



**Biotalys NV**  
Buchtenstraat 11, 9051 Ghent  
RPR 0508.931.185 (Ghent)  
(the **Company**)

## Remuneration Policy

### 1. INTRODUCTION

This remuneration policy has been prepared by the Board on recommendation of the nomination and remuneration committee in accordance with article 7:89/1 of the Belgian Code on Companies and Associations (the “BCCA”) and the Belgian Code on Corporate Governance and applies to the members of the Board and the executive management (“ExCom”) of the Company.

This remuneration policy will be submitted for approval to the ordinary general shareholders’ meeting of the Company to be held on 29 May 2026 in replacement of the current remuneration policy of the Company that was approved by the ordinary general shareholders’ meeting of the Company on 15 April 2022 and that applied to the accounting years 2022 to 2025. If a majority of the votes were to be cast against this revised remuneration policy, the Company will take the necessary steps to address the concerns of those voting against it, and will adapt its remuneration policy and propose it for approval at next general shareholders’ meeting. Until the approval of the new remuneration policy, the Company will apply the existing remuneration policy.

The Board intends to apply the remuneration policy for a period of four years i.e. the accounting years 2026 to 2029 it being understood that the Company can deviate from the remuneration policy as provided for in article 7:89/1,§5 BCCA.

### 2. AMENDMENTS TO THE EXISTING REMUNERATION POLICY

In 2024 and 2025, the existing remuneration policy was thoroughly reviewed, resulting in the revised version which will be submitted for approval at the general meeting on 29 May 2026.

The review of the remuneration policy involved consulting remuneration experts, and a comparative market study was also carried out by a renowned international firm in order to position the remuneration policy within that of comparable companies.

The changes made to the remuneration policy are as follows:

1. Possibility to review the remuneration of independent directors	Under the existing remuneration policy, the cash component of the remuneration of independent directors is fixed. Under the new remuneration policy, this will become variable if market research indicates that it is no longer in line with market conditions. If a change is
--	---

	<p>justified on the basis of such market research, this amendment will first be submitted to the general meeting for approval. This will enable the remuneration of independent directors to be aligned more effectively and swiftly with market developments. This should also better enable the company to find suitable candidates.</p>
<p>2. Amendments to the features of the share units</p>	<p>The following changes are envisaged:</p> <ul style="list-style-type: none"> <li>• A minimum and maximum price for the calculation of the number of share units to be entered into;</li> <li>• The option to settle the share units in cash in all circumstances;</li> <li>• The early conversion of share units at the end of an independent director's term of office.</li> </ul> <p>1. <u>Minimum and maximum subscription price</u></p> <p>The number of share units granted is calculated based on the average closing price of the Company's share on Euronext Brussels in the month of March preceding the grant (every year in April following the annual general shareholders' meeting). If this average closing price is very low or very high, this may result in a very high or low number of shares that the independent director is required to subscribe for at the fixed price of one euro, meaning that share units can no longer fulfil their normal function as a remuneration instrument. The new remuneration policy proposes to work with a minimum (one euro) and a maximum (one thousand euros) that would apply if the average closing price on which the calculation is based to determine the number of share units were to fall outside this range.</p> <p>2. <u>Settlement in cash</u></p> <p>The current remuneration policy already provides for the possibility of</p>

settling share units in cash if, for example, there is insufficient authorised capital. The new remuneration policy proposes to make this possible in all cases. The number of shares that must be issued annually within the authorised capital upon conversion of share units and the proceeds for the Company are fairly limited, whilst there are costs associated with the issue (notary fees, drafting of the Board's report and the auditor's report) and there is limited additional dilution. By providing for settlement in cash, these costs can be avoided, as can the additional dilution. This may be to the Company's advantage if the costs are relatively high compared to the proceeds, or if settlement in cash would have a limited (or no) financial impact on the company.

3. Early vesting upon the end of an independent director's term of office.

Under the current remuneration policy, the underlying shares of the share units are only issued three years after the share units are granted. This means that former directors may still be required to subscribe for the underlying shares years after the end of their term of office. The new remuneration policy proposes that if the term of office of an independent director ends (other than due to dismissal by the company), all underlying shares will be issued for all shares units definitively acquired at that time. It seems more logical that, upon the end of a term of office, all outstanding financial obligations should also be settled.

### 3. BACKGROUND AND OBJECTIVES

As an agricultural technology company focused on addressing food protection challenges with proprietary protein-based biocontrol solutions and aiming to provide alternatives to conventional chemical pesticides for a more sustainable and safer food supply, the Company's strategy involves researching, developing, testing and eventually (after obtaining the necessary regulatory and other approvals) commercializing solutions to address three core challenges facing global food production today: the 1.6 billion tons of global food wasted every year, the potential effects of conventional chemical pesticides on biodiversity and food safety, and the sustainable food production from farm to fork. Therefore, it is important that the Company is able to attract and retain directors and members of the executive management with the talent, knowledge, ability, experience, skills, values and behaviour to deliver on the Company's long-term strategy and goals, to support the Company's purpose and to promote continuous improvement in the Company's business. The Company's remuneration policy covering members of the Board and the ExCom is designed with this in mind.

For members of the ExCom, the policy is designed to reward performance in order to motivate them to deliver increased shareholder value through superior business results.

Levels of fixed and variable remuneration should be sufficient to attract, reward and retain members of the executive management who have the profile determined by the Board, to promote the achievements of strategic objectives in accordance with the Company's risk appetite and behavioural norms and to promote sustainable value creation. Finally, it is also important that the remuneration policy of the Company is competitive in the (employment) markets in which the Company operates.

For members of the Board, remuneration is aimed at being in line with companies of similar size and complexity and comprises only fixed compensation partially in cash and – in respect of the independent directors – partially in an equity linked compensation.

The Board determines the remuneration of the directors and the members of the executive management in accordance with the provisions of the BCCA and the Belgian Code on Corporate Governance, upon recommendation and proposal of the nomination and remuneration committee, while respecting the prerogatives of the general shareholders' meeting. The Company's remuneration policy deviates in certain respects from the principles set out in the Belgian Code on Corporate Governance, as explained below. These deviations are also included in the Company's annual report. Furthermore, a statutory derogation has been provided for in respect of Article 7:91 of BCCA.

The nomination and remuneration committee may commission an independent external advisor to benchmark the compensation of the members of the Board and the ExCom against peer companies to ensure that it remains fair, competitive and in line with market practice. The remuneration of the members of the Board and the ExCom is therefore market driven.

The specific powers and composition of the nomination and remuneration committee are set out in the corporate governance charter of the Company. In accordance with article 7:89/1, §5 of the BCCA, the Company may temporarily derogate from this remuneration policy in exceptional circumstances. These exceptional circumstances cover situations in which the derogation is necessary to serve the long term interests and sustainability of the Company as a whole or to assure its viability. Such derogation requires the approval of both the nomination and remuneration committee and the Board. The remuneration report relating to the relevant financial year will include information on any derogation, including its justification.

#### 4. BOARD OF DIRECTORS

The level and structure of the remuneration of the members of the Board are determined based on their general and specific responsibilities and market practice.

##### 4.1 Independent directors

The remuneration of independent directors consist of a fixed remuneration and is composed of a cash remuneration and a share based remuneration.

- **Cash remuneration:** It includes a fixed cash remuneration which varies depending on whether the director also acts as chairperson of the Board or a committee. The remuneration can be reduced pro rata temporis depending on the duration of the mandate during a given year. Currently the yearly fixed cash remuneration is as follow: 75,000 EUR for the chairperson of the Board and 55,000 EUR for other independent directors. Chairpersonship of a committee entitles the independent director to an additional 10,000 EUR per year. The Board, on the advice of the nomination and remuneration committee, may review these amounts if market research indicates that they are no longer in line with market rates. In the event of an increase in these amounts, this will first be submitted to the shareholders for approval.
- **Share based remuneration:** as part of the remuneration of independent directors, the general shareholders meeting dated April 15, 2022 approved an additional annual share component to the remuneration of independent directors.

This share component takes the form of newly to be issued shares in respect of which the relevant directors will have an obligation to subscribe for at a price of 1 EUR per share (independent of the value of the share at that time) (“share units” where each share unit represents the obligation of the relevant director to subscribe to one new share of the Company).

The number of share units granted for an accounting year is calculated as follows:

- (i) for the chairperson of the Board : 10,500 divided by the average closing price of the Biotalys share on Euronext Brussels during the month of March of the relevant year (with a minimum of 1 EUR and a maximum of 1000 EUR);
- (ii) for other independent directors: 8750 divided by the average closing price of the Biotalys share on Euronext Brussels during the month of March of the relevant year (with a minimum of 1 EUR and a maximum of 1000 EUR).

Fractions of shares will be disregarded.

The new shares will be issued under the authorised capital of the Company. The Company has the right to deliver existing shares (if it can proceed to purchase its own shares under company law) or to compensate them in cash (i.e. a cash amount equal to the closing stock price of the shares to be delivered under the share units at the time the shares should have been issued minus the subscription amount). If the Company opts for cash settlement and such would result in a negative amount, the related share units will be cancelled.

The basic characteristics of the share units are as follows:

- The share units are not shares (i.e. they do not grant voting rights, preferential subscription rights or other membership rights to the holder);
- They are not transferable;
- Share units only vest over a three-year period and as long as the director is still in office (1/3 each year after granting) except in the event of death or an exit (merger or other corporate law reorganisation, sale of substantially all assets of the Company, takeover bid with change of control) where immediate vesting applies.
- Share units that have not vested shall lapse.
- The vesting is not linked to any performance criteria and the remuneration in share units is therefore fixed remuneration. The share units also create an obligation for the director to subscribe i.e. it is not an option leaving discretion with the director whether or not to exercise.
- The underlying new shares will only be effectively issued after a period of three years from the grant of the share units. The following exception applies: if the term of office of an independent director ends (other than as a result of dismissal by the Company), all underlying shares will be issued in respect of all share units that have been definitively acquired at that time.

The issue of share units is designed to align the remuneration policy of the Company in respect of independent directors with provision 7.6 of the Belgian Code on Corporate Governance. It should be noted that the share

units are not entirely equivalent to a share (no voting rights, no preferential subscription rights or other membership rights), however, in the opinion of the Company, the share units meet the objectives provided for in provision 7.6 of the Belgian Code on Corporate Governance.

Pursuant to article 7:91 of the BCCA and provisions 7.6 and 7.11 of the Belgian Code on Corporate Governance, shares or options on shares should not vest and be exercisable within three years as of the grant thereof. The Board has been explicitly authorized in the Articles of Association to deviate from this rule. This authorization is explained by the fact that this allows for more flexibility when structuring share-based awards. For example, it is customary for share incentive plans to provide for a vesting in several instalments over a well-defined period of time, instead of vesting after three years only. This is the case for the proposed share units granted to the independent directors which vest on a yearly basis. The Company believes that such share incentive plans and other remuneration and other practices provide for sufficient orientation of the beneficiaries to the creation of long-term value for the Company.

***Relative weighting of each remuneration component***

<i>Fixed Cash Amount</i>	80-90%
<i>Share Units</i>	10-20%

**4.2 Non-independent non-executive directors**

Non-executive directors that are not independent directors are not entitled to a remuneration in cash. They also do not receive any share-based compensation. This is not in line with provision 7.6 of the Belgian Code on Corporate governance which requires that board members should receive a part of their remuneration in shares. The Company takes the view that as long as the non-independent non-executive directors are linked to important shareholders of the Company, their interest is sufficiently aligned without the requirement to give additional remuneration to these directors.

**4.3 Non-executive directors**

Apart from the above remunerations, the Company also reimburses reasonable out of pocket expenses of directors (including travel and accommodation expenses) incurred in performing the activity of director. Without prejudice to the powers granted by law to the general shareholders' meeting, the Board sets and revises the rules for reimbursement of directors' business-related out of pocket expenses.

**4.4 Executive directors**

The directors who are also a member of the ExCom are remunerated for the executive management mandate (see section 5 - Executive Management), but not for their director mandate.

#### 4.5 All directors

Directors are not entitled, in their capacity of director, to any kind of performance cash bonus or variable remuneration. Directors are also not entitled to any kind of compensation when their mandate ends. Furthermore, the Company has implemented directors' and officers' insurance coverage in order to cover liability they may incur in the exercise of their functions.

### 5. EXECUTIVE MANAGEMENT

It is reminded that the Board is explicitly authorised in the articles of association to deviate from the principles set out in article 7:91 of the BCCA.

Article 25 of the articles of association states the following: "The time requirements as stipulated in article 7:91 of the Belgian Code of Companies and Associations regarding the vesting or exercise of shares, share options or any other rights to acquire shares by directors are not applicable and the board of directors may, by way of remuneration, grant to directors shares, share options and any other rights to acquire shares that are vested or can be exercised earlier than three years after their grant. This does not require the express authorisation of the general meeting. The provisions of article 7:91 of the Belgian Code of Companies and Associations relating to linking  $\frac{1}{4}$  of the variable remuneration of executive directors to predetermined and objectively measurable performance criteria over a period of two years and  $\frac{1}{4}$  over a period of three years, are not applicable and the board of directors may deviate from them without the prior express approval of the general meeting"

The remuneration of the members of the ExCom consist of (i) a fixed remuneration, (ii) as short term incentive, a variable remuneration in the form of a cash bonus determined depending on the overall Company's performance (weighted at 60%) and individual performance (weighted at 40%) (apart from the CEO or members of the ExCom who operate through a management company whose variable remuneration is solely based on the Company's performance as a whole), (iii) as long term incentive, stock options under the long term incentive plans of the company, (iv) group/hospital insurances and other benefits.

- Fixed remuneration: the fixed remuneration is determined by the Board on recommendation of the nomination and remuneration committee and is reviewed on a yearly basis. The review takes into account the market in which the Company is operating and the Board regularly involves external consultants to perform a benchmark review.
- Variable cash bonus: as a short term incentive, each of the members of the ExCom is eligible to obtain a cash bonus depending on the performance of the Company and (except for the CEO and member of the ExCom who operate through a management company) his or her individual performance. In line with market practice, the Company does not fully disclose the performance metrics in its remuneration policy in order to

retain sufficient flexibility throughout the period during which the policy is in force. The goals towards which the performance of the Company are measured and the weight that is given to each of such goals are set at the beginning of each year by the Board on recommendation of the nomination and remuneration committee and are made public in the remuneration report. The remuneration report also states each year in to what extent the goals have been achieved and their relative weight. The goals are reviewed each year and are set in such a way that they cover a number of key areas for the Company i.e. finance, operational progress, business development, human capital or goals in relation to sustainability.

The amount of the variable cash bonus is set as a percentage of the annual fixed remuneration. For each member of the Executive Committee, a target percentage is set, which may be adjusted upwards or downwards.

The individual performance of each member of the ExCom is decided upon by the Board upon recommendation of the nomination and remuneration committee. The latter takes into account the manner in which the ExCom member has contributed towards the achievement of the corporate goals, the engagement and taking of responsibility of the ExCom member and the development of relevant competences and skills. Bonuses may also be linked to special projects.

- Stock Options under the Company’s long term incentive plans (“ESOP Plans”): the purpose of the stock option plan is to remunerate the beneficiaries for their contribution to the long-term value creation. It concerns classic stock option plans under the Law dated 26 March 1999. The Board decides on the granting of stock options to members of the ExCom based on the recommendation of the nomination and remuneration committee and may link the grant or the vesting to performance criteria which will be confirmed in accordance with article 7:90 BCCA.

- Insurances and other benefits: Each member of the executive management who is a salaried employee may be entitled to a number of fringe benefits, which may include participating in a defined contribution pension or retirement scheme, disability insurance, a company car, a mobile telephone, internet access and/or a laptop computer according to general Company policy, and other collective benefits (such as hospitalisation insurance and meal vouchers). Executive members who are engaged on a self employed basis do not receive fringe benefits, except that they may be provided with a mobile phone and laptop computer and they qualify for reimbursement of expenses incurred while carrying out their professional responsibilities.

***Relative weighting of each remuneration component***

Fixed base salary	45-55%
Cash bonus	15-35%
Stock Options	10-30%
Insurance	7-10%

Other benefits	1%
----------------	----

## 6. CONSIDERATION OF PAY AND EMPLOYMENT CONDITIONS OF EMPLOYEES

The Company wants to attract talented employees who combine expertise and passion for its business and strive to make the business grow, taking into account the governance and working procedures the Company has put in place. The standards that are used to determine the remuneration policy of the members of the executive committee are also applied to the other staff members.

Similarly as for members of the ExCom, the remuneration for staff members is composed of a (i) a fixed remuneration, (ii) variable remuneration in the form of a cash bonus determined depending on the overall Company's performance (weighted at 40%) and individual performance (weighted at 60%), (iii) stock options under the long term incentive plans of the company, (iv) group/hospital insurances and other benefits. A yearly target setting and appraisal cycle, defines the targets for each employee. A formal year end appraisal process assesses the targets and actual results for all employees, which may lead to a variable remuneration, based on this process.

The nomination and remuneration committee takes into account the compensation of the employees when preparing the remuneration policy applicable to the directors and the members of the ExCom. Particularly, the nomination and remuneration committee discusses and assesses key areas of remuneration policy for the wider workforce throughout the year, the annual bonus pool and resulting pay outcomes for employees across the workforce and any material changes to the structure of workforce compensation.

## 7. CRITERIA FOR THE AWARD OF VARIABLE REMUNERATION

The criteria for the award of variable remuneration are, to the extent possible, of a quantitative nature. Each year the Board, upon recommendation and proposal of the nomination and remuneration committee, determines the criteria and parameters to be applied on the variable remuneration. As mentioned, the applied criteria to determine the variable remuneration of the members of the ExCom are set in such a way that they cover a number of key areas for the Company i.e. finance, operational progress, business development, human capital and sustainability. Within each of these areas, specific goals will be set by the Board upon recommendation of the nomination and remuneration committee taking into account the long term strategy of the Company. This will include the board-approved annual budget, as well as measurable operational targets, such as showing entrepreneurship and leadership, respecting the Company's governance and agreed processes and procedures, business development (e.g. entering into value creating partnerships), feeding the pipeline of projects, field trial progression, implementation of the go-to market strategy, obtaining external visibility (via peer reviewed and corporate publications, within the media, at conferences, ...), employee wellbeing, delivering projects on time, implementing quality plans on defined topics, improving business, financial, control or support processes, managing and improving



sustainability aspects of the business (being it environmental, social or governance wise) as well as ensuring long term financial viability of the organization.

The aforementioned criteria may change on a year-to-year basis. The metrics and the relative weight attributed to each of them are set by the Board annually, taking into account the Company's strategic priorities. In setting out the metrics and the relative weight attributed to each of them, the Board will base itself as much as possible on audited figures or other objective measurable elements. The variable cash bonus paid out to the members of the ExCom is awarded unconditionally and is not subject to any vesting mechanisms. Each year, upon recommendation and proposal of the nomination and remuneration committee, the Board decides on the objectives of the ExCom for the coming financial year and evaluates their performance for the period ending, in conformity with the procedure currently in place. This performance evaluation is also used to determine the variable part of their annual remuneration. In accordance with provision 7.12 of the Belgian Code on Corporate Governance, the Board should include provisions that would enable the Company to recover variable remuneration paid, or with hold the payment of variable remuneration, and specify the circumstances in which it would be appropriate to do so, insofar as enforceable by law. The Company believes that this provision of the Belgian Code on Corporate Governance is not appropriate and adapted to take into account the realities of companies in the AgTech industry.

The ESOP Plans set up by the Company do however contain bad leaver provisions that can result in the share options, whether vested or not, automatically and immediately becoming null and void. Notwithstanding the Company's position that ESOP Warrants are not to be qualified as variable remuneration (when not depending on performance criteria), the Board is of the opinion that such bad leaver provisions sufficiently protect the Company's interests and that it is therefore currently not necessary to provide for additional contractual provisions that give the Company a contractual right to reclaim any (variable) remuneration from the members of the ExCom.

## 8. SHARE-BASED REMUNERATION

The Company may from time-to-time award share options (in the form of subscription rights) to the ExCom or members of staff, at the discretion of the Board. It concerns classical share option plans under the Law dated 26 March 1999. On the date of this remuneration policy, the Company has the following outstanding plans: (i) ESOP warrants that were granted to employees, consultants and directors of the Company pursuant to the ESOP 2017 plan (the "ESOP 2017 Warrants"). (ii) ESOP warrants that were granted to employees, consultants and directors of the Company or an affiliated company pursuant to the ESOP 2020 plan (the "ESOP 2020 Warrants"). (iii) ESOP warrants that were granted to employees, consultants and directors of the Company or an affiliated company pursuant to the ESOP 2021 plan (the "ESOP 2021 Warrants") and ESOP warrants that were granted to employees, consultants and directors of the Company or an affiliated company pursuant to the ESOP 2024 plan (the "ESOP 2024 Warrants"). The ESOP 2017 and 2020 Warrants are subscription rights to profit certificates that convert into shares of the Company upon exercise at a ratio of 2:1. The ESOP 2021 Warrants and the ESOP 2024 Warrants are subscription rights to shares of the Company at a ratio of 1:1. The number of

ESOP Warrants offered to each of the beneficiaries is freely determined by the Board, acting upon the recommendation of the nomination and remuneration committee. The granting or vesting of share options may depend on variable objectives or performance criteria in line with the criteria that apply for the variable cash bonus. The Company may launch new long term incentive plans in the future for the grant of stock options to its employees, directors and consultants. Such new long term incentive plans will be similar in all material respect to the ESOP 2024 plan. The Company believes that the granting of stock options is an important element to attract and retain key personnel to implement its strategy. Furthermore, equity-based compensation creates an incentive for the staff to pursue long-term value creation which is key for the strategy of the Company.

## 9. AGREEMENTS WITH THE MEMBERS OF THE BOARD AND THE EXECUTIVE COMMITTEE

### 9.1 Non-executive directors

Each non-executive director exercises its mandate as self-employed workers vis-à-vis the Company. The relationship is based on the appointment of the non-executive director by the general meeting and is confirmed in an appointment letter that is accepted by the director. According to the articles of association of the Company, the term of a directors' mandate cannot exceed four (4) years, but may be renewed. The directors' mandates may be terminated "ad nutum" (at any time) without any form of compensation. There is no specific agreement between the Company and non-executive directors which waives or restrains this right of the Company to terminate "ad nutum" (at any time) the mandates of the non-executive directors.

### 9.2 Members of the ExCom

In accordance with provision 7.12 of the Belgian Code on Corporate Governance, the Board approves, upon recommendation and proposal of the nomination and remuneration committee, the main terms and conditions of the contracts of the chief executive officer and the other members of the ExCom. Currently, all the members of the executive management are engaged on the basis of an employment agreement or consultancy agreement (including with a management company). Members of the ExCom who are based in Belgium are employed under a contract governed by Belgian law. Members of the ExCom who are not based in Belgium may be employed under a contract governed by the law of their home country. The agreements are for an indefinite term. The employment agreements and consultancy agreements include, where appropriate, non-competition undertakings, as well as confidentiality and IP transfer undertakings that will try to seek maximum protection of the Company's interests, under applicable laws.

De overeenkomsten voorzien in een éézijdige opzegmogelijkheid voor beide partijen die varieert van drie tot zes maanden behoudens verplichte toepassing van andere opzegtermijnen onder het toepasselijke recht.

Op aanbeveling van het benoemings- en remuneratiecomité kan de Raad afwijken inzake de duurtijd van de opzegtermijn en de eraan gekoppelde vergoedingen.

## 10. PENSION AND EARLY RETIREMENT SCHEME

Members of the ExCom are entitled to participate in a retirement scheme in the form of an individual pension commitment with a defined contribution system. The Board may deviate from this and not grant any pension or early retirement scheme in respect of members of the ExCom that work through a consultancy agreement.

## 11. DECISION MAKING PROCESS

The Board, upon recommendation and proposal of the nomination and remuneration committee, validates the remuneration policy and proposes the remuneration policy to the ordinary general shareholders' meeting for approval. The Board assesses, on a yearly basis, if the remuneration policy needs to be adapted. The nomination and remuneration committee assesses on a yearly basis if all elements of the remuneration policy are in line with the strategic objectives of the Company and proposes improvements to the Board, where deemed appropriate. As mentioned in the Company's Corporate Governance Charter, the directors (thus members of the nomination and remuneration committee, or of any other concerned advisory committee) should act in such a manner that a conflict of interests, or the appearance of such a conflict, is avoided. Each board member should, in particular, be attentive to conflicts of interests that may arise between the Company, its board members, its significant or controlling shareholder(s) and other shareholders. The board members who are proposed by significant or controlling shareholder(s) should also ensure that the interests and intentions of these shareholder(s) are sufficiently clear and communicated to the Board.