

UMICORE

Limited Company ("Naamloze Vennootschap" / "Société Anonyme")
1000 Brussels, Broekstraat 31 rue du Marais
VAT BE 0401.574.852 – RLE Brussels

STATUTORY ANNUAL REPORT – FISCAL YEAR 2022

To the shareholders,

In accordance with legal and statutory obligations, we hereby report to you on the execution of our appointment for the year ended 31 December 2022 and submit the annual accounts for your approval.

1. RESULT AND POSITION OF THE COMPANY

1.1. PROFIT AND LOSS STATEMENT

1.1.1. SUMMARY

The statutory accounts of Umicore (also the "**Company**") show a net profit after taxes of 296,681 KEUR versus a profit of 309,750 KEUR in the comparable period of 2021. This corresponds to an decrease of 13,069 KEUR, broken down as follows:

Profit & loss statement	31/12/2022	31/12/2021	Delta
Operating result - recurring	184,583	338,006	-153,423
Operating result - non recurring	-24,034	-56,617	32,583
Operating result	160,549	281,389	-120,840
Financial result: dividends	134,811	134,256	555
Financial result: interest	-20,020	-11,811	-8,209
Financial result: FX - other	-8,210	-1,973	-6,237
Financial result recurring	106,581	120,472	-13,891
Financial result - non recurring	42,520	-40,375	82,895
Financial result	149,101	80,097	69,004
Profit before taxes	309,650	361,486	-51,836
Income taxes	-12,969	-51,736	38,767
Net profit of the year	296,681	309,750	-13,069

1.1.2. OPERATING RESULT

The decrease of the recurring operating result by 153,423 KEUR year on year is mostly attributable to a lower performance in the Precious Metals Refining and the Rechargeable Battery Materials activities. For a detailed analysis of the recurring operating results we refer to the comments included in the IFRS Group Financial Statements.

The net non-recurring operating results amounting to -24,034 KEUR are mainly due to the use of environmental provisions linked to the green zone project in Hoboken and historical soil pollution in Olen and Hoboken.

1.1.3. ECONOMIC CONTEXT BY ACTIVITY

A. RECYCLING

Revenues for **Precious Metals Refining** were close to the record level achieved in the previous year. Earnings, however, were impacted by significant cost inflation driven primarily by higher energy prices. The long-term fixed contracts allowed only a limited pass-through of inflation to pricing.

The year 2022 was marked by volatile precious and PGM prices. Prices of rhodium and palladium peaked in the first half before declining substantially, while platinum, silver and gold prices significantly fluctuated throughout the entire year. Against this volatile background and taking into account the existing strategic metal hedges concluded in previous years, a lower average received price for rhodium was offset by higher average received prices for most other precious as well as non-precious metals.

Operational performance of the Hoboken plant was robust and processed volumes remained broadly in line with the levels of the previous year. The regular maintenance shutdown of the smelter in the last quarter was completed successfully and operations restarted as planned. The global logistic disruptions, which affected the input mix in the first half of the year, eased during the summer months. In the second half of the year, the business unit was able to catch-up and process the delayed supplies of complex PGM-rich materials from the first six months of the year. Availability of spent automotive catalysts, however, remained constraint throughout the year due to lower volumes of end-of-life vehicles and collectors holding on longer to scrap material in current volatile PGM price environment.

Precious Metals Refining continues to invest and take measures to reduce the impact of its operations on the environment. In 2022, the business unit built windshields around storage areas where raw materials are loaded and unloaded and created a green buffer zone on the site's premises in order to further minimize dust spreading. The results of the most recent monitoring of lead in blood values, carried out in November 2022¹, showed the lowest average level ever achieved, well below legal norms. This is a testimony of the success of Umicore's long-standing and continued efforts to minimize its impact on the environment and the plant's surroundings. Additional measures will take place in 2023 with the construction of a closed green zone outside the plant to increase the distance between the plant and the residential area. Altogether these measures should allow for a long-term sustainable co-existence of the site and its neighbours.

¹ Please refer to the press release of 8 December 2022, available on the [Umicore website](#).

Driven by accelerating vehicle electrification, volumes of battery production scrap and “*end-of-life*” batteries are set to increase exponentially towards 2030. Sustainable and environmentally sound recycling solutions for the processing of these batteries will be critical, as evidenced by the stringent regulatory battery recycling requirements that are being introduced in key regions.

At the same time, the rapidly increasing penetration of electric vehicles will result in a sharp increase in demand for key metals used in batteries such as nickel, lithium and cobalt, and a challenge will be to meet this growing demand in a sustainable and circular way. Umicore’s recently created **Battery Recycling Solutions** business unit will be a key enabler for the sustainable electrification of the automotive industry providing regional access to critical metals and allowing closed-loop, environmentally friendly, low carbon battery manufacturing. Based on growing customer engagements and more than 15 running commercial partnerships, Umicore announced a significant scale-up of its battery recycling activities in Europe with a 150,000 ton battery recycling plant. This plant, which will be the biggest battery recycling plant in the world, will deploy Umicore’s latest proprietary technology which allows to recover nickel, lithium, cobalt and copper into their purest battery-grade form in an eco-efficient way.

B. ENERGY & SURFACE TECHNOLOGIES

Revenues in **Rechargeable Battery Materials** were well above the levels of the previous year, including a favourable transactional lithium price impact resulting from the time lapse between the conversion of purchased raw materials into cathode materials and the sale of these materials to customers.

Despite a challenging context for the automotive industry, global sales of electric vehicles increased +56% compared to the previous year, driven by a strong demand in China and Europe. An important milestone was reached in 2022, with sales of full electric vehicles for the first time accounting for 10% of all new vehicles sales worldwide, demonstrating the rapid ascent of this new drivetrain technology and the speed of transformation that the automotive industry is going through.

Sales of electric vehicles in Europe were well up (+15%) year on year with demand for battery materials growing +22%. Sales volumes of Umicore’s NMC (nickel, manganese, cobalt) cathode materials grew in line with the market demand for battery materials, confirming Umicore’s strong position in the region. In September 2022, Umicore officially inaugurated its greenfield production plant for cathode active materials in Nysa, Poland. This plant, which is fully powered by renewable electricity, is Europe’s very first gigafactory for cathode active materials and makes Umicore the only company in Europe with a complete circular and sustainable battery materials value chain. As previously announced, it will be further expanded with additional production lines set to come on stream in 2023. Upon finalization of this expansion, the plant will have a total production capacity of 20 GWh.

Over the year, Umicore made strong progress in the execution of its “*2030 RISE*” strategy in Rechargeable Battery Materials and reached **key milestones in the build out of long-term, value creative strategic customer and supplier partnerships**. As battery-ecosystems are being established in key regions, car manufacturers become increasingly direct involved in the selection of the performance-critical cathode materials and their precursors. In this context, Umicore is pioneering long-term customer partnerships and simultaneously diversifying its customer and platform exposure.

In **Europe**, Umicore signed a joint venture agreement for precursor and cathode material production with PowerCo, the battery company of Volkswagen². From 2025 onwards, this joint venture will supply PowerCo's European battery cell factories with key materials. The partners aim to produce by the end of the decade cathode materials and their precursors for 160 GWh cell capacity per year, which compares to an annual production capacity capable of powering about 2.2 million full electric vehicles.

Umicore also signed a long-term strategic supply agreement for EV cathode materials with Automotive Cells Company (ACC), set to start with an annual offtake commitment of 13 GWh in early 2024 with the ambition to grow yearly supplied volumes to at least 46 GWh by 2030³.

Through its continued R&D efforts Umicore remains at the forefront of Li-ion battery technologies thereby ensuring **the best array of today's and next generation's design-to-cost and design-to-performance technologies** to its customers.

After the close of the year, Umicore announced⁴ that it is starting the industrialization of its manganese-rich HLM (high lithium, manganese) cathode active materials technology and targets commercial production and use in electric vehicles in 2026. By adding HLM to its portfolio, Umicore introduces a distinctly competitive battery technology to other design-to-cost technologies. This complements Umicore's broad range of NMC battery materials for high performance, long-range EVs. HLM is gaining traction with car and battery cell manufacturers as a differentiating lower cost, high energy-density and sustainable battery technology.

Umicore also continues to build further on its **pioneering approach in terms of responsibly sourced materials**. As founding member of the Global Battery Alliance, Umicore is co-developing the Battery Passport⁵ with the aim of setting up a global vision of a sustainable, responsible and circular battery materials value chain, based on standardized, comparable and auditable data. The proof of concept was launched at the World Economic Forum's Annual Meeting in Davos in January 2023.

The business unit Rechargeable Battery Materials is at the core of Umicore's 2030 RISE strategy. As a next step in the execution of its strategy, Umicore intends to group the Rechargeable Battery Materials activities within one legal entity. This set-up will provide the best foundation for the business unit to scale within Umicore and maximize its financing options, while delivering on its ambitious 2030 RISE objectives.

Revenues for **Cobalt & Specialty Materials** increased substantially year on year. The cobalt and nickel chemicals and related distribution activities generated an exceptionally strong performance in the first half of the year driven by high activity levels in key end-markets and inventory build-up of customers in a context of high demand and increasing cobalt and nickel prices. As anticipated, performance normalized in the second half reflecting an expected slowdown in demand in a competitive market environment and a cobalt price that fell back substantially from the peak level reached in May 2022. Revenues from the tool materials activity increased, benefiting from strong demand for hard metal and diamond tools, in particular in the first half of the year. Revenues from carboxylates were also higher, reflecting high demand from the coating and painting industries.

² Please refer to the press release of 26 September 2022, available on the [Umicore website](#).

³ Please refer to the press release of 22 June 2022, available on the [Umicore website](#).

⁴ Please refer to the press release of 13 February 2023, available on the [Umicore website](#).

⁵ Please refer to the press release of 18 January 2023, available on the [Umicore website](#).

Revenues for **Electro-Optic Materials** remained stable year on year. Revenues from infra-red solutions increased, driven by strong demand for optical lenses used in infra-red vision applications. This was offset by lower revenues from germanium solutions, reflecting a less favourable product mix and slightly lower volumes in high purity chemicals used in optical fibers and lower demand for germanium substrates.

C. DISCONTINUED OPERATIONS

There are no discontinued operations to report.

D. CORPORATE

As anticipated, corporate costs increased over 2022 compared to 2021. This is explained by important R&D expenditures linked to Umicore's technology and innovation roadmap. In particular, Umicore invested in the development of new state-of-the-art battery technologies such as high-performance catholyte materials for solid-state batteries and manganese-rich HLM cathode active materials in the design-to-cost segment. Corporate costs also included investments related to digitalization efforts. It is to be expected that corporate costs will further increase over 2023 in the framework of Umicore's future expansion and growth in line with its 2030 RISE strategy.

1.1.4. FINANCIAL RESULT

The recurring financial result decreased by 13,891 KEUR from 120,472 KEUR to 106,581 KEUR, mainly explained by more negative interest results with (-8,209 KEUR) and more negative results on foreign currency and other financial transactions (-6,237 KEUR) slightly counterbalanced by an increase of dividends (+555 KEUR).

The dividend income amounted to 134,811 KEUR at the end of 2022 compared to 134,256 KEUR previous year. The Company received intercompany dividends in 2022 mainly from Umicore International SA (130,000 KEUR), Umicore Speciality Materials Brugge NV (4,605 KEUR) and UMS Taiwan Co., Ltd (199 KEUR).

The negative net interest charges amounted to 20,020 KEUR per 31 December 2022. These charges are composed of gross interest revenues amounting to 16,035 KEUR and gross interest charges on financial debts amounting to 36,055 KEUR. The gross interest charges on financial debts increase with 7,411 KEUR to 36,055 KEUR per 31 December 2022 and are explained by higher interest rates and the increased funding activities. The interest revenues from intercompany loans to the Umicore group ("**Group**") entities amounted to 16,035 KEUR or a decrease with 798 KEUR compared to last year

The results on foreign currency transactions amount to -6,351 KEUR in 2022 against -2,865 KEUR or an decrease of 3,486 KEUR year on year.

The other financial charges and revenues increased from 892 KEUR last year to -1,859 KEUR in 2022. This increase is mainly explained by higher bank charges compared with previous year.

The net non-recurring financial result increased by 82,895 KEUR compared to December 2021, mainly explained by a reversal of impairment on participations and a lower negative fair value correction on the own shares in portfolio.

1.1.5. INCOME TAXES

The corporate income tax charge of 12,969 KEUR as at 31 December 2022 consists of corporate income taxes for the year amounting to 3,646 KEUR, adjustment on corporate Income Taxes on previous years amounting to 5,345 KEUR and foreign and domestic withholding taxes amounting to 9,171 KEUR partly counterbalanced by tax credits of 5,194 KEUR which are linked to the research & development activities.

1.1.6. APPROPRIATION OF THE RESULT

The total result available for further appropriation at December 2022 stands at 789,267,442 EUR. This takes into account a net profit as at 31 December 2022 of 296,681,253 EUR, the profit carried forward of 2021 for an amount of 492,586,190 EUR and the appropriation to the unavailable reserves related to the movements in the Own Shares for a total amount of 26,825,812 EUR.

1.2. BALANCE SHEET

Balance sheet (KEUR)	31/12/2022	31/12/2021	Delta
TOTAL FIXED ASSETS	3,543,162	3,296,290	246,872
2.1.1. FORMATION EXPENSES	6,228	10,288	-4,060
2.1.2 INTANGIBLE ASSETS	114,396	99,067	15,329
2.1.3 TANGIBLE ASSETS	461,517	460,546	971
2.1.4 FINANCIAL ASSETS	2,961,021	2,726,389	234,632
TOTAL CURRENT ASSETS	2,631,585	2,169,189	462,398
2.2.1 AMOUNTS RECEIVABLE AFTER MORE THAN ONE YEAR	435,442	584,998	-149,556
2.2.2 STOCKS AND CONTRACTS IN PROGRESS	720,577	503,271	217,306
2.2.3 AMOUNTS RECEIVABLE WITHIN ONE YEAR	1,173,296	861,136	312,160
2.2.4 TREASURY INVESTMENTS	230,875	186,495	44,380
2.2.6 DEFERRED CHARGES AND ACCRUED INCOME	71,396	33,289	38,108
Total assets	6,174,748	5,465,478	709,270
2.3 CAPITAL AND RESERVES	2,528,617	2,296,048	232,570
2.4 PROVISIONS AND DEFERRED TAXATION	180,279	198,047	-17,769
2.5.1 FINANCIAL DEBT (ST/LT)	2,373,427	1,858,522	514,905
2.5.2 AMOUNTS PAYABLE WITHIN ONE YEAR	943,456	1,021,490	-78,034
2.5.3 ACCRUED CHARGES AND DEFERRED INCOME	148,969	91,372	57,597
2.5 CREDITORS	3,465,852	2,971,384	494,468
Total Liabilities	6,174,748	5,465,478	709,270

1.2.1 FIXED ASSETS

1.2.1.1 Formation expenses

The formation expenses decreased by 4,060 KEUR. This decrease is explained by the amortization on the expenses linked to the 2018 capital increase and the 2020 issuance of the convertible bond.

1.2.1.2. Investments in intangible fixed assets

The net intangible fixed assets increased from 99,067 KEUR at the end of December 2021 to 114,396 KEUR at 31 December 2022.

New investments relate mainly to the capitalization of development projects (12,466 KEUR), capitalization of research costs (56,166 KEUR), capitalization of IS costs (10,824 KEUR), drawing on energy certificates (8,423 KEUR) and changes on patents (274 KEUR). Depreciations on intangible assets amounted to 72,828 KEUR.

The total amount of 56,166 KEUR of research costs incurred by the Company in 2022 have been capitalized on the balance sheet and subsequently immediately amortized in full in the income statement in accordance with the Accounting Norm Commission advise (ref CBN 2016/6). Therefore as at 31 December 2022, the net book value of these capitalized research costs equals 0.

1.2.1.3. Investments in tangible fixed assets

The net tangible fixed assets balance increased from 460,546 KEUR at year-end 2021 to 461,517 KEUR on 31 December 2022. This represents an increase of 972 KEUR, net of investments, depreciations and impairments.

New investments in tangible assets as at 31 December 2022 amounted to a total of 71,753 KEUR. The majority of the investments were made on the Hoboken (50,061 KEUR) and the Olen (21,034 KEUR) sites. In the same period, depreciations and impairments on tangible assets amounted to 70,781 KEUR.

The investments in the Hoboken facility are mainly related to a further upgrade of the safety of the installations and an in- depth investment program in order to reduce the environmental impact, amongst others regarding metal emissions. The PMR business unit also further invested in the modernization and replacement of the production equipment.

In the CSM plant in Olen, investments are mainly related to projects for Nickel refining and production.

RBM invested in Olen in a '*Process Competence Center*', where research and development activities take place towards innovative processes for the synthesis of materials for rechargeable batteries.

In Olen's EOM plant, the main investments in 2022 relate to the renovation of the metallurgy production facility.

1.2.1.4. Financial fixed assets

The financial fixed assets increased from 2,726,389 KEUR at year end 2021 to 2,961,021 KEUR on 31 December 2022 or an increase of 234,632 KEUR. This is mainly explained by the capital increases in Umicore Poland for 174,326 KEUR and Umicore RBM Canada for 10,494 KEUR as well as a reversal of the impairment on Umicore USA, Inc. with 49,713 KEUR.

1.2.2. CURRENT ASSETS

1.2.2.1 Amounts receivable after more than one year

The decrease of 149,556 KEUR reported at 31 December 2022 is explained by a decrease of the long-term loans granted to other entities within the Group.

1.2.2.2 Inventories

Overall inventory levels increased during 2022 by some 217,306 KEUR to reach 720,577 KEUR on 31 December 2022 and are the result of increased inventories at the level of raw materials and finished goods partly counterbalanced by a decrease of the inventory levels for the goods in production.

1.2.2.3. Amounts receivable within one year

The amounts receivable within one year increased by 312,160 KEUR compared to end of last year. This is due to higher trade receivables (237,033 KEUR) explained by an increase of the volume of activity of the Company and an increase of the other amounts receivable by 75,128 KEUR. This increase is mainly explained by an increase of the short term funding towards other Group entities.

1.2.2.4 Treasury investments and banks

Treasury investments are composed of bank deposits and own shares and increased in total by 44,380 KEUR over the period. This increase is explained by an increase of the bank deposits to 13,510 KEUR per 31 December 2022, an increase in the value of the own shares of 26,826 KEUR and an increase of the cash on external bank accounts with 4,044 KEUR.

A. OWN SHARES

The value of the Own Shares increased from 185,936 KEUR on 31 December 2021 to 212,761 KEUR on 31 December 2022. The variance of 26,826 KEUR is detailed as follows:

Own Shares	Number	KEUR
Balance per 01/01/2022	5,200,995	185,935
Acquisition	1,300,000	47,165
Exercises of options and use of free shares	-301,654	-7,522
Correction market value own shares		-12,817
Balance per 31/12/2022	6,199,341	212,761

On 31 December 2022, the balance of own shares represented 2.52% of the total Umicore shares outstanding.

B . OTHER INVESTMENTS AND DEPOSITS

The Other Investments and deposits are composed of short term investments placed at the inhouse bank of Umicore Financial Services NV/SA and on external bank accounts.

1.2.2.5 Deferred charges and accrued income

The increase of accrued income and deferred charges with 38,107 KEUR to 71,396 KEUR at 31 December 2022 is mainly explained by higher mark-to-market impacts on currency and metal positions (40,975 KEUR), lesser other deferred charges & accrued Income (-2,923 KEUR) and higher accrued interests resulting from the funding activities (55 KEUR) .

1.2.3 OWN FUNDS

1.2.3.1. Movements of the capital and share premium

The Share Capital remained stable over the period.

The 26,826 KEUR increase of the Reserves not available for distribution is entirely linked to the evolution in the value of Own Shares – see paragraph 2.2.4.

The government grants decreased with 4,086 KEUR compared to 2021 and amount to 10,065 KEUR per 31 December 2022. They are mainly related to the investments in R&D.

1.2.4 PROVISIONS FOR LIABILITIES AND CHARGES

The provisions for liabilities and charges decreased by 17,769 KEUR. This net decrease is mainly explained by a decrease in provisions for pension liabilities (-27,734 KEUR) and a decrease in repair & maintenance provisions (-1,320 KEUR) partly counterbalanced by higher environmental, legal and other provisions (+11,286 KEUR).

1.2.5 CREDITORS

1.2.5.1 Financial debt (after more than one year and within one year)

Total financial debt increased by 514,905 KEUR compared to 31 December 2021 and is mainly explained by an increase of the short term intercompany loans with 515,049 KEUR and the reimbursement of long term loans amounting to 144 KEUR.

1.2.5.2 Amounts payable within one year (other than financial debt)

The decrease of amounts payable within one year (-78,034 KEUR) is mainly linked to the increase of the trade payables (+50,485 KEUR) explained by an increase of the volume of activity of the Company and the increase of Payroll, Tax & other provision of 3,606 KEUR more than offset by a decrease of the other amounts payable with 132,124 KEUR which can be explained by the dividends paid out.

1.2.5.3 Accrued charges and deferred income

The increase of accrued charges and deferred income by +57,597 KEUR to 148,969 KEUR at 31 December 2022, is mainly explained by higher deferred income mostly related to the PMR business activities (+22,445 KEUR), by higher accrued charges as a result of higher mark-to-market impacts on currency and metal positions (+15,290 KEUR), higher interest accruals (+211 KEUR) and by higher other Deferred Income & Accrued charges (+19,651 KEUR).

1.3. PERSONNEL (social balance)

The approach and policy on social management are determined at Group level. For a more detailed analysis of the social engagement, we refer to the Umicore website <http://annualreport.umicore.com/management-review/group-review/management-approach/social/Approach/> and the annual report on the consolidated accounts.

Unified Remuneration Policy

The negotiations on a Unified Remuneration Policy for all blue and white collar colleagues between Umicore and the workers' organizations have been successfully concluded and this new, ambitious policy started on 1 January 2023, including the implementation of a unified job classification. This Unified Remuneration Policy shapes pay and working conditions in a uniform, transparent, equitable, sustainable and motivating way. It also creates opportunity for employees to better respond to their individual needs. Finally, this innovation will help us to retain and attract employees in an extremely challenging Belgian labour market.

Workforce

The total number of employees (full time equivalents or "FTE") on Umicore's payroll in Belgium at year-end rose from 3,037 in 2021 towards 3,173 in 2022. Umicore welcomed 421 new employees in Belgium.

People development

Training and development are considered a key investment in competence building. Umicore expects people to steer their career, including taking the necessary initiatives to continuously develop their own competencies. There was a significant increase in 2022 of the total number of formal and informal training hours (157,925 in 2022 compared to 111,513 hours in 2021). This corresponds to an average of more than 6 days per employee.

Social Objectives

As it is Umicore's mission to continue to be a sustainability leader, our "Let's go for zero" or 'ESG-strategy' of June 2021 is embed in RISE Together. This strategy includes a set of social

objectives, brought together under the heading 'Zero Inequality'. These social pillars of the new ESG-strategy include '[Diversity & Inclusion](#)', 'Learning & Growth', 'Agile way of working' and '[Wellbeing](#)'.

We have introduced multiple programs to support these ambitions and to become an even more diverse and inclusive workplace. Engage at Work is an extension of our Umicore values for all our colleagues. We want our colleagues to be proud to be working in an inclusive and agile organization, to learn and to share, and to take care of each other. Our Leadership Compass will encourage everyone to achieve success by sharing different perspectives, engaging all colleagues and going beyond borders, as we can all lead from where we stand.

Preferred employer

Umicore strives to be a preferred employer for both its current and future employees. In 2022 Umicore was recognized as top employer for the 18th consecutive time by the Top Employer Institute. The fact that Umicore has been re-elected as Top Employer confirms that its HR policy evolves with the changing environment. The HR policy continues to respond to the needs of all employees; from Young Graduates to employees with a long service record.

We are recognized more particularly for outstanding achievements at the level of:

- Organisation & Change
- Business Strategy
- Purpose & Values
- Employer Branding

Also this recognition helps us enormously to continue attracting talents in a Belgian labour market that becomes tighter by the day.

COVID-19

Umicore continued to closely follow-up on the pandemic by a dedicated CEO-led taskforce together with site and regional crisis teams. Priority hereby was the health of all our employees to limit if not avoid the transmission of the virus at the workplace.

Health precaution such as social distance, application of the mask-policy, working from home, travel restrictions etc. were regularly evaluated. In the course of the 2nd half of 2022, with the decline of the infection rate, Umicore gradually released the restrictions while basic precautions such as workplace hygiene and ventilation were kept in place. Occasional individual medical advices were given where needed.

Occupational health and safety

Umicore is committed to ensuring the highest level of occupational and process safety in all facilities, with an ambition to achieve zero work-related injuries. Umicore ramped up programs to create a more prominent caring safety culture in 2022, focusing on developing safety coaching skills within the Group. As part of the efforts to address safety performance, Umicore introduced the use of a Total Recordable Injury Rate (TRIR), in line with best industry practice, to provide a more comprehensive understanding of safety performance for both Umicore staff and contractors. While the Group lost time accidents in 2022 were below expectations at 96 compared to 73 in 2021, the Group TRIR improved from 9.5 (estimated 2021 levels) to 8.9 in 2022.

Process safety

The Group-wide process safety actions focused on conducting risk analyses with the aim of executing all industrial processes in the Umicore-defined safe zone of the risk matrix. At the end of 2022, more than 95% of the business processes had been subject to a risk analysis

according to the Umicore standard. Moreover, the implementation of the adequate risk reduction measures continues, prioritizing the higher-risk processes.

An advanced training course has been developed for in-depth auditing of process safety. The team of trained auditors is enrolled in an audit program to evaluate the quality of the process safety standards implementation.

2. SUBSEQUENT EVENTS AND CONTINGENT LIABILITIES

There are no significant events occurred after balance sheet date to be reported.

3. DEVELOPMENT OF THE COMPANY.

A more elaborate description of the Company's global development and the key underlying trends, opportunities and risks can be found in the annual report on the consolidated annual accounts.

4. RESEARCH AND DEVELOPMENT

For a more detailed analysis of the research and development activities, we refer to the annual report on the consolidated annual accounts, more specifically for the projects in relation to the NBI, recycling and E&ST activities (e.g. clean mobility, recycling, battery materials, battery recycling, etc.).

5. CORPORATE GOVERNANCE STATEMENT

5.1. CORPORATE GOVERNANCE FRAMEWORK

During the financial year 2022, the Company was subject to the Belgian Code on Corporate Governance 2020 (the "**CG Code 2020**").

The English, Dutch and French versions of the CG Code 2020 can be found on the website of the Belgian Corporate Governance Committee (www.corporategovernancecommittee.be).

The governance structure of the Company and the policies and procedures of the Umicore Group are described in detail the corporate governance charter of Umicore (the "**CG Charter**"), which was last amended on 9 June 2022. The CG Charter is available on the Umicore website (<https://www.umicore.com/en/investors/governance/documents/corporate-governance-charter/>) or may be obtained on request from Umicore's Group Communications Department.

Umicore has articulated its mission, values and basic organizational philosophy in a document called The Umicore Way. This document spells out how Umicore views its relationship with its customers, shareholders, employees and society. It is supplemented by detailed company codes and policies, the most significant of which is the Code of Conduct.

In terms of organizational philosophy, Umicore believes in decentralization and in entrusting a large degree of autonomy to each of its business units. The business units in turn are accountable for their contribution to the Group's value creation and for their adherence to Group strategies, policies, standards and sustainable development approach.

In this context, Umicore is convinced that a sound corporate governance structure is a necessary condition to ensure its long-term success. This implies an effective decision-making process based on a clear allocation of responsibilities. Such approach must ensure an optimal balance between a culture of entrepreneurship at the level of the business units and effective steering and oversight processes. The deals in more detail with the responsibilities of the shareholders, the Supervisory Board, the CEO, the Management Board and the specific role of the Audit Committee and of the Nomination & Remuneration Committee. The present statements provide information on governance issues which relate primarily to the financial year 2022.

5.2. CORPORATE STRUCTURE

The management board ("*directieraad*" / "*conseil de direction*" – the "**Management Board**") is entrusted with all matters not specifically reserved to the supervisory board ("*raad van toezicht*" / "*conseil de surveillance*" – the "**Supervisory Board**") or the shareholders' meeting by the Belgian Code of Companies and Associations (the "**BCCA**") or Umicore's articles of association.

The Supervisory Board is responsible for the general policy and the strategy of Umicore, as well as for all actions that the BCCA reserves specifically for the board of directors in a one-tier system. It appoints and dismisses the CEO and the other members of the Management Board and it also supervises the Management Board. The Supervisory Board is assisted in its role by an Audit Committee and a Nomination & Remuneration Committee.

The day-to-day management of Umicore has been delegated to the CEO, who also chairs the Management Board. The Management Board, under the leadership of the CEO, is responsible for proposing the overall strategy of Umicore to the Supervisory Board and for Umicore's operational management. It also approves the strategies of the individual business units and monitors their implementation. The Management Board is furthermore responsible for screening the various risks and opportunities that Umicore may encounter in the short, medium or longer term (see Risk Management section) and for ensuring that adequate systems are in place to address these. The Management Board is responsible for defining and applying Umicore's approach to sustainable development.

Umicore is organized in business groups which in turn comprise business units that share common characteristics in terms of products, technologies and end-user markets. In order to provide a Group-wide support structure, Umicore has regional management platforms in China, North America, Japan and South America. Its corporate headquarters are based in Belgium (Brussels). This center provides a number of corporate and support functions in the areas of legal, finance, human resources, tax, internal audit, public and investor relations.

5.3. SHAREHOLDERS

5.3.1. ISSUED SHARES – CAPITAL STRUCTURE

On 31 December 2022 there were 246,400,000 Umicore shares in issue.

The following shareholders had declared a participation of 3% or more on 31 December 2022 (the below mentioned participations are those as mentioned in the transparency declarations of the resp. shareholders):

Gérald Frère, Ségolène Gallienne, Stichting Administratiekantoor Frère-Bourgeois, The Desmarais Family Residuary Trust, Groupe Bruxelles Lambert SA/NV, Arthur Capital S.à r.l.:	39,363,737 shares (15.98%)
Baillie Gifford & Co and Baillie Gifford Overseas Ltd.:	24,420,971 shares (9.91%)
Norges Bank	13,054,028 shares (5.30%)
BlackRock Inc.:	12,463,608 shares (5.06%)
APG Asset Management:	6,728,778 shares (3.00%) ⁶

Also on 31 December 2022, Umicore owned 6,199,341 of its own shares representing 2.52% of its capital. Information concerning the shareholders' authorization for Umicore to purchase and/or sell its own shares and the status of such buy-backs and divestments can be consulted in the CG Charter and on Umicore's website.

During the year, 198,050 own shares were used in the context of the exercise of employee stock options and 60,145 shares were used for share grants, of which 10,334 to the members of the Supervisory Board and 49,811 to the Management Board members. 43,459 own shares were used following a partial conversion into shares of the variable compensation of the former CEO and some members of the Management Board.

5.3.2. DIVIDEND POLICY AND PAYMENT

In 2022, Umicore paid a gross dividend of 0.80 EUR per share relating to the financial year 2021. This was an increase by 0.05 EUR compared with the gross dividend paid in 2021 in respect of the financial year 2020.

In July 2022, the Supervisory Board decided to pay a gross interim dividend of 0.25 EUR per share, which was paid on 23 August 2022.

5.3.3. SHAREHOLDERS' MEETINGS IN 2022

The annual shareholders' meeting took place on 28 April 2022. A special and an extraordinary shareholders' meeting were also held on the same day. The shareholders' meeting took place physically but could also be viewed via a live (or differed) webcast.

On the occasion of the annual shareholders' meeting, the shareholders approved the resolutions regarding the annual accounts, the appropriation of the results and the discharges to the Supervisory Board members and to the statutory auditor regarding their respective 2021 mandates. At the same meeting, the shareholders appointed Ms Alison Henwood as new, independent member of the Supervisory Board for a period of three years, effective 1 September 2022. Furthermore, the mandates of Françoise Chombar as independent member of the Supervisory Board, and of Laurent Raets, as member of the Supervisory Board, were renewed, also for three years. The annual shareholders' meeting also approved a new remuneration policy, as well as the remuneration report and the remuneration of the Supervisory Board for 2022. Details of the fees paid to the members of the Supervisory Board in 2022 are disclosed in the remuneration report.

The special shareholders' meeting approved a contractual change of control clause in accordance with article 7:151 of the BCCA.

⁶ Transparency notification received prior to the 2018 capital increase of the Company – according to the information we received, the current participation would still reach the 3% threshold.

Finally, the extraordinary shareholders' meeting renewed the authorization conferred to the Company and its direct subsidiaries to acquire Umicore shares as well as the authorization granted to the Supervisory Board to increase the Company's capital (i.e. the authorized capital). These renewed authorizations are valid until respectively 30 June 2026 and 9 May 2027.

5.4. SUPERVISORY BOARD

5.4.1. COMPOSITION

The Supervisory Board, whose members are appointed by the shareholders' meeting resolving by a simple majority of votes without any attendance requirement, is composed of at least six members. The members' term of office may not exceed four years. In practice, Supervisory Board members are elected for a (renewable) period of three years. A member of the Supervisory Board cannot at the same time be member of the Management Board.

Members of the Supervisory Board can be dismissed at any time following a resolution of a shareholders' meeting, deciding by a simple majority of the votes cast. There are no attendance requirements for the dismissal of Supervisory Board members. The BCCA provides for the possibility for the Supervisory Board to appoint members of the Supervisory Board in the event of a vacancy. The next general meeting must decide on the definitive appointment of the above member of the Supervisory Board. The new member completes the term of office of his or her predecessor.

On 31 December 2022, the Supervisory Board was composed of 10 members. On the same date, seven Supervisory Board members were independent in accordance with the criteria laid down in article 3.5 of the CG Code 2020.

In terms of gender and cultural diversity, the Supervisory Board counted four women and seven different nationalities among its 10 members on 31 December 2022. Diversity also arises from the Supervisory Board members' educational backgrounds, which include engineering, law, economics, finance, earth sciences and applied languages. The Supervisory Board's cumulative industry experience is broad, covering automotive, electronics, chemicals, metals, energy, finance and scientific/educational sectors. It also includes people experienced in the public and private sector and members with experience in the different regions in which Umicore is active. Collectively, the Supervisory Board possesses strong experience of managing industrial operations and counts seven active or former CEOs in its ranks. The Supervisory Board also has collective experience in disciplines that are specifically relevant to Umicore's non-financial goals such as environmental, social and sustainability governance (ESG), health and safety, talent attraction and retention and supply chain sustainability.

The composition of the Supervisory Board underwent the following changes in 2022:

- Alison Henwood was appointed independent member of the Supervisory Board for a period of three years, with effective date 1 September 2022, at the annual shareholders' meeting held on 28 April 2022.

Furthermore, the mandates of Françoise Chombar, as independent member of the Supervisory Board, and of Laurent Raets, as Supervisory Board member, were renewed for three years on 28 April 2022.

5.4.2. MEETINGS AND TOPICS

The Supervisory Board held eight regular meetings in 2022. One of these meetings was held by means of a videoconference. On one occasion, the Supervisory Board also took decisions by unanimous written consent. One of the meetings took place in the context of a two-day strategy workshop.

The matters reviewed by the Supervisory Board in 2022 included the following:

- Group and strategy governance including Umicore's 2030 Rise Strategy,
- capital markets day 2022 storyline and content,
- financial performance of the Umicore group,
- approval of the annual and half-year financial statements,
- adoption of the statutory and consolidated annual accounts and approval of the statutory and consolidated annual reports (including the remuneration report),
- new remuneration policy,
- approval of the agenda of an ordinary, a special and an extraordinary shareholders' meeting and calling of these meetings,
- environmental, social and sustainability governance (ESG) related topics, including but not limited to climate action, risk and resilience, water and biodiversity, diversity, transparency and disclosures and more;
- safety,
- business risk assessment,
- investment and divestment projects,
- Audit Committee reports,
- HR strategy,
- funding,
- business and technology reviews and market updates,
- joint venture and partnership projects and updates,
- annual performance review of the CEO and the other members of the Management Board,
- nomination and remuneration matters,
- interim dividend distribution.

The Supervisory Board attended the inauguration of Europe's first gigafactory for battery materials on Umicore's site in Nysa (Poland). Furthermore, the Supervisory Board visited the Volkswagen site in Salzgitter (Germany) on the occasion of the joint venture agreement entered into between Umicore and PowerCo.

5.4.3. PERFORMANCE REVIEW OF THE BOARD AND ITS COMMITTEES

The Supervisory Board undertakes at least every three years an evaluation of its own performance and its interaction with the CEO and the Management Board, as well as its size, composition, functioning and that of the board committees.

The last performance review took place in 2020 and included a preliminary feedback round and an in-depth discussion during a Supervisory Board meeting held in July 2020.

5.4.4. AUDIT COMMITTEE

The composition of the audit committee (the "**Audit Committee**") and the qualifications of its members are fully in line with the requirements of article 7:99 of the BCCA and of the CG Code 2020.

On 31 December 2022, the Audit Committee was composed of four members of the Supervisory Board, three of them being independent. It is chaired by Ines Kolmsee.

The composition of the Audit Committee underwent one change in 2022: Alison Henwood was appointed member of the Audit Committee effective 1 September 2022.

All the members of the Audit Committee have extensive experience in accounting and audit matters as demonstrated by their curriculum.

The committee met four times in 2022. Apart from the review of the 2021 full year and the 2022 half year accounts, the Audit Committee reviewed reports and discussed matters related to internal audit, financial reporting, internal controls, ESG and other audit-related matters. The 2023 internal audit plan was validated. The committee met with the Group's auditor and reviewed and approved provided non-audit services. Members of the Audit Committee also discussed ad hoc matters with senior management.

5.4.5. NOMINATION AND REMUNERATION COMMITTEE

The composition of the nomination and remuneration committee (the "**Nomination & Remuneration Committee**") is fully in line with the requirements of article 7:100 of the BCCA and of the CG Code 2020.

On 31 December 2022, the Nomination & Remuneration Committee was composed of five members, all members of the Supervisory Board, three of them being independent. The committee is chaired by the chairman of the Supervisory Board.

The composition of the Nomination & Remuneration Committee remained unchanged in 2022.

Seven Nomination & Remuneration Committee meetings were held in 2022, including three videoconference calls. During the same period the committee discussed the remuneration policy for the Supervisory Board members, the Supervisory Board committee members and Management Board members, and the rules of the stock grant and option plans offered in 2022. The committee also discussed the succession planning at the level of the Supervisory Board and the Management Board.

5.5. MANAGEMENT BOARD

5.5.1. COMPOSITION

The Management Board is composed of at least four members. It is chaired by the CEO. All members of the Management Board, including the CEO, are appointed by the Supervisory Board upon recommendation of the Nomination & Remuneration Committee.

The composition of the Management Board underwent the following changes in 2022:

- Filip Platteeuw, former Chief Financial Officer, resigned as member of the Management Board effective 1 October 2022,
- Wannes Peferoen was appointed Chief Financial Officer and member of the Management Board effective 1 October 2022.

On 31 December 2022 the Management Board was composed of seven members, including the CEO.

5.5.2. PERFORMANCE REVIEW

The Management Board regularly reviews and assesses its own performance. The valuation is also discussed at the Nomination & Remuneration Committee and presented to the Supervisory Board.

The last performance reviews of the CEO and the other members of the Management Board took place on 15 February 2022.

5.6. RELEVANT INFORMATION IN THE EVENT OF A TAKEOVER BID

5.6.1. RESTRICTIONS ON TRANSFERRING SECURITIES

Umicore's articles of association do not impose any restriction on the transfer of shares or other securities.

The Company is furthermore not aware of any restrictions imposed by law except in the context of the market abuse legislation and of the lock-up requirements imposed on some share grants by the BCCA.

The options on Umicore shares as granted to the CEO, to the members of the Management Board and to designated Umicore employees in execution of various Umicore incentive programs may not be transferred inter vivos.

5.6.2. HOLDERS OF SECURITIES WITH SPECIAL CONTROL RIGHTS

There are no such holders.

5.6.3. VOTING RIGHT RESTRICTIONS

Umicore's articles of association do not contain any restriction on the exercise of voting rights by shareholders, providing the shareholders concerned are admitted to the shareholders' meeting and their rights are not suspended. The admission rules to shareholders' meetings are articulated in article 20 of the articles of association. Pursuant to article 7 of the articles of association, if a share is the subject of concurrent rights, the rights attached to these shares are suspended until one person is designated as owner vis-à-vis the Company.

To the Supervisory Board's best knowledge, none of the voting rights attached to the shares issued by the Company were suspended by law on 31 December 2022, save for the 6,199,341 shares held by the Company itself on that date (article 7:217 §1 of the BCCA).

5.6.4. EMPLOYEE STOCK PLANS WHERE THE CONTROL RIGHTS ARE NOT EXERCISED DIRECTLY BY THE EMPLOYEES

The Company has not issued such employee stock plans.

5.6.5. SHAREHOLDERS' AGREEMENTS

To the Supervisory Board's best knowledge there are no shareholders' agreements which may result in restrictions on the transfer of securities and/or the exercise of voting rights.

5.6.6. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Save for capital increases decided by the supervisory board within the limits of the authorized capital, only an extraordinary shareholders' meeting is authorized to amend Umicore's articles of association. A shareholders' meeting may only deliberate on amendments to the articles of association – including capital increases or reductions, mergers, de-mergers and a winding-up – if at least 50% of the subscribed capital is represented. If the above attendance quorum is not reached, a new extraordinary shareholders' meeting must be convened, which will deliberate regardless of the portion of the capital represented. As a general rule, amendments to the articles of association are only adopted if approved by 75% of the votes cast. The BCCA provides for more stringent majority requirements in specific instances, such as the modification of the corporate object or the company form.

The Company's articles of association were amended once in 2022, following the renewal of the authorized capital approved by the extraordinary shareholders' meeting held on 28 April 2022.

5.6.7. AUTHORIZED CAPITAL – BUY-BACK OF SHARES

The Company's capital may be increased following a decision of the Supervisory Board within the limits of the so-called "*authorized capital*". The authorization must be granted by an extraordinary shareholders' meeting; it is limited in time and amount and is subject to specific justification and purpose requirements.

The extraordinary shareholders' meeting held on 28 April 2022 (resolutions published on 10 May 2022) renewed the authorization granted to the Supervisory Board to increase the Company's share capital. The Supervisory Board is authorized to increase the capital in one or more times by a maximum amount of 55,000,000 EUR. The authorization will lapse on 9 May 2027 but it can be renewed.

Up until 31 December 2022, the Supervisory Board has not made use of this renewed authorization.

Following a resolution of the extraordinary shareholders' meeting held on 28 April 2022, the Company is authorized to acquire own shares on a regulated market within a limit of 10% of the subscribed capital, at a price per share comprised between 4 EUR and 120 EUR and until 30 June 2026 (included). The same authorization was also granted to the Company's direct subsidiaries. The Company acquired 1,300,000 own shares in 2022 in implementation of the above and the previous authorization.

5.6.8. AGREEMENTS BETWEEN THE COMPANY AND ITS DIRECTORS OR EMPLOYEES PROVIDING FOR COMPENSATION IF THEY RESIGN, OR ARE MADE REDUNDANT WITHOUT VALID REASON, OR IF THEIR EMPLOYMENT CEASES BECAUSE OF A TAKE-OVER-BID

For a closed group of employees an individual agreement has been put in place, applicable in the event of a dismissal within 12 months after a change of control over the Company. As far as the members of the Management Board are concerned, reference is made to the remuneration report and policy.

5.7. CONFLICTS OF INTERESTS (art. 7:115 through 7:117 BCCA)

During 2022, no conflicts of interests or decisions/transactions as defined under articles 7:115 through 7:117 BCA were discerned at the level of the Supervisory Board or the Management Board.

5.8. STATUTORY AUDITOR

At the annual shareholders' meeting held on 29 April 2021, EY Bedrijfsrevisoren BV / EY Réviseurs d'Entreprises SRL was appointed statutory auditor for a renewable period of three years. The statutory auditor is represented by Marnix Van Dooren & C° BV/SRL, itself represented by Marnix Van Dooren, and Eef Naessens BV/SRL, itself represented by Eef Naessens for the exercise of this mandate.

The Umicore policy detailing the independence criteria for the statutory auditor may be requested from Umicore.

5.9. CODE OF CONDUCT

Umicore operates a Code of Conduct for all its employees, representatives and supervisory or Management Board members. This Code of Conduct is fundamental to the task of creating and maintaining a relation of trust and professionalism with its main stakeholders namely its employees, commercial partners, shareholders, government authorities and the public.

The main purpose of Umicore's Code of Conduct is to ensure that all persons acting on behalf of Umicore carry out their activities in an ethical way and in accordance with the laws and regulations and with the standards Umicore sets through its present and future policies, guidelines and rules. The Code of Conduct contains a specific section on complaints and expressions of concern by employees and "whistle-blower" protection⁷.

The Code of Conduct is published in Appendix 6 to the CG Charter.

5.10. MARKET MANIPULATION AND INSIDER TRADING

Umicore's policy related to market abuse including insider trading is spelled out in the Umicore Dealing Code, which can be found under Appendix 7 to the CG Charter.

5.11. COMPLIANCE WITH THE CG CODE 2020

During the financial year 2022, the Company has complied with all the provisions of the CG Code 2020.

⁷ Umicore also adopted an internal global guideline on whistleblowing, in implementation of the EU Directive 2019/137 of the European Parliament and the Council dated 23 October 2019 on the protection of persons who report breaches of Union law (the so-called "*Whistleblow Directive*").

5.12. REMUNERATION POLICY AND REMUNERATION REPORT

5.12.1. REMUNERATION POLICY

The remuneration policy (the “**Policy**”) outlines the remuneration principles for the members of the Supervisory Board and Management Board.

In 2021, Umicore undertook a detailed review of the Policy to ensure the Group’s remuneration structure and rewards remain fair, responsible with a clear link to sustainable long-term value creation and in line with current international remuneration trends. The review also took into account the feedback received from our international shareholder base.

The Policy provides targets and remuneration with an increased focus on sustainable, profitable growth, combining financial and sustainability performance in full alignment with our sustainability ambitions.

The Policy, effective as of 1 January 2022 was approved at Umicore’s annual shareholders’ meeting on 28 April 2022 with 71.43% of the votes cast (disregarding the abstention votes, as provided under Belgian company law). The Policy contributes further to Umicore’s efforts to increase disclosure and is available on Umicore’s website.

5.12.2. REMUNERATION REPORT

5.12.2.1. Remuneration for the members of the Supervisory Board

The remuneration structure of the members of the Supervisory Board is in accordance with the Policy. The annual fixed fee and the attendance fee for the members of the Supervisory Board was increased in 2022. In addition, an annual fixed fee was introduced for the Chair and the members of the Nomination and Remuneration Committee. Other fees remained unchanged.

Supervisory Board

- **Chairperson:** annual fixed fee: 60,000 EUR + 5,000 EUR per meeting attended + 2,000 Umicore shares + company car
- **Member:** annual fixed fee: 30,000 EUR (versus 27,000 EUR in 2021) + 3,000 EUR (versus 2,500 EUR in 2021) per meeting attended + 1,000 EUR per meeting attended in person (for foreign-based members) + 1,000 Umicore shares

Audit Committee

- **Chairperson:** annual fixed fee: 10,000 EUR + 5,000 EUR per meeting attended + 1,000 EUR per meeting attended in person (for foreign-based chair)
- **Member:** annual fixed fee: 5,000 EUR + 3,000 EUR per meeting attended + 1,000 EUR per meeting attended in person (for foreign-based members)

Nomination and Remuneration Committee

- **Chairperson:** annual fixed fee: 10,000 EUR (new versus 2021) + 5,000 EUR per meeting attended
- **Member:** annual fixed fee: 5,000 EUR (new versus 2021) + 3,000 EUR per meeting attended + 1,000 EUR per meeting attended in person (for foreign-based members)

2022 Remuneration overview members of the Supervisory Board

All components of the remuneration of the members of the Supervisory Board for the reported year are detailed in the table below.

in (€)								
Name	Mandate	Start date	End date	Fixed Fee	Shares ¹	Attendance Fee	Number of meetings attended Online/In person	Other (Car)
Leysen T.								223,817
Chairman of the supervisory board		19-11-2008		60,000	76,440	40,000	1 / 7	2,377
Chairman of the nomination & remuneration committee		19-11-2008		10,000		35,000	3 / 4	
Armero M.								125,220
Member of the supervisory board		30-4-2020		30,000	38,220	31,000	1 / 7	
Member of the nomination & remuneration committee		9-12-2020		5,000		21,000	3 / 4	
Behrendt B.								99,220
Member of the supervisory board		29-4-2021		30,000	38,220	31,000	1 / 7	
Chombar F.								115,220
Member of the supervisory board		26-4-2016		30,000	38,220	24,000	1 / 7	
Member of the nomination & remuneration committee		26-4-2018		5,000		18,000	3 / 3	
Debackere K.								135,220
Member of the supervisory board		26-4-2018		30,000	38,220	24,000	1 / 7	
Member of the audit committee		26-4-2018		5,000		12,000	0 / 4	
Member of the nomination & remuneration committee		9-12-2020		5,000		21,000	3 / 4	
Garrett M.								121,220
Member of the supervisory board		28-4-2015		30,000	38,220	30,000	2 / 6	
Member of the nomination & remuneration committee		25-4-2017		5,000		18,000	2 / 4	
Henwood A.								33,304
Member of the supervisory board		1-9-2023		10,027	10,605	8,000	0 / 2	
Member of the audit committee		1-9-2023		1,671		3,000	0 / 1	
Kolmsee I.								128,220
Member of the supervisory board		26-4-2011		30,000	38,220	30,000	2 / 6	
Chairman of the audit committee		28-4-2015		10,000		20,000	1 / 3	
Meurice E.								94,220
Member of the supervisory board		28-5-2015		30,000	38,220	26,000	2 / 5	
Raets L.								109,220
Member of the supervisory board		25-4-2019		30,000	38,220	24,000	2 / 6	
Member of the audit committee		25-4-2019		5,000		12,000	1 / 3	

¹ The share grant relates to the services rendered in the reported year. Shares were granted on 12 May 2022 (on 1 September 2022 for Alison Henwood) and were valued at the fair market value of € 38.22 per share (€ 31.75 for Alison Henwood), equivalent to either the closing share price on the day before the delivery date or the average closing price of the last 30 calendar days before delivery date, whichever is the lowest.

5.12.2.2. Remuneration for the CEO and the other Management Board members

The value of the CEO's and other Management Board members' remuneration was reviewed by the Supervisory Board on 15 February 2022. This review was carried out on the basis of recommendations from the Nomination and Remuneration Committee following a comparison survey with BEL20 and European peer companies.

In line with the Policy, remuneration of the CEO and other Management Board members included the following components in 2022: fixed remuneration, variable compensation, share-based compensation, pension plans and other benefits.

Remuneration of the CEO

Mathias Miedreich began his mandate as CEO on 1 October 2021. His annual fixed remuneration was set at 1,000,000 EUR and remained unchanged in 2022.

Mathias Miedreich participates in the short- and long-term variable remuneration programs as of the year of reference 2022. The annual variable remuneration target (100% value) for performance in 2022 was set at 600,000 EUR and can vary between 0-125% depending on the Group and individual performance.

The year 2022 marked a successful start of Umicore's 2030 RISE Strategy, with very solid financial results and the achievement of important milestones in Umicore's "Let's Go for Zero"

ambitions. This strong performance resulted in an award outcome of 109.2% for Group performance (50% weight) and 100% for individual performance (50% weight), hence a total award level of 104.6%. The CEO's actual gross annual variable compensation for the year of reference amounts to 627,600 EUR. See below table 13.2 for more details on the 2022 performance award level.

In line with the Policy, a Performance Share Unit Plan (the PSU Plan) was introduced in 2022. The PSU Plan rewards strategic achievements driving long-term sustainable performance over a period of three years (2022-24). Under this PSU Plan, Mathias Miedreich received 17,529 PSUs, for vesting per 1 March 2025, provided the vesting conditions are met and subject to the achievement of the PSU performance objectives set in 2022 (as published in the 2021 remuneration report).

As part of the annual Umicore Incentive Stock Option Plan, 93,313 stock options were granted for 2022. On 15 February 2023, The Supervisory Board also decided to grant 2,000 Umicore shares for services rendered in the reported year. These shares are subject to a three-year lock-up.

As part of the compensation package, the Group also paid for the tuition fees (secondary school) in Belgium in 2022.

All components of the remuneration earned by Mathias Miedreich for the reported year are detailed in the below table 13.3.

Remuneration of other members of the Management Board

On proposal of the Nomination and Remuneration Committee and in line with the Policy, the Supervisory Board decided on 15 February 2022 to reduce, as of the year of reference 2022, the number of unconditional share awards, redistributing them over increased variable remuneration and a fixed annual fee. A pay mix with a higher portion of variable remuneration reinforces the link between reward and sustainable performance. Fixed remuneration for each other Management Board member was set at 550,000 EUR as of 1 January 2022.

The 2022 annual variable remuneration target (100% value) amounts to 325,000 EUR, which can vary between 0-125% depending on Group and individual performance. See below table 13.2 for more details on the 2022 performance award level and Table 13.3 for the actual pay-outs.

Other Management Board members also participate in the PSU Plan. Under this Plan, they each received 9,495 PSUs, for vesting per 1 March 2025, provided the vesting conditions are met and subject to achieving the 2022 PSU performance targets (see 2021 remuneration report). Wannes Peferoen, who started his mandate as CFO of the Group on 1 October 2022, received 2,697 PSUs pro rata for the months in service in 2022.

As part of the annual Umicore Incentive Stock Option Plan 30,000 stock options per Management Board member were offered for 2022.

The Supervisory Board decided on 15 February 2023 to grant 2,000 Umicore shares per person for services rendered in the reported year (pro rata for Wannes Peferoen and Filip Platteeuw). These shares are subject to a three-year lock-up.

All components of the remuneration earned by the other Management Board members for the reported year are detailed in the below table.

in (€)

Name Position	Mandate Start date End date	Fixed Compensation 1	Short-term Variable 2	Long-term Variable 3	Shares 4	Stock Options 5	Pension Plans 6	Other 7	Total	Ratio fixed 8	Ratio variable 9
Grynberg M. CEO	19/11/2008 31/10/2021	0	0	486,500	0	0	8,805	0	495,305	2%	98%
Miedreich M. CEO	1/10/2021	1,000,000	627,600	0	65,380	600,003	208,800	55,732	2,557,515	75%	25%
Csoma S. EVP	01/11/2012 31/03/2021	0	0	264,100	0	0	3,968	0	268,068	1%	99%
Daufenbach D. EVP	6/12/2021	550,000	339,950	0	65,380	192,900	114,840	13,662	1,276,732	73%	27%
Goffaux D. EVP	01/07/2010	550,000	315,575	264,100	65,380	192,900	134,161	38,828	1,560,945	63%	37%
Kiessling R. EVP	01/02/2019	550,000	364,325	264,100	63,371	192,900	114,840	85,775	1,635,311	62%	38%
Nolens G. EVP	01/07/2015	550,000	339,950	264,100	65,380	192,900	144,193	20,874	1,577,396	62%	38%
Peferoen W. CFO	01/10/2022	137,500	84,988	0	16,345	0	28,710	3,946	271,489	69%	31%
Plattewouw F. CFO	01/11/2012 30/09/2022	412,500	218,400	264,100	49,035	192,900	105,930	24,420	1,267,285	62%	38%
Sap B. EVP	01/3/2021	550,000	372,450	0	65,380	192,900	114,840	13,818	1,309,388	72%	28%
Steegeen A. EVP	01/10/2018 30/09/2021	0	0	264,100	0	0	0	0	264,100	0%	100%

¹ The fixed compensation includes the fixed remuneration from Umicore entities, if any.

² The annual variable remuneration has been determined in accordance with the Policy and relates to the reported year 2022. The pay-out was made in cash in 2023, except for M. Miedreich, G. Nolens, W. Peferoen and B. Sap, who received the variable partly or totally in the form of shares.

³ The deferred variable, following the previous remuneration policy, relates to the reference year 2020 and takes into account, over the years 2020-2021-2022, an average ROCE of 17.8%, resulting in a pay-out of 100% of the 2020 deferred target, and a compounded average EBIT growth% of 19.3%, resulting in a pay-out of 39% of the 2020 deferred target. The pay-out was made in cash in 2023 except for M. Grynberg, G. Nolens and B. Sap, who received the variable partially or fully in the form of shares.

⁴ Shares granted relate to services rendered in the reported year 2022 during the mandate of a Management Board member. Shares were granted on 16 February 2023 and were valued at the fair market value of € 32.69 equivalent to the closing share price on the day before the delivery date or the average closing price of the last 30 calendar days before delivery date, whichever is the lowest. For German tax purposes, shares were valued at € 31.18 (lowest market quotation for shares on the delivery date).

⁵ Stock options granted relate to services rendered in the reported year 2022 during the mandate of a Management Board member. Stock options were granted on 16 February 2022 and were valued at a notional value of € 6.43 per option according to the Black & Scholes formulas

⁶ Includes defined contributions (DC) and defined benefits (DB) contributions (service cost) and the related social contributions.

⁷ Includes the representation allowance, benefit-in-kind company car, insurance benefits and additional benefits for Mr Kiessling for his frequent and extensive presence in Asia. It also includes tuition fees (secondary school) in Belgium paid for M. Miedreich's child.

⁸ (1)+(4)+(5)+(6)+(7)/Total remuneration.

⁹ (2)+(3)/Total remuneration.

Group and individual performance 2022

The 2022 Group performance results related to the 2022 annual variable remuneration plan, are outlined in the below table. This table also shows results for individual performance in 2022.

Topic	2022 Performance objectives	Weight	Award Min-Max	Threshold	Maximum	Award
Financial	ROCE	15%	0-150%	MIN 7.5%	2022 TARGET 12.5% MAX ≥ 17.5%	ACTUAL 19.2%
Financial	Adjusted EBITDA ¹	15%	0-150% < 95% = 0% pay; 95% of target = 50% pay	MIN 95% of target	2022 TARGET 100.7% MAX ≥ 105% of target As defined by the Supervisory Board	ACTUAL
Safety	Process Safety Event Frequency Rate: Reduction of 10% (vs 2021) + the absence of process safety events with material env. or health impact	5%	0-100%	MIN -9%	2022 TARGET/MAX ≥ -10%	ACTUAL -56.96%
Safety	Total Recordable Injury Rate (TRIR): Reduction of 5% (vs 2021)	10%	0-100%	MIN -4.5%	2022 TARGET/MAX ≥ -5%	ACTUAL -5.26%
Diversity & Inclusion	Recruitment of women managers: 35% in 2022	5%	0-100%	MIN 30%	ACTUAL 31.05% 2022 TARGET/MAX ≥ 35%	
Group	Total Group performance	50%				109.20%
Individual	Individual Performance - CEO	50%	0-120%	Defined yearly	Qualitative assessment	100%
Individual	Individual Performance - EVP (average)	50%	0-120%	Defined yearly	Qualitative assessment	100%

¹ With respect to the Group's financial performance, it was decided by the Supervisory Board on 15 February 2023 to use as company growth metric in the remuneration the "Actual adjusted EBITDA versus the targeted adjusted EBITDA". This new metric, which replaces the previously communicated metric "Actual adjusted EBITDA versus targeted adjusted EBITDA at like-for-like precious metal prices", provides an equally accurate, yet less complex indication of the Group's growth.

5.12.2.3. Comparative information on remuneration changes – pay ratio

Table 13.4 provides an overview on the annual remuneration changes for the CEO; other Management Board members (in aggregate); mandates within the Supervisory Board and the Committees; the average employee remuneration on a full-time equivalent basis; and Company performance. Incomplete years of remuneration due to a start or end of mandate in the course of the reference year, have been adjusted to an annual base. The number of shares in table 13.4 represents all the years of service taking into account the share split of 16 October 2017. Average employee remuneration relates to Umicore (Belgium), in accordance with applicable legal provisions.

The pay ratio 2022 between the highest and lowest pay level at Umicore (Belgium) was equal to 49.

13.4 Comparative table on remuneration changes of and company performance over the last five reported financial years

Annual Change		RFY 2018 vs RFY 2017	RFY 2019 vs RFY 2018	RFY 2020 vs RFY 2019	RFY 2021 vs RFY 2020	RFY 2022 vs RFY 2021	Information regarding RFY
Remuneration management board							
Position	Type of remuneration						
CEO (Mathias Miedreich) Mandate as of 01/10/2021	Fixed	2.9%	0.0%	2.9%	0.0%	38.9%	
	Variable	-24.8%	-5.6%	37.9%	57.7%	-22.3%	
	Number of shares	0.0%	-3.8%	0.0%	0.0%	-80.0%	
	Number of options	0.0%	-6.7%	0.0%	-31.4%	-2.8%	
	Pension + other	1.1%	8.2%	13.0%	6.7%	-7.8%	
Members of the management board (excl. CEO)	Fixed	3.3%	0.4%	4.5%	0.0%	25.0%	
	Variable	-28.0%	18.3%	10.6%	58.2%	45.2%	
	Number of shares	0.0%	-5.4%	0.0%	-0.9%	-71.2%	
	Number of options	0.0%	-14.3%	5.6%	0.0%	0.0%	
	Pension + other	-2.3%	1.9%	13.8%	-6.1%	3.3%	
Remuneration supervisory board		Type of remuneration					
Chairman supervisory board	Fixed	50.0%	0.0%	0.0%	0.0%	0.0%	
	Attendance fee/meeting	0.0%	0.0%	0.0%	0.0%	0.0%	
	Number of shares	0.0%	0.0%	0.0%	0.0%	0.0%	
Annual Change		RFY 2018 vs RFY 2017	RFY 2019 vs RFY 2018	RFY 2020 vs RFY 2019	RFY 2021 vs RFY 2020	RFY 2022 vs RFY 2021	Information regarding RFY
Chairman nomination & remuneration committee	Fixed	-	-	-	-	+ 10,000 €	Introduction of 10,000 € fixed fee
	Attendance fee/meeting	0.0%	0.0%	0.0%	0.0%	0.0%	
	Number of shares	-	-	-	-	-	
Chairman audit committee	Fixed	0.0%	0.0%	0.0%	0.0%	0.0%	
	Attendance fee/meeting	0.0%	0.0%	0.0%	0.0%	0.0%	
	Number of shares	-	-	-	-	-	
Member supervisory board	Fixed	0.0%	0.0%	0.0%	0.0%	11.1%	
	Attendance fee/meeting	0.0%	0.0%	0.0%	0.0%	20.0%	
	Number of shares	0.0%	0.0%	0.0%	0.0%	0.0%	
Member audit committee	Fixed	0.0%	0.0%	0.0%	0.0%	0.0%	
	Attendance fee/meeting	0.0%	0.0%	0.0%	0.0%	0.0%	
	Number of shares	-	-	-	-	-	
Member nomination & remuneration committee	Fixed	-	-	-	-	+ 5,000 €	Introduction of 5,000 € fixed fee
	Attendance fee/meeting	0.0%	0.0%	0.0%	0.0%	0.0%	
	Number of shares	-	-	-	-	-	
Average employee remuneration on a full time equivalent basis							
% change versus previous year		3.6%	3.7%	2.7%	7.5%	5.6%	
Company's Performance		2018	2019	2020	2021	2022	
ROCE		15.4%	12.6%	12.1%	22.2%	19.2%	
EBIT M€		514	509	536	971	865	
% ROCE change versus previous year		2.0%	-18.2%	-4.0%	83.5%	-13.5%	
% EBIT change versus previous year		25.4%	-1.0%	5.4%	81.1%	-11.0%	

5.12.2.4. Share based plans and transactions 2022

Management Board Performance Share Unit Plan (PSU) 2022

As of performance year 2022, a Performance Share Unit Plan (PSU Plan) was introduced, replacing the deferred cash variable program that was in place until performance year 2021. Under this PSU Plan, PSUs are granted conditionally to the members of the Management Board. The PSUs vest after three years, depending on the achievement of pre-set performance goals and provided continued service on the date of vesting. The objectives are defined by the Supervisory Board upon proposal of the Nomination and Remuneration Committee and include measurable financial and sustainability targets. (See 2021 remuneration report for the 2022 PSU performance targets).

The below table provides an overview of the number of PSUs granted for performance in 2022 and the main provisions of the PSU Plan. The number of PSUs granted conditionally was determined by dividing the target PSU grant value by the Umicore share price on Euronext Brussels, being equivalent to either the closing share price on the day before the grant date or the average closing price of the last 30 calendar days before the grant date, whichever is lowest.

Name Position	Number of PSUs received in 2022	Comment	
Miedreich M., CEO	17,529		
Daufenbach F., EVP	9,495		
Goffaux D., EVP	9,495		
Kiessling R., EVP	9,495		
Nolens G., EVP	9,495		
Peferoen W., CFO	2,697		
Platteeuw F., CFO	9,495		
Sap B., EVP	9,495		
Main provisions of the outstanding PSU plans			
PSU Plan	Grant Date	Vesting Date	Performance window Start End
2022	01/03/2022	01/03/2025	01/01/2022 - 31/12/2024
2022 (Peferoen W.)	01/10/2022	01/03/2025	01/01/2022 - 31/12/2024

Vesting PSUs is subject to:

- (1) a continued mandate as Management Board member, to the extent applicable under the PSU Plan. This condition is not applicable for members of the Management Board appointed before 1 April 2021 (unless in the event of termination for serious cause); and
- (2) achievement of PSU performance objectives as defined by the Supervisory Board (see 2021 remuneration report).

If and when vesting takes place, the vesting of the PSUs is proportionate to the total weighted achieved award percentage, which can vary between 0-125%, pro rata of the number of months served by a Management Board member in the related performance year.

Management Board share option transactions 2022

The below table provides an overview of the number of stock options granted for the services rendered in 2022 in the mandate of each member of the Management Board, the number of stock options exercised and expired in the course of the reported year, as well as the main provisions of the outstanding stock option plans.

Contrary to other countries, under Belgian Law, taxes on stock options are due at the time they are granted. Therefore and in alignment with other Belgian companies, the Umicore Incentive Stock Option Plans do not include performance conditions.

Details of all options exercised, and other share-related transactions can be found on the Financial Services and Markets Authority (FSMA) website.

Transactions in the reported year 2022

Name Position	Options Granted	Options Exercised	Options Expired
Miedreich M. CEO	ISOP 2022 93,313		0
Daufenbach F. EVP	ISOP 2022 30,000		0
Goffaux D. EVP	ISOP 2022 30,000		0
Kiessling R. EVP	ISOP 2022 30,000		0
Nolens G. EVP	ISOP 2022 30,000		0
Platteuw F. CFO	ISOP 2022 30,000	ISOP 2016 30,000	0
Sap B. EVP	ISOP 2022 30,000		0

Main provisions of the outstanding stock option plans

ISOP Plan	Grant Date	Exercise Price *	Exercise window Start End
2022	16/02/2022	33.220	16/02/2025 - 15/02/2029
2021	11/02/2021	47.080	11/02/2024 - 10/02/2028
2020	10/02/2020	42.050	10/02/2023 - 09/02/2027
2019	11/02/2019	34.080	01/03/2022 - 10/02/2026
2018	09/02/2018	40.900	01/03/2021 - 08/02/2025
2017	13/02/2017	25.500	01/03/2020 - 12/02/2024
2016	05/02/2016	16.632	01/03/2019 - 04/02/2023

* Exercise prices take into account the share split of 16 October 2017.

* Exercise prices take into account the share split of 16 October 2017.

Management Board share grant 2022

The below table provides an overview of shares granted in 2022 for services rendered in 2021 during a Management Board member's mandate. Shares were granted on 16 February 2022 and were valued at the fair market value of 33.22 EUR per share, equivalent to either the closing share price on the day before the delivery date or the average closing share price of the last 30 calendar days before delivery date, whichever is the lowest. For German and Korean tax purposes, shares were valued respectively at 33.54 EUR and 35.50 EUR. Shares are subject to a three-year lock-up until 15 February 2025.

As per the Policy, within five years from the date of appointment, the CEO is required to set aside a minimum of 30,000 Umicore shares, which he must retain throughout his tenure. This requirement also applies to other Management Board members in respect of a minimum of 15,000 shares.

On 31 December 2022, G. Nolens, D. Goffaux and R. Kiessling reached this minimum shareholder requirement. M. Miedreich, F. Daufenbach, B. Sap and W. Peferoen, are still within the five-year time-frame to build up the required minimum.

Management Board members held collectively a total of 202,831 shares on 31 December 2022.

Name Position	Number of shares received in 2022 for YR 2021	Comment
Grynberg M., CEO	8,334	
Miedreich M., CEO	500	
Csoma S., EVP	1,750	
Daufenbach F., EVP	143	
Goffaux D., EVP	7,000	
Kiessling R., EVP	7,000	
Nolens G., EVP	7,000	
Platteeuw F., CFO	7,000	
Sap B., EVP	5,834	
Steegen A., EVP	5,250	

Supervisory Board share grant

The below table provides an overview of shares granted in 2022 to Supervisory Board members for services rendered in 2022. Shares were granted on 12 May 2022 (on 1 September 2022 for Alison Henwood) and were valued at the fair market value of the share at 38.22 EUR (at 31.75 EUR for Alison Henwood), equivalent either to the closing share price on the day before the delivery date or the average closing price of the last 30 calendar days before delivery date, whichever is lowest. Shares must be held until at least one year after the member leaves the Supervisory Board and until at least three years after the delivery date.

Supervisory Board members held collectively a total of 909,707 shares on 31 December 2022.

Name Mandate in the Supervisory Board	Number of shares received in 2022	Comment
Leysen T. Chairman	2,000	
Armero M. Member	1,000	
Behrendt B. Member	1,000	
Chombar F. Member	1,000	
Debackere K. Member	1,000	
Garrett M. Member	1,000	
Henwood A. Member	334	Pro rata the services in 2022 as of 01/09/2022
Kolmsee I. Member	1,000	
Meurice E. Member	1,000	
Raets L. Member	1,000	

5.12.2.5. Approval of the 2021 remuneration report and implementation of new remuneration policy as of January 2022

The 2021 remuneration report received 63.51% of shareholder votes (disregarding the abstention votes, as provided under Belgian Company Law), compared with 81.49% of the previous year. The 2021 remuneration report was still based on the previous remuneration policy, which was applicable until performance year 2021.

The 2022 remuneration report shows next to revised financial targets also sustainability/ESG targets in alignment with Umicore's "Let's Go for Zero" ambitions embedded within the Umicore 2030 RISE Strategy to enhance sustainable long-term value creation. Umicore will continue to include stretched and achievable targets, disclosing these targets upfront. (See below table for the 2023 performance objectives).

13.9 Overview of the 2023 performance objectives and weighting

Annual Variable compensation plan (ty performance)		Weight	2023 Target Award %	Threshold Award %	Maximum Award %
ROCE	15%		12.5% 100% award	7.5% 0% award	≥17.5% 150% award
Adjusted EBITDA	15%		Defined by the supervisory board ¹	95% 50% award (Below 95%, 0% award)	≥105% 150% award
Process Safety Event Frequency Rate	5%		Reduction of 10% by 2023 versus 2022 + the absence of process safety events with material environmental or health impact	0% (same as 2022 level) 0% award	≥10% 100% award
Total Recordable Injury Rate (TRIR)	10%		Reduction of 10.5% by 2023 versus 2021	Reduction of 7.37% 0% award	≥10.5% 100% award
Recruitment of women managers	5%		35% recruited	30% recruited 0% award	≥35% recruited 100% award
Individual performance	50%		Defined yearly	0% award	120% award
<small>1. Umicore does not disclose the adjusted EBITDA target, which is commercially sensitive information.</small>					
Performance Share Unit Plan (3y performance)		Weight	2023 Target Award %	Threshold Award %	Maximum Award %
ROCE	25%		12.5% 100% award	7.5% 0% award	≥17.5% 150% award
Total Shareholder Return (TSR)	25%		Ranked in top 50% of 12 peers	Sixth place 25% award (Ranked outside the Top 50%, 0% award)	First place 150% award
GHG emissions	25%		Scope 1+2: Reduction of 20% by 2025 versus 2019	Reduction of 12% 0% award	≥20% 100% award
Diffuse emissions	6.25%		Reduction of 36.36% lead by 2025 versus 2021	Reduction of 28.57% 0% award	≥36.36% 100% award
Diffuse emissions	6.25%		Reduction of 57.89 % arsenic by 2025 versus 2021	Reduction of 53.68% 0% award	≥57.89% 100% award
Diversity of thought index	12.5%		Increase of 16.5% by 2025 versus 2021	Increase of 13% 0% award	≥16.5% 100% award

5.13. RISK MANAGEMENT AND INTERNAL CONTROL

5.13.1. MANAGING RISKS EFFECTIVELY

The aim of our risk management system is to enable the Company to identify risks and opportunities in a proactive and dynamic way and manage or mitigate them to an acceptable level wherever possible.

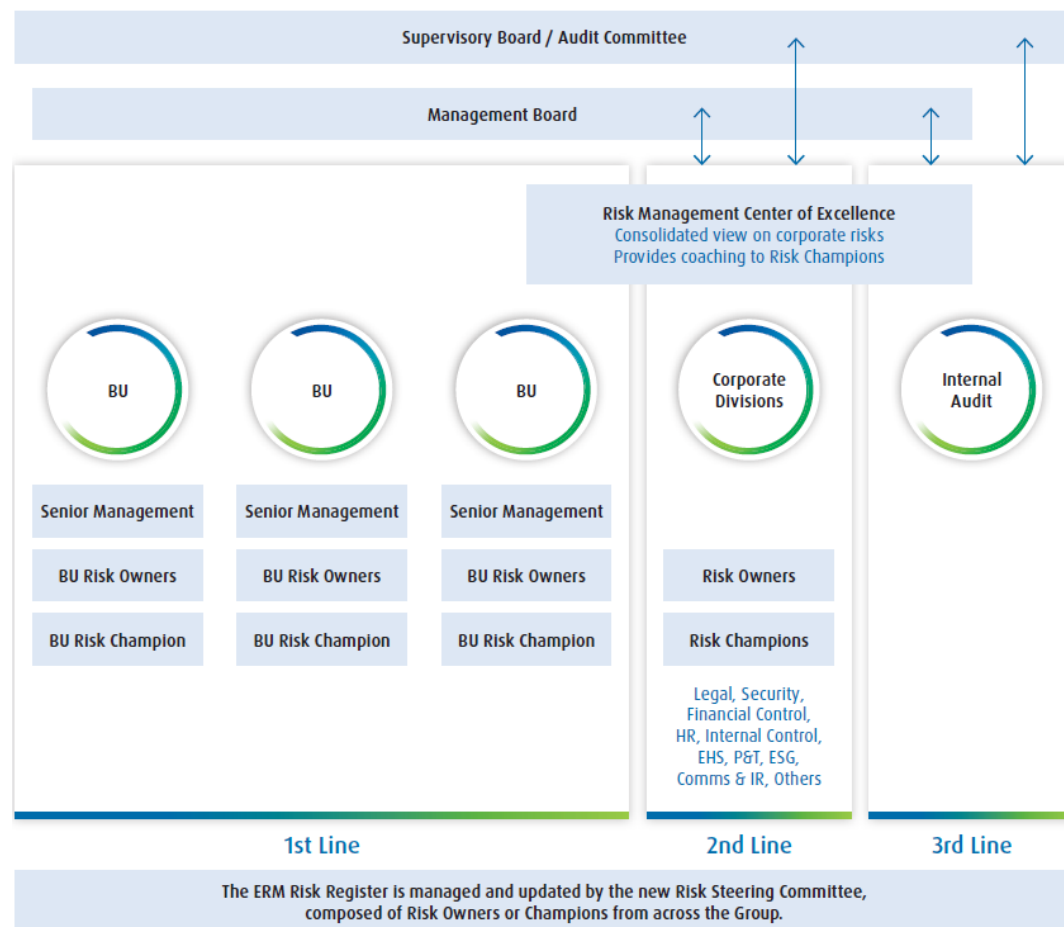
To anticipate economic and geopolitical uncertainty, increased focus on climate change and energy transition, the rapidly changing technological landscape etc., a robust risk management process supported by strong governance is crucial to support the Group achieving its financial and extra-financial strategic objectives.

Each of the Group's activities is exposed to a variety of risks that are financial or non-financial in nature but have the potential to impact the financial performance of the Group. Financial risks include changes in metal prices, in foreign currency exchange rates, in certain market-defined commercial conditions, and in interest rates as well as credit and liquidity risks. The Group's overall risk management program seeks to mitigate risks and potential adverse effects on the financial performance of the Group, including through the use of hedging and insurance instruments.

Umicore’s annual Business Risk Assessment – endorsed by the Supervisory Board – fulfils this role while at the same time ensuring compliance with laws and regulations.

All identified risks and opportunities are assessed against three criteria, while at the same time determining their time horizon (short-medium-long), their likelihood of occurrence and the impact the materialization of a risk or opportunity could have.

Sustainability matters are also assessed on their impact on the Group as well as on people, society and the environment.



5.13.1.1. Process and framework

Umicore’s Enterprise Risk Management framework is based on the “*Three lines of defense*” model, where the primary source and responsibility for the identification of risks and opportunities lies within the individual business units.

As they operate in an environment carrying specific growth expectations and differing degrees of market and technological uncertainty potentially impacting strategic objectives, each business unit is responsible for the implementation of the necessary mitigating actions which are systematically reported corresponding to the respective strategic objectives and identified risks and opportunities.

The second line of defense is insured by specific corporate departments in close collaboration with the Enterprise Risk Management (ERM) function.

Under the auspices of the Management Board, these corporate departments are also tasked with identifying, managing and mitigating certain risks and opportunities while ensuring that adequate systems are in place to address them. These risks and opportunities cover Group-wide elements that extend beyond the purview of individual business units, (e.g. financial, strategic, social, reputational, climate and environmental-related risks and opportunities) in the short, medium or longer term.

Together, they aggregate the risks and opportunities and provide a consolidated view while the ERM function will also assure a regular follow-up of the mitigation actions.

Finally, the Internal Audit function, through its independent review, assures the effectiveness and efficiency of the Risk Management process, while at the same time aligning the internal audit plan with the ERM priorities.

This model is subject to continuous improvement and is designed to be dynamic and flexible in a way that enables Umicore to respond appropriately to the Risk & Opportunity Environment. An example of such improvement is the creation of a Steerco as shown in the below figure which will be implemented in the course of 2023.

Umicore is also enhancing its ERM organization to facilitate the implementation of a Governance, Risk and Compliance tool (GRC), supporting the visibility of the different risks and opportunities.

5.13.1.2. Governance and oversight

The Audit Committee reviews all financial and non-financial risks and opportunities at Group-level, defines the Risk Appetite and Risk Tolerance, while the Management Board, as the "*Executive Risk Owner*" and Subject Matter Expert will be making and supporting risk-priority decisions following the regular review of the top risks potentially affecting the Group's financial and extra-financial strategic objectives.

5.13.1.3. Insurance

One of the techniques used to respond to risks is the use of insurance as a risk transfer mechanism. Umicore currently has insurance programs in place to protect itself against a number of risks including Property Damage & Business Interruption, Public & Products Liability, Employer's Liability, Workers Compensation, Transport, Directors' and Officers' Liability and Credit Insurance.

Since 2021, Umicore is also using its fully owned reinsurance captive in Luxembourg to retain part of the (insured) risks before transfer to the (direct) insurance market.

The type of insurance and the respective insured limits purchased from the direct insurance market are regularly reviewed to be aligned with our assessment of the relevant risks and the group's risk appetite.

5.13.2. OUR INTERNAL CONTROL SYSTEM

Internal control mechanisms is a key aspect of Risk Management. Different Internal control mechanisms exist throughout Umicore to provide management with reasonable assurance of our ability to achieve our objectives. They cover:

- effectiveness and efficiency of operations,
- reliability of financial processes and reporting,
- compliance with laws and regulations,
- mitigation of errors and fraud risks.

Umicore adopted the COSO⁸ framework for its Internal Control System and has adapted its various constituents within its organization and processes. The Umicore Way and the Code of Conduct are the cornerstones of the internal control environment; together with the concept of management by objectives and through the setting of clear roles and responsibilities, they establish the operating framework for the Company.

Specific internal control mechanisms have been developed by business units at their level of operations, while shared operational functions and corporate services provide guidance and set controls for cross-organizational activities. These give rise to specific policies, procedures and charters covering areas such as corporate security, environment, health and safety, human resources, information systems, legal, trade compliance, research and development and supply chain management.

Umicore operates a system of Minimum Internal Control Requirements ("**MICR**") specifically to address the mitigation of financial risks and to enhance the reliability of financial reporting. Umicore's MICR framework requires all group entities to comply with a uniform set of internal controls in 12 processes.

Within the internal control framework, specific attention is paid to the segregation of duties and the definition of clear roles and responsibilities. MICR compliance is monitored by means of self-assessments to be signed off by senior management. The outcome is reported to the Management Board and the Audit Committee.

Out of the 12 control cycles, 3 cycles (Fixed Assets, Human Resources and Travel and Entertainment) were assessed in the course of 2022 by the 101 control entities currently in scope. Risk assessments and actions taken by local management to mitigate potential internal control weaknesses identified through prior assessments are monitored continuously. The Internal Audit department reviews the compliance assessments during its missions.

⁸ Committee of Sponsoring Organizations of the Treadway Commission.

5.13.3. OPPORTUNITIES AND RISKS OVERVIEW

Risk & Opportunity	Link to Material topics	Change in Risk profile	Change in Opportunity Profile
Regulatory & Legal Context	<ul style="list-style-type: none"> Digitalization & Cybersecurity Ethical Supply Product Stewardship Responsible Governance Sustainability Governance 	→	↑
Sustainable & Ethical Supply	<ul style="list-style-type: none"> Climate & Environment Ethical Supply Sustainable Governance Sustainable Sourcing & Recycling Services 	↑	→
Metal Price	<ul style="list-style-type: none"> Sustainable Sourcing & Recycling Services 	↑	→
Market	<ul style="list-style-type: none"> Innovation Product Quality & Production Capacity Sustainability Governance 	→	→
Technology & Substitution	<ul style="list-style-type: none"> Innovation Product Quality & Production Capacity Product Stewardship 	→	→
Information Security & Data Protection	<ul style="list-style-type: none"> Digitalization & Cybersecurity 	↑	→
Talent Attraction & Retention	<ul style="list-style-type: none"> Employee Engagement Employee Health, Safety & Wellbeing Sustainability Governance 	↑	↑
Climate & Environment	<ul style="list-style-type: none"> Climate & Environment Innovation Sustainability Governance Waste Water 	→	↑

5.13.3.1. Regulatory and legal context

Link to Material topics	Change in Risk profile	Change in Opportunity Profile
<ul style="list-style-type: none"> Digitalization & Cybersecurity Ethical Supply Product Stewardship Responsible Governance Sustainability Governance 	→ NO CHANGE	↑ INCREASE

RISK DESCRIPTION

The globally changing regulatory environment brings both threats and opportunities for Umicore. This applies not only in the countries and regions where Umicore operates, but also in those where its products are sold and used.

Umicore's business operations are subject to a variety of increasingly stringent EHS (environment, health & safety) related laws, regulations and standards. In the **short term**, these present operational challenges for our businesses, resulting in continuous improvements and investments (hence in higher costs) and potentially in an uneven competitive environment. One of the areas in which this short-term impact is visible, is the renewal or "*ex officio*" amendment of operational (environmental) permits for Umicore's production sites. In the course of 2021, the Flemish government imposed new and more stringent environmental requirements for Umicore's recycling plant in Hoboken. These new and challenging

requirements include, amongst others, annually declining limits for levels of lead in the blood of young children under the age of 12 living in the vicinity of the Hoboken plant. Despite Umicore's continuing efforts to reduce the harmful effects of emissions and the further declining levels of lead during 2022 it cannot be excluded that certain of these new targets in the Hoboken permit will not be met in the future. As Umicore's recycling activities are concentrated on this one unique site in Hoboken, not reaching an environmental target might have a significant impact on Umicore's earnings and cash flows.

Similarly, environmental legislation can impact the way end-of-life batteries must be handled, transported and stored, which in turn can drive business decisions.

However, in the **mid- to longer term**, Umicore can benefit from these trends, especially those regarding the reduction of vehicle emissions, electrification and the circular economy.

This evolving EHS regulatory framework will ultimately also be beneficial to the environment and society as new and better technologies will have to be developed and implemented, for the emissions of both production facilities and vehicles as well as to cope with resource scarcity.

Changes in product content regulation in general and more specifically REACH regulation (or its equivalent in regions outside the EU) can in turn drive business options and/or technology choices.

Data protection and intellectual property rights have a significant impact on technology-driven businesses including Umicore. Failure to adequately manage data, knowledge and intellectual property rights may, in the short- and **medium-term**, have a negative impact on Umicore's business and freedom to operate. Despite robust mitigation measures in place, it cannot be excluded that Umicore becomes the victim of a data breach and will be fined or have to compensate victims as a result of such a breach. Umicore could be forced to take legal action against perpetrators to safeguard its intellectual property rights. Likewise, Umicore is also exposed to the risk of having to defend itself against alleged breaches of third-party IP rights, despite efforts to manage its IP portfolio actively.

Geopolitical conditions, trade legislations and restrictions continue to be a factor in Umicore's trans-border activities in short, medium and **long term**. In more and more regions, review or approval procedures are implemented for cross-border technology transfers, acquisitions and exports. Compliance with such measures may adversely affect the speed of innovation and/or the flexibility to collaborate with third parties or even within the same group. They may, however, also create opportunities for Umicore (whether in protecting its technology or creating barriers to market entry by foreign competitors).

Today, Umicore is the only cathode player to produce industrial cathode materials on two continents and has the intention to set up local production in North America, as such completing the global rollout of regional supply chains for automotive and cell customers on three continents.

The growing trend towards electrification (as recently confirmed by the decision of the European Parliament to ban the sale of new fossil fuel cars from 2035 and more stringent emission control should be seen as an opportunity to Umicore's business as described in investing at Umicore. However, governments in other parts of the world might decide to postpone the implementation of such new legislation. In the short term, such delays could have a negative impact on certain parts of Umicore's business. In the medium term, this will rather be an **opportunity** for further and increased market development, positively impacting sales and revenues.

The new Inflation Reduction Act of 2022 (IRA) in the USA, requiring that a certain percentage of critical minerals in the battery must have been recycled in North America or been extracted or processed in a country that has a free-trade agreement with the United States and that the battery must have also been manufactured or assembled in North America is rather an opportunity for Umicore.

As we have the intention to set up a manufacturing facility for cathode active battery materials (CAM) and their precursor materials (pCAM) in Ontario, Canada, these products will be “*IRA approved*”.

Potential product or contractual liabilities remain risk factors to be monitored at all times.

National and international tax regulation is increasing and becoming more complex which increases the Group’s tax compliance related risks (particularly in the field of transfer pricing and indirect taxes such as VAT). The uncertainty associated with announced or potential tax reforms is equally increasing (both on a national level such as for example in Brazil or on an international level such as for example the OECD initiatives). These risks might impact the Group’s earnings despite Umicore continuing to manage them proactively (e.g. through the recognition of uncertain tax position provisions).

RISK PROFILE

The increased complexity of The global regulatory environment remains very complex and legislation continuous to become more stringent, but overall we can consider that the risk profile remains stable compared to 2021. At the same time, new opportunities will equally arise out of such more stringent legislation.

Risks and opportunities related to trade and tariffs (including export regulations regarding both goods and technologies) require close monitoring and follow-up.

The risk profile for matters related to intellectual property rights and data protection is increasing as a result of the stricter regulations and the IP landscape which has become more litigious than previously. Despite our active management of patents and other IP rights, Umicore cannot exclude that any of our patents will be violated (and we may not always be able to successfully take action to stop or obtain compensation for any such violations) nor that there will not be any litigation against the company for an alleged infringement of a third-party IP right.

RISK MITIGATION

Umicore provides continuous training on regulatory requirements to ensure compliance with applicable legislation.

Umicore is continuously and systematically monitoring the regulatory landscape on health, safety, environment and climate change, and adapting its frameworks and reporting accordingly.

To ensure ongoing compliance with EHS legislation on our industrial sites, Umicore has a well-established EHS compliance audit program and constantly monitors changes in legal requirements where it operates. For more information, see Environment.

Several initiatives have been taken and continue to be taken to reduce the possible impact of harmful emissions from Umicore's production, such as the creation of a "*green zone*" on and next to the Hoboken production facility as described in Environment.

At Umicore, we are committed to the responsible and sustainable management of our products throughout their lifecycle. We recognize the importance of product stewardship in protecting human health and the environment. We work collaboratively with our stakeholders to ensure the responsible management of our products. For Umicore, a specialty materials company, this also includes managing the potential risks associated with the chemicals used and implementing measures to reduce those risks. Umicore ensures regulatory compliance of the products worldwide and therefore closely monitors all changes in regulations, interpretations and guidance documents that might affect its European REACH implementation strategy. In 2022, we have submitted 13 additional substances for registration under REACH due to new business developments. As part of regular maintenance, we have updated 7 REACH dossiers for reasons including changing the tonnage band, replying to ECHA requests and including new information. Additionally, a 1st Full Registration dossier for UK-REACH has been completed to support new UK import activities.

Umicore successfully achieved the first Korea REACH (K-REACH) registration deadline at the end of 2021. With a few new registrations ongoing in 2022, Umicore is already preparing for the next wave before December 2024.

To mitigate the potential impact of (product) liability claims, Umicore has implemented mechanisms such as contract management and risk transfer using insurance policies, in addition to rigorous quality controls.

Umicore's dedicated Intellectual Property Team within the global legal department, has rigorous processes in place to monitor that there is the required freedom to operate to commercialize our products.

More and more governments have implemented new or enhanced legislation on data protection, such as GDPR in Europe, LGPD in Brazil, POPI in South Africa or PIPL in China. Umicore has implemented the necessary governance structures in compliance with these legislations and is closely monitoring any changes or new regulations on this topic.

To safeguard its data and innovative ideas, Umicore is providing training to its employees worldwide on how they can contribute to and ensure the protection of trade secrets. To that end, the "I Stay Alert" campaign, which was launched in 2021, was continued throughout 2022 as described in information security and data protection.

The Umicore Trade Compliance Team closely follows and responds to global trade conditions, not in the least the newly imposed sanctions following the recent geopolitical events in 2022.

Umicore continues to play an active role in informing legislators of various emission control technologies for both diesel and gasoline powered vehicles, to help legislators make informed decisions about future emission and testing norms. To manage policy risks, Umicore participates in public consultations and is a member of multiple industry associations, including those related to sourcing, climate and business. As described in Engaging For Impact, Umicore is supportive of challenging targets in areas such as battery regulation, as they represent opportunities for us. As a founding member of the Global Battery Alliance (GBA), Umicore is one of the staunchest drivers and co-developers of the Battery Passport. Transparency on a battery's lifecycle enables consumers, companies and regulators to make well-informed choices, propelling decarbonized electric driving.

Umicore is further enforcing its international tax team and increased its use of third-party advisory services to monitor and manage tax-related risks.

5.13.3.2. Sustainable and ethical supply

Link to Material topics	Change in Risk profile	Change in Opportunity Profile
<ul style="list-style-type: none"> • Climate & Environment • Ethical Supply • Sustainable Governance • Sustainable Sourcing & Recycling Services 	 INCREASE	 NO CHANGE

RISK DESCRIPTION

In the **short term**, potential disruption in supply chains due to factors including changes in trade regulation, geopolitical events and subsequent delays at borders and ports, container transportation shortage and high energy prices remain a real risk. A further source of stress in the supply relates to stricter application of regulations on transboundary movements of waste and/or bans by carriers, ports or countries to accept waste or dangerous goods. Regarding the supply of metals, securing adequate volumes of raw materials is essential in the ongoing viability of our product and service offering and in achieving our growth objectives. Responsible sourcing is a key priority and competitive edge for Umicore: when sourcing materials or through indirect procurement, we check suppliers and conduct due diligence based on a risk assessment to ensure that no harm is inflicted on people (e.g., human rights violations), the environment or society. More details about what we expect from our suppliers can be found in Society. Insufficient availability of raw materials such as palladium, rhodium, lithium or battery nickel units, combined with a lack of alternatives, can impact metal prices as described in Metal price.

In the **medium term**, price volatility and limited availability of supply remain a concern, in particular for battery materials for which demand is expected to soar or for certain platinum group metals which use is currently closely linked to internal combustion engine technology. The uncertain grade mix for battery materials may lead to inadequate supplies. There are risks that development of new supply may not precisely match demand increases, whereby the gap in supply and demand during the rapid future growth could lead to temporary supply shortages or excesses, which will reflect in metal prices. Other materials such as germanium face long-term supply challenges due to changing market conditions, where there is a trend for suppliers to move downstream. Regarding sustainability and the impact of Umicore's activities on society, it is crucial we deliver performance against our ESG ambitions, with a supply chain that is fully certified against environment, social and governance criteria and decarbonization targets for Scopes 1, 2 and 3. Next to the grade, price volatility and limited availability, the GHG impact of the raw materials we purchase comes as an additional dimension to be taken into account when locking in supply and spans over the short, medium and the long term.

In the **long term**, regarding supply, Umicore requires certain metals or metal-containing raw materials to manufacture its products and feed its recycling activities. Some of these raw materials are comparatively scarce and require very specific sourcing strategies. Obtaining adequate supplies of these materials is important for the ongoing success and growth of our business.

RISK PROFILE

Regarding battery materials in particular, demand is expected to increase massively in the coming years and decades, as is competition for the ethical and low carbon, sustainable sourcing of the required materials. Regarding certain precious metals and platinum group metals (PGM) in particular, physical supply is currently tight and short-term sensitive to any supply or demand disruption while on a longer-term sensitive to the pace of electrification and alternative drive train technologies such as fuel cells.

The impact of COVID-19 and measures taken to contain contagion are expected to continue having an impact on the availability of raw materials and in general on the supply chain, but that risk is expected to decrease and stabilize through 2023. Conversely, geopolitical risks are increasing. Existing and upcoming laws at national and EU level on due diligence and sustainable product policy have increased awareness about the topics of responsible sourcing and sustainable value chains, in particular for designated conflict minerals (tin, tantalum, tungsten and gold) and more recently also for battery materials (cobalt, nickel, lithium, manganese). Requirements for robust due diligence management systems, compliance and reporting will only increase in the coming years for the entire supply chain, both for the impact on human rights, as well as for environmental, social and governance (ESG) criteria. Increased standards are also an **opportunity** for Umicore because of our long-standing experience in due diligence and responsible sourcing and because they will create a more level playing field for the industry.

RISK MITIGATION

Umicore has implemented policies and measures covering human rights, the right for workers to organize, collective bargaining, equal opportunities and non-discrimination, banning of child labour, banning of forced labour, consistent with International Labour Organisation (ILO) standards, as supported through a Global Framework Agreement (GFA) on Sustainable Development with IndustriALL Global Union. The GFA captures Umicore's engagement to both our employees and our suppliers.

Umicore's policies and charters such as the Code of Conduct, Human Rights Policy and the Umicore Global Sustainable Sourcing Policy (UGSSP) illustrate our long-standing and growing experience in ensuring we only buy from suppliers who can guarantee sustainable and ethical sourcing.

In addition to these general policies, Umicore also has specific risk-based policies in force, designed to safeguard the environment and to protect Human Rights in our supply chain: *"Responsible global supply chain of minerals from conflict-affected and high risk areas"* and *"Sustainable Procurement Framework for Cobalt"*, which follow the principles of the OECD *"Due Diligence Guidance for Responsible Supply Chains from Conflict-Affected and High-Risk Areas"*.

Both policies include a robust due diligence system, which includes background screening of suppliers, a risk assessment based on country, material and supplier risk and risk mitigation

actions, in combination with onsite visits and third-party audits for critical suppliers. Under the due diligence system of the Cobalt Framework, the identification of "*red flags*" or "*orange flags*" triggers engagement with the supplier on the related issue and an internal decision-making process involving senior management in appropriate follow-up. Umicore was the first company globally to get annual third-party assurance on its responsible sourcing framework for Cobalt through the annual compliance report (publicly available).



The Cobalt Framework has been extensively reviewed in 2022, broadening among others the scope of supplier requirements to a wider set of environmental, social and governance (ESG) criteria. The review also strengthened the risk assessment and risk mitigation approach. Similar frameworks have also been developed for the sustainable procurement of nickel and lithium and will become applicable for suppliers throughout 2023. The new frameworks will formalize the due diligence already conducted on nickel and lithium suppliers since 2021.

Regarding the sustainable sourcing, Umicore defined in 2022 a Scope 3 reduction target focusing on the purchased goods and services. Battery materials and precious metals are the main contributors to the impact of this Scope 3 category. We have identified ways to achieve our target by 2030 and have started reaching out to suppliers to understand their GHG emission profile and reduction opportunities. We aim to work in the future with suppliers who have ambitious GHG reduction targets to be able to provide our customers with both responsible and sustainable products.

Furthermore, Umicore continues to ensure that its production operations are certified as conflict-free and receives site and metal-specific responsible sourcing certifications from the LBMA, RJC and RMI. For more information, see Society.

Regarding managing risks of critical materials and supply disruption, mitigation actions can vary depending on the materials and the position of the business unit in the market. Beyond responsible sourcing, we ensure that materials can be supplied from several reliable suppliers, we closely monitor developments in other regions and investigate other projects to diversify sourcing and we seek out secondary raw material sources and negotiate long-term contracts.

5.13.3.3. Metal price

Link to Material topics	Change in Risk profile	Change in Opportunity Profile
• Sustainable Sourcing & Recycling Services	 INCREASE	 NO CHANGE

RISK DESCRIPTION

Umicore's main risk in the **short term** is related to the volatility of metal prices. Earnings are exposed to risks relating to the prices of the metals which are processed or recycled. These risks relate mainly to the impact that metal prices have on the surplus metals recovered from materials supplied for recycling, and concern platinum, palladium, rhodium, gold, silver and a wide range of base and specialty metals.

Umicore also faces transactional price risks on metals. The majority of its metal-based transactions use global metal market references. If the underlying metal price were constant, the price Umicore pays for the metal contained in the raw materials purchased would be transferred to the customer as part of the price charged for the product. However, because of the lapse of time between the conversion of purchased raw materials into products and the sale of products, the volatility in the reference metal price creates differences between the price paid for the contained metal and the price received. Accordingly, there is a transactional exposure to any fluctuation in price between the time raw materials are purchased (when the metal is “*priced in*”) and the time the products are sold (when the metal is “*priced out*”). As lithium and manganese have become increasingly valuable and volatile components in rechargeable battery materials, Umicore decided to no longer treat them as a consumable but to hedge the transactional exposure going forward, in line with other battery metals like nickel and cobalt. For more information on the structural risk and on the transactional and inventory risk related to the metal prices, see Financial Statements in the annual report on the consolidated annual accounts, note F3.

Materials produced by Umicore contain precious or scarce metals which are partly sourced from in-house recycling operations and, for the balance, procured from primary metal producers. Umicore’s ability to procure the required quantity of such metals is key in determining our ability to produce the materials which have been ordered by our customers. Although , Umicore has been fading out its sourcing business with Russia in the course of 2022, the current geopolitical tensions between Russia with its leading position as a major global producer of e.g. palladium, and Ukraine could fuel metal price volatility in general and as such impact the global supply of certain metals.

The availability of metals such as nickel, lithium and cobalt – as described in Ethical and Sustainable Supply above - is the main **long-term** risk.

Due to the liquidity of the metal markets for precious metals, platinum group metals (PGM) and battery metals, Umicore’s impact on the metal price is limited.

RISK PROFILE

Prices for precious metals were volatile throughout 2022, with rhodium and palladium reaching peaks in the first half of the year on the back of geopolitical tensions, whereas in the second half of the year prices for rhodium dropped. Overall, precious metal prices were down from the historic highs of 2021.

The price of nickel was volatile over the year and was impacted by a temporary short squeeze on the London Metal Exchange. Cobalt price increased in the first half, before dropping significantly in the second half. Lithium price increased significantly in the first half of the year to reach historic highs. The increase of battery metal prices is primarily driven by the growing demand for EV batteries.

As described in the sustainable and ethical supply risk, metal scarcity is increasing because of supply / demand tightness and other factors such as geopolitical tensions or trade regulations.

RISK MITIGATION



For some metals quoted on futures markets, Umicore hedges a proportion of its forward metal exposure to cover part of the future price risks.

Over the course of 2022, Umicore entered additional forward contracts securing a substantial portion of its structural price exposure for certain precious metals in 2023, 2024 and 2025, thereby increasing earnings predictability. Umicore entered into forward contracts to cover part of its expected structural price exposure to certain precious metals for 2023, 2024 and 2025. For 2023, based on the respective currently expected exposures, the following lock-ins have been secured: more than a third for silver and gold, somewhat less than half for palladium and close to a quarter for platinum and rhodium. For 2024, the expected lock-in ratios are: close to half for gold and palladium, more than a third for silver and close to a quarter for platinum and rhodium. For 2025, close to a quarter was locked-in for the expected gold and silver exposures.

The Group's policy is to hedge the transactional risk to the maximum possible extent, primarily through forward contracts. For a selection of metals, either no derivatives markets exist, or the existing market does not offer the required liquidity to enter forward contracts. This is increasingly the case for metals gaining importance, such as cobalt and lithium. To mitigate the price risk on its transactions in these metals, Umicore maximizes the use of back-to-back hedging, matching the price reference of purchases and sales.

Umicore is continuously increasing production of precious and scarce metals from its recycling capabilities, thereby securing a significant proportion of its metal's needs. In addition, the group maintains close commercial relationships with leading primary metals producers from which it procures metals through annual or evergreen contracts.

5.13.3.4 Market

Link to Material topics	Change in Risk profile	Change in Opportunity Profile
<ul style="list-style-type: none"> • Innovation • Product Quality & Production Capacity • Sustainability Governance 	 NO CHANGE	 NO CHANGE

RISK DESCRIPTION

The main industries served by Umicore are automotive (clean mobility materials such as automotive catalysts and fuel cell catalyst, rechargeable battery materials, recycling), consumer electronics (rechargeable battery materials, recycling, coating and electroplating solutions), and non-ferrous metal mining and refining industries (recycling activities). Umicore is sensitive to any major growth or global reduction in activity levels or market disruptions in these industries.

The changes in the automotive industry create the main risks for Umicore today.

In the **short term**, Umicore has a limited visibility on future automotive (ICE and EV) demand. Geopolitical tensions create market uncertainty in the short and medium term. Persistent supply chain disruptions impact the supply and demand market dynamics. The pace of electrification also impacts demand of our products. Electrification will reduce the demand for automotive catalysts and boost the demand for rechargeable battery materials. Increased demand for rechargeable battery materials requires more production lines and sites, entailing challenges in

hiring and training people, acquiring the right qualifications against the right timelines and available CapEx. The lack of visibility on demand for rechargeable battery materials is a risk in both the short and **medium term**.

The rapidly accelerating shift to electrification has an influence on Umicore's catalysis and recycling activities. Since emission control catalysts are produced with platinum group metals (PGMs), a declining demand for emission control catalysts due to the reduced production of ICE vehicles has an impact on PGM prices. The availability of recyclable end of life catalysts is also decreasing over the medium to long term. Due to the increasing electrification, price volatility of metals needed to produce battery materials is increasing. It is therefore needed to put in place the necessary hedging mechanism (see above). A consistent supply of metals for rechargeable battery materials (as described in "ethical and sustainable supply") is imperative to ensure efficient production of rechargeable battery materials.

In the **long term**, the transition to electrification changes the competitive environment. The market for cathode active materials is still an emerging market with different dynamics per continent (for example in terms of over and under supply). Through its current customer and product portfolio, Umicore is exposed to design-to-performance (NMC, mid and high nickel) cathode active materials technology, and has recently announced the industrialization of the design-to-cost HLM (high lithium, manganese) cathode active materials technology. As the pace of electrification is increasing rapidly technological disruptions could have a negative impact on Umicore, in case a battery technology, to which Umicore is not exposed, would be preferred by the industry over another. The market for rechargeable battery materials is becoming more crowded as new players enter. At the same time, more and more OEMs (original equipment manufacturers) are starting to produce rechargeable battery materials – in addition to being Umicore's customer, they become Umicore's competitor.

This has an impact on Umicore, but with its positioning, Umicore is also influencing the changing market structure for rechargeable battery materials for the automotive industry. Umicore is uniquely positioned to give the market a closed-loop solution for cathode materials, as we are both producing cathode materials and recycling batteries. Furthermore, Umicore's recycling services are positively impacting society by enabling a shift towards an industrial future with low impact.

RISK PROFILE

As confirmed in the scenario analysis of our climate related risks and opportunities, the electrification of mobility is increasing Umicore's risk profile for the catalysis business and at the same time is increasing Umicore's opportunity profile for the Rechargeable Battery Materials and Recycling business.

RISK MITIGATION

Notwithstanding the limited visibility on automotive demand, and even in fast electrification scenarios, the Catalysis Business Group is expected to continue to benefit from its strong market position in gasoline catalyst applications in Europe and China. Umicore works continuously to maintain its excellent cost position with continued work on operational efficiencies, a globally optimized production footprint and a low break-even point, which resulted in market share gains in 2022. We have the right product and technology portfolio with strong demand from our customers, also for the next waves of emission legislation such as EURO 7, which will give us the opportunity to differentiate through our next generation

catalyst technologies. In 2022, Umicore already acquired several EURO 7 platforms. These strengths will feed the value creation potential over the next decade of Umicore's Automotive Catalysts activities allowing it to generate strong free cash flows to support the growth businesses in Umicore's portfolio.

In the Energy & Surface Technologies (E&ST) Business Group, and more specifically in the Rechargeable Battery Materials Business Unit, Umicore is actively diversifying its customer and platform exposure. The business unit reached important milestones in 2022 in the build-out of long-term strategic customer partnerships and securing future market share. These milestones are described in the operations section of this Report. Increased intimacy with car OEMs and qualifications for the right platforms are ever more important, which is why we are solidifying our relationships with customers. Umicore's agility in its operations and supply chain equip us to adapt quickly to changes in demand.

In terms of competitive environment, the Rechargeable Battery Materials Business Unit has more than 25 years' experience in cathode active materials (first for portable electronic applications, then for electric vehicle (EV) applications). It has an impressive innovation roadmap, combined with a proven product and process technology leadership track record and demonstrated industrial capabilities in manufacturing cathode active materials and the related precursor materials at mass scale at the highest quality and environmental standards. In addition, it is currently the only cathode player to produce industrial cathode materials in Europe and Asia and plans to set up local production in North America.

In terms of demand and supply dynamics for cathode active materials (CAM), it is expected that there will be a structural undersupply of CAM capacity in Europe and North America until 2030 ⁹. In this context, Umicore's fully integrated supply chain and existing and planned CAM manufacturing footprint in Europe and North America will play an important role supporting regional demand of battery and car OEMs.

The market risk is intimately associated with the metal price risk. As described in the metal price section above, we hedge a proportion of our forward metal exposure to cover part of the future price risks and maximize the use of back-to-back hedging, matching the price reference of purchases and sales.



The complementarity of our activities has proven to be a true competitive edge. In E&ST and Catalysis we serve the automotive market by enabling electrification on a mass scale and by offering cutting-edge technologies for clean combustion engines. Through our Recycling (including the Battery Recycling Solutions) activities, we close our own and our customers' materials loop and offer a unique sustainable and circular approach that will be ever more important in a world of raw materials scarcity.

Umicore will further strengthen its market position with our ambition and plan to capture growth from the next wave of sustainability-driven markets, such as fuel-cell catalysts and battery recycling.

For more information, see Financial, Operations and RISE strategy in the annual report on the consolidated annual accounts.

⁹ Umicore and third-party consultant analysis.

5.13.3.5. Technology and substitution

Link to Material topics	Change in Risk profile	Change in Opportunity Profile
<ul style="list-style-type: none"> • Innovation • Product Quality & Production Capacity • Product Stewardship 	 NO CHANGE	 NO CHANGE

RISK DESCRIPTION

Umicore is a materials technology group with a strong focus on the development of innovative materials and processes. The choice and development of these technologies for existing and new markets represents the single biggest **opportunity** and risk for Umicore.

The European Commission (EC) recently announced its intention to reduce emissions from heavier vehicles by 65 percent from January 2035 and by 90 percent from January 2040 relative to 2019 levels. Although Umicore's business related to HDD (Heavy Duty Diesel) is mainly situated in China, this announcement by the EC may affect Umicore's business in this segment. The substitution of internal combustion engines by electrical vehicles and fuel cell cars presents an **opportunity** for Umicore in the short and medium term. Apart from the opportunity for Umicore's battery materials, Umicore can leverage its catalysis expertise in hydrogen applications. Umicore's risk/opportunity depends on how well the development of our technologies will correspond to such new demands.

Achieving the best cost-performance balance for materials is a priority for Umicore and its customers. There is always a risk that customers will seek alternative materials for their products, should those of Umicore not provide this optimum balance. The risk is especially present in businesses producing materials containing expensive metals (especially those with historically volatile pricing characteristics).

In achieving an optimal cost-benefit balance, the cost efficiency of our production processes plays a key role. Hence, there is a risk that we could fall behind the competition in our operational excellence and digitalization.

It is crucial for Umicore to consistently develop winning technologies, such as in battery recycling and for cathode materials. For example, lithium iron phosphate (LFP) battery chemistry is a mainstream technology in China. This chemistry is not produced by Umicore, and the risk is that LFP would become widely adopted elsewhere. A switch to solid state batteries – as a substitution for lithium-ion batteries - is an **opportunity** in the **long term** as this battery technology calls for more sophisticated materials solutions that may require Umicore's expertise. Umicore's activities have a lasting positive impact on society. Umicore upskills its workforce by offering learning and development opportunities in areas such as digitalization and technology as described in Innovation. We are continuously improving our technologies to minimize the environmental impact from our activities. Umicore's R&D in automotive catalysts, batteries and fuel cells contribute to clean mobility and our recycling developments make industry more sustainable.

RISK PROFILE

Given the pace of the market evolution, Umicore’s opportunity profile is increasing, but at the same time, the risk profile is also increasing.

RISK MITIGATION

Timely introduction of key technologies is essential. As described in the market risk, Umicore closely monitors the market and makes sure a close relationship with its customers is maintained to focus on the right technology trends at the right time. We prioritize key development projects and allocate the necessary resources. We are continuously working on the efficiency and digitalization of our R&D. We have installed a rigorous governance system for our R&D activities with a key focus on essential milestones and risks to be covered.

As described in the regulatory and legal context risk, the environmental permit for the smelter on our Hoboken site is a risk for our license to operate. To mitigate this risk, Umicore has leveraged robotic process automation (RPA) to automate the “*wind barometer*” process which steers which activities on the site can be conducted according to the weather forecast. We are also evaluating whether we can engineer the slags on our Hoboken site towards a cement replacement product.


To support our opportunity in hydrogen technology, Umicore has set up a dedicated ‘Fuel Cells’ business unit and in our New Business Incubator there is a portfolio of projects around hydrogen.

As a pioneer in battery recycling, we have continued to develop our technologies in battery recycling, focusing on the most relevant battery chemistries. This has been done with a keen focus on the sustainability but also on the recovery of all essential metals with the highest yields, including Cu, Ni, Co and also Li. By making sure we look develop our processes in an integrated way, pre-processing and refining, we secure also the lowest environmental impact. For cathode materials, we investigate a range of chemistries and prepare them to be ready for the market. We design products both for performance and for cost-driven segments. In line with the trend to lower cobalt and nickel contents in the cost-driven segment and to mitigate the risk posed by LFP, we are developing our high lithium manganese (HLM) solution.

Umicore patents disruptive technologies. In 2022, Umicore registered 72 new patent families.

For more information, see Innovation.

5.13.3.6. Information security & data protection

Link to Material topics	Change in Risk profile	Change in Opportunity Profile
• Digitalization & Cybersecurity	 INCREASE	 NO CHANGE

RISK DESCRIPTION

Umicore's production plants and services are highly dependent on the availability of IT services. Cybersecurity includes our hardware, software and information protection. Due to cyber incidents, Umicore's servers or network could be blocked, and data breaches could jeopardize the confidentiality of our data. Unavailability of services, disruption of the supply chains or interruption of our production facilities due to cyber-attacks could have a major impact on our customers and our financial results. Any compromise on the confidentiality of intellectual property would negatively impact our competitive advantage. Unauthorized modification of financial data would jeopardize accurate reporting to shareholders. Whether in the short, medium or long term, any cyber incident or data breach would have an immediate impact.

Beyond Umicore's own operations, we would be impacted if any of our main suppliers experiences a cyber incident. Cyber incidents can be local or global and if Umicore is attacked, this could have consequences for our customers and as an example the automotive industry could be impacted.

RISK PROFILE

Cyber-attacks may be very focused and advanced. The expanding threat landscape and expanding digital footprint is leading to an increase in cyber-attacks. The risk profile is increasing because there are more cyber-attacks and they are becoming more sophisticated as the attacks happen in multiple layers.

In addition, due to the increased use of a digital work environment (on site and at home), the role of IT services in delivering seamless access to all corporate resources as well as ensuring information security is more important than ever.

In 2022, there was no change in opportunity profile.

RISK MITIGATION

Umicore protects its data for confidentiality, availability and integrity.

Umicore has put in place in-service training sessions for our employees about phishing and all employees are part of a mobile device management platform to protect Umicore's applications and data. Umicore launched the '*I stay alert campaign*' on eight topics, including general topics such as confidential information and clean desk for all employees as well as topics such as trade secrets, social engineering and HR security for a specific target group of employees. The materials for these awareness campaigns remains available and a training package is being developed.

Umicore regularly continues to assess and improve its information security, and the state of cyber resilience of its IT landscape, against evolving threats. A security operation center analyses the logs of the systems and warns us of any suspicious movement. We have ourselves tested by ethical hackers and scan all our hardware and software to exclude technical vulnerability.

Since April 2022, Umicore obtained ISO 27001 (information security) certification, after independent external audit by British Standards Institute (BSI).

Third party expert security assessments are conducted, and both the corporate cyber security team and the corporate security department are being expanded. Umicore consistently increases its investments in security-related IT systems and applications such as backup processes, virus and access protection, authentication and encryption tools. Security-related IT controls are being extended and are tested as part of Umicore’s external audit process.

A Proof of Concept was performed with the objective to determine the maturity of Operational Technology and to upgrade the resilience of industrial control systems against malicious actions.

5.13.3.7. Talent attraction and retention

Link to Material topics	Change in Risk profile	Change in Opportunity Profile
<ul style="list-style-type: none"> • Employee Engagement • Employee Health, Safety & Wellbeing • Sustainability Governance 	 INCREASE	 INCREASE

RISK DESCRIPTION

The attraction and retention of skilled people are important factors in enabling Umicore to fulfil its strategic ambitions and to build further expertise, knowledge and capabilities in the business. This represents Umicore’s most important risk, because being unable to do so would compromise our ability to deliver on our RISE 2030 ambitions on the short, medium and long term.

Umicore’s main **short-term** risk remains linked to keeping our employees healthy and safe. We continued to keep on-site COVID-19 infections to a minimum and no production site had to be closed in 2022 as a result of the pandemic.

We will also have to recruit new employees due to the expansion of the group, especially in the RBM and BRS Business Units, and a big wave of retirements at some production sites in the coming years.

In the **medium term**, Umicore is faced with the challenge of ensuring a safe working environment in an industrial operation combined with a deep need to foster and operationalize a new safety culture. Employee safety impacts the employees, their families and our operations. Employee wellbeing is key to both employee retention and recruitment.

Talent management, -attraction and -retention pose a **medium to long term** risk, especially in terms of expected strategic growth as part of our RISE 2030 ambitions, this might be accompanied by new skills to be developed or acquired. Umicore aspires to have an agile workforce, so we can adapt and quickly respond to change – key elements of maintaining a competitive advantage.

Diversity of thought at Umicore is a reality we live in our organization: our employees are active across the globe, in our different Business Units and support organizations, representing

multiple generations and different genders. We firmly believe that this diversity of thought, where different perspectives are valued, leveraged and where knowledge is shared across the organization and generations, will continue to enrich our employees in triggering bold, new and creative ideas, leading to even more innovative teams.

RISK PROFILE

The short-term risk linked to the coronavirus pandemic has decreased

On the longer term, the war for talent is still a reality. As Umicore is growing, the recruitment of additional workforce will generate more opportunities to boost diversity in the company's workforce.

RISK MITIGATION

Employer branding campaigns, pro-active sourcing and reinforced recruitment teams are some of the initiatives we take to mitigate our main risk of talent attraction and retention. We have reinforced talent management processes and will continue to do so in the coming years, both globally and regionally, to improve employee engagement, through e.g. providing sufficient internal mobility opportunities for our employees. Employee wellbeing is a strategic priority and multiple initiatives have been launched, such as burn-out prevention and vitality.

The pandemic has changed the work environment globally and at Umicore, we have decided to introduce a new teleworking policy which was further rolled out during the first quarter of 2022.



Following the Umicore's Group EHS Guidance Note, units and sites identify occupationally linked health and safety hazards and risks. Workplace injuries and occupationally related health symptoms are thoroughly investigated, reported and discussed at the site's safety committee. This information contributes to the set-up, maintenance and, where needed, improvement of a health and safety management system with the aim of preventing all workplace-related injuries and health symptoms.

A process safety management system is deployed on all sites following strict process risk analysis and risk reduction methods. Regular internal health and safety audits evaluate the efficiency of its implementation.

We are improving the safety culture within the company, by deploying a "*Coaching for Safety*" program. Active leadership engagement is in place to stimulate engagement on all levels and measures endorsed by the shop floor are implemented. Safety programs focus on Control of High Risk activities, behavioural aspects, administrative measures and include in-service training. Health programs aim at reducing exposure and also focus on improving physical and mental wellbeing at the workplace.

In the chapter Employees, many initiatives and programs illustrate how Umicore is mitigating the risks linked to talent management and how we are developing our diversity of thought.

5.13.3.8. Climate and environment

Link to Material topics	Change in Risk profile	Change in Opportunity Profile
<ul style="list-style-type: none"> • Climate & Environment • Innovation • Sustainability Governance • Waste • Water 	 NO CHANGE	 INCREASE

RISK DESCRIPTION

In the **short term**, many of the climate and environmental risks are either regulatory (Regulatory and Legal context) or linked to the impact of our operations on the environment. Increasingly stringent regulations on energy use and emissions can induce higher operational costs and our license to operate is predicated on managing the impact of our operations in the communities where we operate. Any incident in a plant can affect emissions in air or water and increase noise, impacting the immediate surroundings – which is in fact a risk on any time horizon. There is also an environmental risk linked to the shipment of materials. Many of the materials Umicore processes, such as scrap and residues, are classified as dangerous goods and maritime and air transport are increasingly reluctant to ship this hazardous material. The scarcity of transport could impact Umicore’s operational efficiency and there is also an impact on society, as a leakage of hazardous materials during transport could have negative consequences for the environment and for people’s health.

In the **medium term**, Umicore experiences the market risk of increasing requirements for carbon footprint of products and processes. Increasing requirements for environmental impacts such as biodiversity and land use could pose a risk and the rising cost of water is a risk in the medium and long term, as well as access to renewable energy, which is both a risk and an **opportunity**.

The consequences of climate change are the main **long-term** risk for Umicore.

Umicore has conducted climate-related risk analyses. Scenarios were chosen for relevance to Umicore and to represent the entire spectrum of possible future worlds, from Paris-aligned, through business as usual, to strongly increased physical risks. Short term is defined as until 2025, medium term until 2030 and long term after 2030.

Umicore has conducted a climate-related transition risks scenario analysis of a 1.8°C scenario (RCP2.6, Paris-aligned) and a 3.0°C scenario (RCP4.5), based on the IEA ETP and WEO 2020 reports, for our own operations with a timeframe of 10 and 30 years. Umicore’s climate-related transition risks and opportunities could be market, reputation, policy & legal and technology related. Building on the qualitative scenario analysis from 2021, in 2022, we focused on quantifying the financial impact of climate transition-related opportunities and risks; specifically in terms of EBITDA impacts, to test the resilience of our business and integrate the findings into our RISE 2030 strategy. This deepened analysis confirmed the findings of the qualitative

analysis. In a 1.8°C scenario, Umicore has a transition risk in the automotive catalysts business as demand for catalysts might be impacted given the foreseen declining demand for cars with internal combustion engines. Most other Umicore product lines, e.g. rechargeable battery materials, fuel cells and recycling services, show transition opportunities in both the 1.8°C and 3.0°C scenarios, the degree of which is linked to the pace of the shift towards electric mobility. The impact of these scenarios is described in the market risk.

For the climate-related physical risk analysis, we chose the 3.0°C scenario (RCP4.5) and the worst-case climate change scenario (RCP8.5) until 2050 in which we identified both chronic and acute physical risks. For both climate-related physical risk scenarios, climate change causes extreme natural events, chronic deviations in temperatures and precipitation patterns, and rising sea levels. This could impact our sites or supply chain: for example, Flanders, which is an area where Umicore has several production sites, has been declared an area in risk of drought. Umicore's main physical risks are related to flooding and water availability.

RISK PROFILE

The climate and environmental risks from a regulatory or operational point of view remained the same.

The opportunity profile has increased, because lower carbon footprint products in the clean air, e-mobility and recycling sectors are in high demand from customers. The ongoing transition to a lower carbon economy continues to present Umicore with opportunities to expand and develop processes in ways that can mitigate or address climate change and environmental risks.

RISK MITIGATION

Umicore plays a key role in the transition to a low-carbon future as our materials tackle global trends for clean air and e-mobility, and our closed loop business model tackles resource stewardship.

Our facility in Hoboken is the world's largest and most complex precious metals recycling operation, processing over 200 types of raw material and recovering over 20 different metals. We ensure that a high volume of the metals we process come from secondary sources – production scraps, residues and end-of-life materials. We can also recycle customers' residues and production scrap to help them maximize their material efficiency and then transform the recovered materials into new products. In total we recover 28 metals from our closed loop activities, and we continue to adapt our processes to recycle new and more complex end-of-life products. As described in the regulatory and legal context and in Environment, we are mitigating the risk concerning the environmental permit in Hoboken. Umicore's recycling activity is the best mitigation to both climate change and environmental degradation, because recycling metals emits less greenhouse gases and is more resource efficient than mining metals.

To mitigate the impact of our operations, Umicore keeps to the most stringent environmental standards for air and water and works every year to improve our energy efficiency and environmental footprint despite our growth and increased production. Umicore takes measures, such as windshields and green buffer zones to further minimize the impact of operations and manages its historical environmental legacy, ensuring adequate financial provisions are in place, which are reviewed twice a year. For more information, see Environment.

Umicore maps its sites in water stress areas and keeps track of water types and consumption to mitigate our risk with respect to water availability and rising costs of water. Only the Olen and Hoboken, Belgium sites have been identified as material in terms of both water impact and risks. In 2022, a Group-wide water stewardship program was defined. The program includes an ongoing education and awareness campaign, review of data granularity for improved disclosure, the development of contextual targets based on granular process-by-process water use data at material sites, and development of internal water risk guidance.

Efforts around water risks mitigation were also linked to Umicore's review of the Group's impact on biodiversity. In 2022, we set out to understand Umicore's global biodiversity exposure and impact risk. This first assessment at Group-level showed that only some sites are imbedded in an environment with high biodiversity value and revealed several local initiatives to preserve or improve biodiversity around site operations. Moving forward, a centralized, Group-level environmental impact program will be implemented to include biodiversity risk and impact management and to improve Group-level disclosure on those topics.

To address the environmental impact of our products, Umicore is committed to the responsible and sustainable management of our products throughout their lifecycle. We recognize the importance of product stewardship in protecting human health and the environment. We work collaboratively with our stakeholders to ensure the responsible management of our products (see Legal & Regulatory risks for more on REACH and online for more on Umicore Product Stewardship [hyperlink]). To address the carbon footprint of products and processes, Umicore performs life cycle assessments on selected products and services on a rolling and ongoing basis to sharpen insight on environmental performance, through the right choice of the chemistry, energy mix, and raw materials, including recycled materials.

Group-wide, Umicore has defined a climate action plan with 3 pillars: avoiding emissions, replacing sources that cause emissions and finally capturing emissions that we can't design out. Climate related risk mitigation measures corresponding to this action plan include:

- Avoiding emissions by improving energy and heat efficiency, such as the heat and power cogeneration in Olen, Belgium, which increases energy efficiency. In addition, our R&D is at the heart of our successful pilot in capturing nitrous oxide. This is the case for our nitric acid plant in Hoboken where we capture nitrous oxide emissions and transform them into nitric acid for reuse in our precious metals refinery.
- Avoiding emissions by ensuring carbon neutral growth, with our new plant in Nysa as an example: 100% powered by renewables as of the start of production.
- Replacing emissions by generating renewable electricity across several sites; reducing the need for purchased electricity, piloting circular energy storage projects. We actively pursue and sign green PPAs for our largest sites around the world, as part of our commitment to meet 100% renewables in Europe and 60% globally by 2025. For more, see Environment.
- Designing out emissions through research and development around carbon-neutral fuels (biofuels) and electric furnaces as part of our R&D scope 1 decarbonization roadmap.

Umicore supports the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and while full alignment with all recommendations will take more than one reporting cycle, we intensified our analysis in the past year. In 2019, we started with an analysis of physical risks and in 2021, we conducted a qualitative transition risk scenario analysis. The results of the TCFD recommended qualitative scenario analysis were discussed with the management board in 2021. In 2022, we quantified the financial impacts from climate change, discussed outcomes with the management board, and integrated our findings into the 2030 RISE strategic planning process.

Umicore's businesses, strategy and financial planning reflect many climate-related risks and opportunities. Our global footprint and diverse site locations reduce our exposure to physical risks. New sites have been chosen considering proximity to customers, access to skilled workforce, excellent logistics, infrastructure and green energy. The focus of our products and services, our investments in R&D and operational excellence, our policies for collaboration with our suppliers and our 2030 RISE objectives are a few examples of these strategic choices. They are embedded in our ongoing financial planning and decision making through their integration in business planning and the development of the ESG dashboard. Further analysis will be repeated or refined on a recurring basis to identify risks based on current scientific findings.

6. BRANCHES

The Company has no branches.

7. CONTINUITY

The Company has no losses carried forward. Article 3:6 §1 6° of the BCCA is not applicable.

8. IMPORTANT EVENTS

We refer to §2. "*Subsequent events*" and §3. "*Development of the Company*".

9. NON-FINANCIAL INFORMATION

The non-financial information, as defined under 3:6 §4 of the BCCA, has been duly taken into account and can be found in the annual report on the consolidated accounts.

10. DISCHARGE

In accordance with legal and statutory requirements, we hereby request to discharge the supervisory board members and the statutory auditor for the exercise of their mandate for the accounting year 2022.

For the Supervisory Board
Brussels, 10 March 2023.

DocuSigned by:
Mathias Miedreich
7A0E8F35B3EC4EB...

Mathias Miedreich
Chief Executive Officer

DocuSigned by:
Thomas Leysen
C7E0DCF2A37F43E...

Thomas Leysen
Chairman