01/2019	16/12/2023	40,000	9.62	40,000	0	0	40,000
						TOTAL	**120,000**	**40,000**	**0**	**80,000**
Jonathan Raes - Executive Director Infrastructure										
EXMAR TR8: 3/12/2013 10,54 EUR 2013-2021	03/12/2013	31/01/2014	01/01/2017	02/12/2021	2,500	10.54	2,500	2,500	0	0
						TOTAL	**2,500**	**2,500**	**0**	**0**


EXMAR