

# 4. Governance

## 4.1 Corporate Governance Statement

### Reference Code and introduction

In this Corporate Governance Statement, bpost outlines the key aspects of its corporate governance framework. This framework is consistent with the rules and principles set out in the Law of March 21, 1991 on the reform of certain economic public companies, as amended from time to time (the “1991 Law”), the Belgian Code of Companies and Associations<sup>1</sup> (the “BCCA”), the Articles of Association, and the Corporate Governance Charter.

As a limited liability company under public law, bpost is governed by the BCCA, unless otherwise stipulated in the 1991 Law or other Belgian laws or regulations.

### Articles of Association

The latest version of bpost’s Articles of Association was adopted at the Shareholders’ Meeting of May 13, 2020 and was approved by the Royal Decree of December 6, 2020<sup>2</sup>.

The main characteristics of bpost’s governance model are the following:

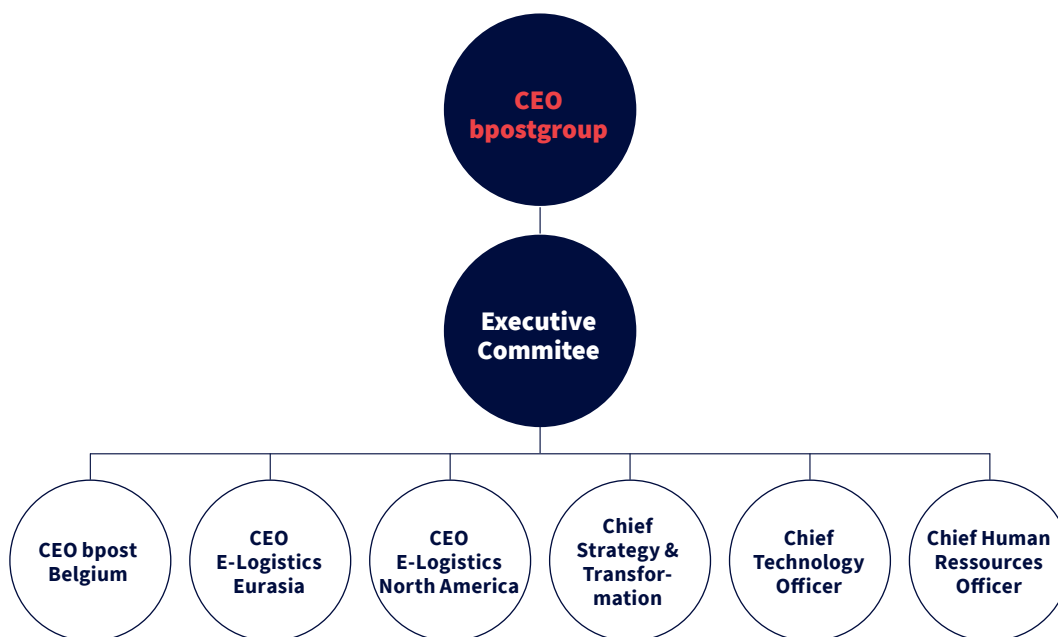
- The **Board of Directors** sets bpost’s general policy and strategy and oversees operational management;
- The Board of Directors has set up a **Strategic Committee**, an **Audit & Risk Committee**, a **Remuneration & Nomination Committee** and an **ESG Committee** to assist and make recommendations to the Board of Directors;
- An **Ad Hoc Committee** consisting of at least 3 independent directors of the Board of Directors, which is established and intervenes if and when the procedure prescribed by Article 7:97 of the BCCA, must be applied;
- The Chief Executive Officer (“**CEO**”) is responsible for operational management; the Board of Directors has delegated the powers of day-to-day management to the CEO<sup>3</sup>;
- The **Executive Committee** assists the CEO with operational management;
- There is a clear division of responsibilities between the Board of Directors and the CEO.



<sup>1</sup> Dated March 23, 2019. This Code was published in the Belgian State Gazette on April 4, 2019.

<sup>2</sup> This Royal Decree was published in the Belgian State Gazette on December 29, 2020. In accordance with article 41, §4 of the 1991 Law, any amendment to bpost’s Articles of Association must be approved by a Royal Decree following a debate in the Council of Ministers.

<sup>3</sup> On November 9, 2022, upon recommendation of the Remuneration & Nomination Committee, the Board of Directors unanimously decided to appoint Philippe Dartienne as CEO ad interim with immediate effect, pending the appointment of a new CEO. For ease of reference, references to the “CEO” in this report should be understood as CEO or CEO ad interim.



## Corporate Governance Charter

The Board of Directors adopted the Corporate Governance Charter on May 27, 2013. The Charter has been in effect since June 25, 2013 and was last amended by the Board of Directors’ decision of August 4, 2022.

The Board of Directors regularly reviews bpost’s Corporate Governance Charter and adopts any changes deemed necessary and appropriate.

The Corporate Governance Charter contains rules with respect to:

- the corporate governance structure: bpost applies a “one-tier” governance structure in accordance with article 7:85 of the BCCA;
- the duties of the Board of Directors, Board Committees, Executive Committee, and CEO;
- the responsibilities of the Board of Directors’ Chair and Corporate Secretary;
- the requirements that apply to the Board of Directors’ members to ensure that they have adequate experience, expertise, and competences to fulfill their duties and responsibilities;
- the disclosure system on mandates held and rules aimed at avoiding conflicts of interests and providing guidance on how to inform the Board of Directors in a transparent way in case conflicts occur, and a prohibition on director participation in the deliberations and voting on any matter in which he or she has a conflicting interest.

## Reference Corporate Governance Code

The 2020 Belgian Code on Corporate Governance (the “**Corporate Governance Code**”) is the reference code applicable to bpost<sup>4</sup>. The Corporate Governance Code is based on a “comply or explain” approach. Belgian listed companies are required to follow the Corporate Governance Code, but may deviate from its provisions provided they disclose the justification for any such deviation.

## Deviations from the Corporate Governance Code

During the financial year 2022, bpost complied with the Corporate Governance Code, with the exception of the following 4 deviations:

- the Corporate Governance Code (provision 5.6) states that the term of a board mandate should not exceed 4 years. However Dirk Tirez was appointed at the Shareholders’ Meeting of September 15, 2021 as director for a term ending after 6 years as from July 1, 2021. Linking his board mandate to his mandate as CEO, instead of setting a term of 4 years, was justified and even necessary to ensure continuity in the organization and management of the company, and contributes to the achievement of bpost’s long-term objectives<sup>5</sup>;

<sup>4</sup> The Corporate Governance Code is available on the website of the Corporate Governance Committee ([www.corporategovernancecommittee.be](http://www.corporategovernancecommittee.be)).

<sup>5</sup> On December 9, 2022, the Board of Directors and Dirk Tirez mutually decided to terminate their collaboration: as a consequence, Dirk Tirez resigned with immediate effect as member of the Board of Directors and CEO.

- the Corporate Governance Code (provision 7.6) provides that non-executive directors should receive part of their remuneration in the form of shares in the company to allow them to act from the perspective of a long-term shareholder. bpost deviates from this principle, and does not award any share-based remuneration to the non-executive members of the Board of Directors. Taking into account the current remuneration as well as the independence of the non-executive directors, bpost is of the view that granting remuneration in shares would not necessarily contribute to the objectives of the Corporate Governance Code, and believes that the applied remuneration policy already achieves the objective of enabling such directors to act from the perspective of a long-term shareholder and reduces the likelihood of conflicts of interest. Moreover, per December 31, 2022, 4 of the 10 non-executive Directors were appointed upon nomination by the reference shareholder and, based on a survey of Spencer Stuart, many listed companies do not pay their non-executives directors in shares, including other Belgian state-owned listed companies. Therefore, bpost considers that such deviation from provision 7.6 of the Corporate Governance Code is justified;
- the Corporate Governance Code (provisions 7.7 and 7.9) states that executives should hold a minimum number of shares in the company and receive an appropriate balance of cash and deferred remuneration. However, the members of the Executive Committee are not awarded any equity-based remuneration (shares, stock-options or other rights to acquire shares) and no part of their remuneration is deferred. This decision is in line with the majority shareholder's expectation and bpost considers it to be justified as the Board of Directors is convinced that the current remuneration package of executives already contributes to achieving the objectives of promoting sustainable value creation and strategic objectives, as well as attracting and retaining talents. To further align bpost's remuneration policy with the Corporate Governance Code, the Board of Directors is evaluating the introduction of a long-term incentive plan ("LTIP") based on a balance between the individual and the Group performances, similar to the LTIP implemented by another Belgian state-owned listed company. The members of the Executive Committee would be incentivized to align their interests with the sustainable value-creation objectives of the company through an LTIP based on the satisfaction of performance criteria and paid in cash after a vesting period;
- the Corporate Governance Code (provision 7.12) provides that contracts with executives should include claw-back provisions. However, no specific provisions on early termination (including on recovery of or withholding of payment of variable remuneration) are inserted in the contracts with executives. This deviation from the Corporate Governance Code is justified as the variable remuneration of members of the Executive Committee is capped, and does not represent a significant portion of their remuneration package<sup>6</sup>. In these circumstances, the insertion of claw-back provisions with regard to the payment of variable remuneration to executives would have a limited influence in the pursuit of long-term and sustainable value-creation objectives. In addition, the number of situations that could give rise to a claw-back is very limited, as grants of variable remuneration will be based on audited financial information.

## Board of Directors

### Composition

#### General rules governing the composition of the Board of Directors

The composition of the Board of Directors is governed as described below:

- the Board of Directors consists of a maximum of 12 directors, including the CEO, and comprises only non-executive directors, except for the CEO;
- all directors are appointed (and can be removed) by the Shareholders at a Shareholders' Meeting, on proposal by the Board of Directors and from candidates nominated by the Remuneration & Nomination Committee;
- directors are appointed for a renewable term of maximum 4 years, to the extent that the total term of their mandate (as renewed) does not exceed 12 years. To ensure continuity in the organization, these limitations do not apply to the CEO;
- any shareholder holding at least 15% of bpost's shares has the right to nominate directors for appointment pro rata its shareholding ("nomination right"). Directors nominated by a shareholder may be independent, provided they fulfill the general independence criterion laid down in Article 7:87 of the BCCA (also considering the specific independence criteria laid down in Article 3.5 of the Corporate Governance Code and article 4.2.6 of the Corporate Governance Charter), but do not have to be independent;
- all directors, other than the CEO and those appointed through the aforementioned nomination right, must be independent directors. In any case, the Board of Directors must comprise at all times at least 3 directors fulfilling the general independence criterion laid down in Article 7:87 of the BCCA, also considering the specific independence criteria laid down in Article 3.5 of the Corporate Governance Code and article 4.2.6 of the Corporate Governance Charter. The bpost Corporate Governance Charter further provides that at least half of the directors must at all times meet the independence criteria as set out in Article 3.5 of the Corporate Governance Code;
- any director can be removed by decision of the Shareholders at a Shareholders' Meeting;
- should any director mandate become vacant, the remaining directors have the right, in accordance with Article 7:88 of the BCCA, to temporarily fill such vacancy until a final appointment takes place in accordance with the abovementioned rules.

<sup>6</sup> For the member of the Executive Committee located in the United States, the portion of variable remuneration is higher in line with local market practices.

The current composition of the Board of Directors complies with:

- the gender representation requirements set forth in (i) Article 18, §2bis of the 1991 Law and (ii) Article 7:86 of the BCCA; and
- the language requirements set forth in Article 16, 20, §2, 54/6, 5° and 148bis/1 of the 1991 Law.

Finally, in accordance with the Law of September 3, 2017 on disclosure of non-financial and diversity information by certain large undertakings and groups, bpost applies a diversity policy in relation to its administrative, management, and supervisory bodies with regard to aspects such as age, gender, educational and/or professional backgrounds. A description of this policy, its objectives, how it has been implemented, and the results in the reporting period is provided further in this Annual Report.

The Board of Directors was, per December 31, 2022, composed of the following 10 members:

### Members of the Board of Directors appointed by the General Shareholders' Meeting upon proposal of the Belgian State

| NAME                             | POSITION                                      | FIRST APPOINTMENT AS DIRECTOR | TERM |
|----------------------------------|---|-------------------------------|------|
| Audrey Hanard <sup>(1) (2)</sup> | Chair of the Board and Non-Executive Director | 2021                          | 2025 |
| Mohssin El Ghabri <sup>(1)</sup> | Non-Executive Director                        | 2021                          | 2025 |
| Laurent Levaux <sup>(4)</sup>    | Non-Executive Director                        | 2012 <sup>(5)</sup>           | 2023 |
| Caroline Ven <sup>(4)</sup>      | Non-Executive Director                        | 2012 <sup>(5)</sup>           | 2023 |

### Members of the Board of Directors appointed by the General Shareholders' Meeting

| NAME                            | POSITION             | FIRST APPOINTMENT AS DIRECTOR | TERM |
|---------------------------------|----------------------|-------------------------------|------|
| David Cunningham <sup>(6)</sup> | Independent Director | 2022                          | 2026 |
| Lionel Desclée <sup>(1)</sup>   | Independent Director | 2021                          | 2025 |
| Jules Noten <sup>(1)</sup>      | Independent Director | 2021                          | 2025 |
| Sonja Rottiers <sup>(1)</sup>   | Independent Director | 2021                          | 2025 |
| Michael Stone <sup>(3)</sup>    | Independent Director | 2014                          | 2026 |
| Sonja Willems <sup>(1)</sup>    | Independent Director | 2021                          | 2025 |

(1) Appointed by the General Meeting of Shareholders of bpost held on May 12, 2021.

(2) Appointed as Chair by a Board of Directors decision of May 12, 2021.

(3) Appointed by the General Meeting of all Shareholders of bpost other than Public Institutions held on September 22, 2014. His mandate was renewed by the General Meetings of Shareholders respectively held on May 9, 2018 and on May 11, 2022.

(4) Appointed by the General Meeting of Shareholders of bpost held on May 8, 2019.

(5) First appointment as Director dates from 2012, but not in office from May 9, 2018 until May 8, 2019.

(6) Appointed by the General Meeting of Shareholders of bpost held on May 11, 2022.

### Changes in the composition of the Board of Directors

The following changes occurred in the composition of the Board of Directors in 2022:

- at the annual Shareholders' Meeting of May 11, 2022, the mandate of (i) Michael Stone (ii) Ray Stewart expired. The Shareholders decided to (i) renew the mandate of Michael Stone and (ii) appoint David Cunningham as independent directors for a term of 4 years;
- on October 14, 2022, following his appointment as member of the Executive Committee, Jos Donvil resigned as non-executive director upon proposal by the Belgian State, with effect as from October 31, 2022;
- on October 24, 2022, following a compliance review relating to the concession for the distribution of newspapers in Belgium, the Board of Directors and Dirk Tirez (CEO) mutually agreed that Dirk Tirez temporarily stepped aside pending the review. During that period, the powers of daily management were entrusted to Henri de Romrée with effect as from October 24, 2022. On November 9, 2022, upon recommendation of the Remuneration & Nomination Committee, the Board of Directors unanimously decided (i) that Henri de Romrée returns to his function of CEO of e-Logistics North-America, (ii) to appoint Philippe Dartienne as CEO *ad interim* with immediate effect;
- on December 9, 2022, the Board of Directors and Dirk Tirez mutually decided to terminate their collaboration: as a consequence, Dirk Tirez resigned with immediate effect as member of the Board of Directors and CEO. In addition, upon proposal of the Belgian State in accordance with its nomination right and upon recommendation of the Remuneration & Nomination Committee, the Board of Directors unanimously decided to appoint, by means of cooptation, Ann Caluwaerts as non-executive director replacing Jos Donvil, with effect as from January 1, 2023<sup>7</sup>.

<sup>7</sup> In accordance with Article 7:88 of the BCCA and Article 17 of the Articles of Association, the next general meeting of shareholders will be entitled to confirm (or refuse) the cooptation of Ann Caluwaerts.

In addition to the foregoing, at the Shareholders' Meeting of May 10, 2023, the mandate of Laurent Levaux and Caroline Ven, appointed as non-executive directors upon proposal by the Belgian State, will expire. The Board of Directors intends to recommend candidates, nominated by the Remuneration & Nomination Committee and upon proposal of the Belgian State in accordance with its nomination right, for appointment by the Shareholders at the annual Shareholders' Meeting of May 10, 2023 to replace the directors whose mandate will expire.

Newly elected directors can choose to participate in an induction program aimed at acquainting them with bpost's activities and organization as well as with the rules laid down in the Corporate Governance Charter. This program includes visiting operational and sorting centers.

## Powers and functioning

### Powers and responsibilities of the Board of Directors

The Board of Directors is vested with the power to perform all acts that are necessary or useful for the realization of bpost's purpose, except for those actions that are specifically reserved by law or the Articles of Association to the Shareholders' Meeting or other management bodies.

In particular, the Board of Directors is responsible for:

- defining and regularly reviewing the medium- and long-term strategy as well as the general policy orientations of bpost and its subsidiaries;
- deciding all major strategic, financial and operational matters of bpost and its subsidiaries;
- ensuring that the bpost's culture is supportive of the realization of its strategy and that it promotes responsible and ethical behavior;
- overseeing the management of the Company by the CEO and the Executive Committee;
- all other matters reserved to the Board of Directors by the BCCA or the 1991 Law.

The Board of Directors is entitled to delegate special and limited powers to the CEO and other members of senior management and can allow sub-delegation of said powers. On June 30, 2017, the Board of Directors decided to approve a delegation of authority formalizing the delegation of specific powers by the Board of Directors to the CEO and other members of the Executive Committee. This policy, which does not affect the powers granted to the Board of Directors by or pursuant to bpost's Articles of Association, has been published in the annexes to the Belgian Official Gazette on November 16, 2017.

### Functioning of the Board of Directors

The Board of Directors meets whenever the interests of the Company so requires or at the request of at least two directors. In principle, the Board of Directors meets seven times a year and in any event not less than five times a year. In 2022, the Board of Directors met 19 times.

In general, the Board of Directors' and Board Committees' decisions are taken by simple majority of the directors present or represented, although for certain Board matters a two-thirds' majority is required (such as, e.g., decisions on the approval of all renewals or amendments to the management contract and certain decisions on the administrative law status of statutory employees). In the case of a tie, the Chair has a casting vote.

The bpost Corporate Governance Charter reflects the principles by which the Board of Directors and the Board Committees operate.

The Corporate Governance Charter provides, *inter alia*, that the Board of Directors' decisions of strategic importance, including the adoption of the business plan and the annual budget and decisions regarding strategic acquisitions, alliances and divestitures must be prepared by a standing or an ad hoc Board Committee. For any such decisions, the Board of Directors shall strive to achieve broad support across its various constituencies, it being understood that, following appropriate dialogue and consultations, the Board of Directors' Chair may call for a decision and the proposal shall carry if adopted by a majority of the votes cast.

## Evaluation process of the Board of Directors

Under the Chair's lead, the Board of Directors conducts regular evaluations of its scope, composition, and performance, along with those of the Board Committees, as well as the interaction with the Executive Committee. If needed, the Chair shall propose the necessary measures to remedy any weaknesses of the Board of Directors or of any Board Committee.

The Board of Directors conducted an external assessment on its functioning and composition. Such external assessment led by Guberna took place between September and November 2022. The results of this assessment were presented to the Board of Directors in December 2022 and initiatives are being prepared to ensure that the functioning of the Board of Directors and the Board Committees always continues to improve. Implementation of these initiatives, will occur during 2023.

The Board of Directors continuously evaluates and improves its functioning in order to steer bpost ever better and more efficiently.

## Transactions between bpost, its Board members and executive managers

A general policy on conflicts of interest applies within bpost and prohibits any conflict of interests situation of a financial nature that may affect a director's personal judgment or professional tasks to the detriment of bpostgroup.

In accordance with Article 7:96 of the BCCA, the below directors declared to the Board of Directors to have a personal conflict of interest of patrimonial nature in connection with agenda items. They did not to participate in the deliberation or voting on this item.

The relevant Board of Directors' minutes are the following:

### 1. Dirk Tirez during the Board of Directors' meeting of February 24, 2022:

*"Prior to turning to the 2021 performance evaluation for the CEO, the CEO declared to have a personal conflict of interest of a patrimonial nature aimed at by Article 7:96 of the Belgian Code of Companies and Association in respect of the agenda item relating to his 2021 performance. The CEO left the meeting room and did not participate in the deliberation, nor the decision. The CEO will instruct the Joint Auditors of his conflict of interest in accordance with Article 7:96 of the Belgian Code of Companies and Association.*

*In the absence of the CEO who declared to have a conflict of interest and did not participate in the deliberation and decision of his performance, the Chair reported on the recommendation of the Remuneration & Nomination Committee for the 2021 performance rating for the CEO. The Board of Directors proceeded with the annual performance review of the CEO for 2021.*

*Decision: After deliberation and upon recommendation from the Remuneration & Nominations Committee, the Board approved the proposal for the 2021 performance rating for the CEO."*

### 2. Dirk Tirez during the Board of Directors' meeting of October 24, 2022:

*"The Board of Directors (the "Board") was re-convened at the request of the Chair in order to (i) continue to deliberate about an internal review (the "Cleopatra Compliance Review") conducted at the direction of the Chair into the compliance with the company's internal policies (including the Code of Conduct and requirements in the company's internal policies to comply with applicable laws and regulations) in connection with the company's pursuit of the tender for the upcoming press concession (in particular, the newspapers lot) (such pursuit, "Project Cleopatra") and (ii) consider further actions to be taken in light of findings revealed from the Cleopatra Compliance Review since previous meetings of the Board.*

*Mr. Dirk Tirez was declared to have a personal conflict of interest within the meaning of article 7:96 of the Code of Companies and Associations with regard to the decisions to be considered by the Board during today's meeting with respect to the position of Mr. Tirez. Accordingly, Mr. Tirez did not participate in the meeting, except for delivering a statement. Mr. Tirez was duly informed about the purpose of the meeting and was given the opportunity to give his views. After delivering a statement, Mr. Tirez was excused from the meeting. [...]*

*External legal counsel provided the Board with a detailed update on the Cleopatra Compliance Review.*

*[...] Decision: Following deliberation on the matter, the Board unanimously decided the following:*

*In mutual agreement with Mr. Tirez, Mr. Tirez temporarily steps aside from his mandate as bpost CEO (administrateur délégué gedelegeerd bestuurder) (hereinafter "Group CEO") with immediate effect and until completion of the Cleopatra Compliance Review. For the avoidance of doubt, such leave also includes Mr. Tirez' any other executive roles in other entities within the group. That said, the Board decided to maintain the payment of Mr. Tirez' remuneration during this period of temporary leave. This temporarily stepping aside will allow Mr. Tirez' to follow-up on the request of the Chair to contribute to the smooth running of the Cleopatra Compliance Review. [...]*

*It is noted that the Remuneration and Nomination Committee of the Board was, given the urgency, not able to meet in advance of today's meeting of the Board, but all members of the Remuneration and Nomination Committee were present for today's meeting of the Board and expressed their views regarding the above matters and decisions to be taken."*

### 3. Dirk Tirez during the Board of Directors' meeting of December 9, 2022:

*"The Board of Directors (the "Board") was convened at the request of the Chair as a matter of urgency in order to (i) continue to deliberate about an internal review (the "Cleopatra Compliance Review") conducted at the direction of the Chair into the compliance with the company's internal policies (including the Code of Conduct and requirements in the company's internal policies to comply with applicable laws and regulations) in connection with the company's pursuit of the tender for the upcoming press concession (in particular, the newspapers lot) (such pursuit, "Project Cleopatra") and (ii) consider further actions to be taken in light of findings revealed from the Cleopatra Compliance Review since previous meetings of the Board.*

*Mr. Dirk Tirez was declared to have a personal conflict of interest within the meaning of article 7:96 of the Code of Companies and Associations with regard to the decisions to be considered by the Board during today's meeting with respect to the position of Mr. Tirez. Accordingly, Mr. Tirez did not participate in the meeting. Mr. Tirez was duly informed about the purpose of the meeting and was given the opportunity to give his views.*

*The Chair introduced a discussion on the Cleopatra Compliance Review and recalled the findings of the review. [...]*

*The Chair made a proposal for the company to enter into the separation and cooperation agreement with Mr. Tirez, which includes the following key terms: cooperation commitments by Mr. Tirez, confidentiality and communication commitments by Mr. Tirez and the company, mutual release of claims by Mr. Tirez and the Board, waiver by Mr. Tirez of his rights to bonuses, no non-compete obligation for Mr. Tirez (which means that the company does not have to pay any non-compete indemnity), and no remuneration by the company to Mr. Tirez in connection with Mr. Tirez' termination or cooperation (the "Tirez Separation & Cooperation Agreement"). [...]*

*Decision: Following deliberation on the above-referenced matters, and in the best interest of the Company, the Board unanimously decided the following:*

- Approves the Tirez Separation & Cooperation Agreement, providing a mandate to the Chair, with the power of substitution, to finalize, execute, submit and perform, in the name and for the account of the company, the Tirez Separation & Cooperation Agreement.*
- Accordingly, pursuant to the terms of the Tirez Separation & Cooperation Agreement, the Board acknowledges and agrees that (i) the company terminates its collaboration with Mr. Tirez with effect from December 9, 2022, (ii) Mr. Tirez resigns his position as director and managing director of the company with effect from December 9, 2022, and (iii) Mr. Philippe Dartienne continues as bpostgroup "CEO ad interim" (délégué à la gestion journalistique ad interim persoon belast met het dagelijks bestuur ad interim) until the placement of a permanent bpostgroup CEO. [...]*

*It is noted that the Remuneration and Nomination Committee of the Board was not able to meet in advance of today's meeting of the Board with regard to the above decisions, but all members of the Remuneration and Nomination Committee were present for today's meeting of the Board and expressed their views regarding the above matters and decisions to be taken."*

## Transactions between bpost and its majority shareholder or other related parties

The related party transactions procedure set forth in Article 7:97 of BCCA shall in particular be observed for any decisions regarding the management contract or other transactions with the Belgian State or other related parties of bpost (other than those within the scope of Article 7:97, §1, section 3 of the BCCA).

In 2022, bpost applied the aforementioned procedure in the context of the extension of the concession agreements for the distribution of newspapers and periodicals and the relationship agreement entered into with the Belgian State. The announcement regarding the transactions is publicly available on bpost website<sup>8</sup>.

## Committees of the Board of Directors

The Board of Directors has established 4 Board Committees which assist the Board of Directors and make recommendations in specific fields: (i) the Strategic Committee, (ii) the Audit & Risk Committee (in accordance with Article 7:99 of the BCCA), (iii) the Remuneration & Nomination Committee (in accordance with Article 7:100 of the BCCA) and (iv) the ESG Committee. The terms of reference of these Board Committees are set out in the Corporate Governance Charter. These Board Committees are advisory committees and strategic decision-making remains the responsibility of the Board of Directors as a whole.

<sup>8</sup> <https://press.bpost.be/>

## Strategic Committee

The Strategic Committee advises the Board of Directors on strategic matters and shall in particular:

- regularly review industry, competitive and market developments against the objectives and strategies of bpost and its subsidiaries and recommend corrective actions if required;
- assist and provide guidance to management in the preparation of strategic files for review by, and related discussions of, the Board of Directors. This includes without limitations the elaboration of strategic options and scenarios; definition of vision, mission & strategies; definition of value propositions; elaboration of strategic canvas to monitor execution of the long term strategy through strategic objectives, milestone plans and targets; business, and implementation planning files in general;
- review strategic transactions or initiatives proposed by the Board of Directors, CEO or Executive Committee, including acquisitions and divestitures, strategic alliances or any longer-term cooperation agreements, and the entry into new markets or geographic areas;
- monitor the progress of strategic projects and initiatives and of the business plan in line with the Company's progress against strategic objectives, using predefined and agreed KPIs and provide feedback and recommendations to the Board of Directors on the results and on corrective actions if required;
- review the results of strategic transactions (e.g., acquisitions, mergers, disposals) against the foreseen value of the transaction to the Company and recommends action to the Board of Directors as required;
- make reports to the Board of Directors on its activities including an annual review of the performance of the committee and any recommendations for changes in the scope of its duties, composition and working practices.

The Strategic Committee consists of maximum 6 directors. The Strategic Committee's Chair is designated by the Strategic Committee's members.

The Strategic Committee was, per December 31, 2022, composed of the following 5 members:

| NAME                   | POSITION               |
|------------------------|------------------------|
| Lionel Desclée (Chair) | Independent Director   |
| Michael Stone          | Independent Director   |
| Jules Noten            | Independent Director   |
| Caroline Ven           | Non-Executive Director |

The Strategic Committee met 6 times in 2022.

## Audit & Risk Committee

The Audit & Risk Committee advises the Board of Directors on accounting, audit, and internal control matters, and shall in particular be in charge of:

- monitoring the integrity of bpost's financial statements and bpost's accounting and financial reporting processes and financial statements audits as well as bpost's budget;
- monitoring and overseeing the effectiveness of bpost's internal control and risk management framework;
- monitoring the internal audit function and its effectiveness;
- monitoring the performance of the Joint Auditors and the statutory audit of the annual and consolidated accounts, including any follow-up on any questions and recommendations made by the Joint Auditors;
- reviewing and monitoring the independence of the Joint Auditors, especially in view of the provisions of the BCCA;
- proposing candidates to the Board of Directors for the 2 Auditors to be appointed by the shareholders' meeting;
- informing the Board of Directors on the results of the statutory audit and the performance of its tasks;
- appointing, dismissing, replacing, and annually evaluating the performance of the Chief Audit Executive;
- addressing risk management and governance within bpost, notably in light of the Company's strategy and fostering an appropriate risk culture;
- approving and reviewing the bpost risk management policy and process aiming at identifying, managing and monitoring critical risks and following the implementation of such policy and process;
- closely following the process for risk identification within bpost and overseeing the risk exposure of the company: this includes developing a view into critical risks and exposures and management's strategy for addressing them;
- regularly advising and reporting to the Board of Directors on risk strategy and risk exposure and informing the Board of Directors of the implementation of the risk management policy and process;
- reviewing risks and opportunities of the strategy as identified by the Company's strategic risk assessment and other key factors, such as: relevant industry trends and changes, emerging or evolving competitive activity, governmental or legislative developments, the Company's performance against the financial targets agreed by the Board of Directors and communicated to the shareholders.

The Audit & Risk Committee consists of maximum 5 non-executive directors, with at least 1 independent director. The Audit & Risk Committee's Chair is designated by the Audit & Risk Committee's members.



Collectively, the Audit & Risk Committee's members have sufficient relevant expertise in the field of accounting and audit to fulfill their roles effectively, notably in financial matters. Sonja Rottiers is competent in accounting and auditing, as evidenced by her experience in the financial sector, including as CEO of Lloyds and CFO of AXA Belgium. Today she is active as a director of Kinopolis Group NV, Matexi NV, Belgian Finance Club, and more recently as Chairman of the Board of Directors of Pinnacle Pet Group (Jab Holding Company). The other members of the Audit & Risk Committee hold or have held several board or executive mandates in top-tier companies or organizations.

The Audit & Risk Committee was, as of December 31, 2022, composed of the following 3 members:

| NAME                   | POSITION             |
|------------------------|----------------------|
| Sonja Rottiers (Chair) | Independent Director |
| Lionel Desclée         | Independent Director |
| David Cunningham       | Independent Director |

The Audit & Risk Committee met 5 times in 2022.

### Remuneration & Nomination Committee

The Remuneration & Nomination Committee advises the Board of Directors principally on matters regarding the appointment and remuneration of directors, CEO, and Executive Committee and shall in particular:

- identify and nominate Board of Directors candidates to fill vacancies as they arise, thereby considering proposals made by relevant parties, including shareholders;
- nominate candidates for the mandate of member of the Board of Directors (whether or not in application of the nomination right set forth in article 14, §2 of the Articles of Association);
- advise the Board of Directors on the appointment of the Chair of the Board of Directors;
- advise the Board of Directors on the appointment of the CEO and on the CEO's proposals for the appointment of other members of the Executive Committee;
- advise the Board of Directors on the remuneration of the CEO and the other members of the Executive Committee, including arrangements on early termination;
- review the remuneration (long term share-based or cash-based, and short-term incentive schemes) of the directors, members of the Executive Committee and employees;
- establish performance targets and conduct performance reviews for the CEO and other members of the Executive Committee;
- advise the Board of Directors on the remuneration of the Board of Directors members;
- advise the Board of Directors on talent management and diversity & inclusiveness policy;
- prepare and submit the remuneration report to the Board of Directors;
- advise the Board of Directors on the remuneration policy to be submitted, as the case may be, to the Shareholders' Meeting;
- lead the process for succession planning for Board of Directors and Executive Committee members taking into account the challenges and opportunities facing bpost, the skills and expertise needed in each position and the appropriate balance of skills, knowledge, experience and diversity to be maintained on the Board of Directors and its committees;
- explain the remuneration report at the annual Shareholders' Meeting.

The Remuneration & Nomination Committee consists of minimum 3 and maximum 5 non-executive directors, with at all times a majority of independent directors. Collectively, Remuneration & Nomination Committee's members have sufficient relevant expertise with regard to remuneration policies to fulfil their roles effectively.

The Remuneration & Nomination Committee was, per December 31, 2022, composed of the following 4 members:

| NAME                  | POSITION   |
|-----------------------|--|
| Audrey Hanard (Chair) | Chair of the Board <sup>9</sup> and Non-executive Director |
| Jules Noten           | Independent Director                                       |
| Michael Stone         | Independent Director                                       |
| Sonja Willems         | Independent Director                                       |

The Remuneration & Nomination Committee met 6 times in 2022.

<sup>9</sup> As Audrey Hanard, Chair of the Board of Directors, went on maternity leave from December 16, 2022 until March 10 2023, the Board of Directors decided that Sonja Rottiers temporarily replaces her as Chair of the Board of Directors during that time.

## ESG Committee

The ESG (environmental, social and governance) Committee advises the Board of Directors principally on matters regarding the bpost ESG strategy and activities, including the preparation and implementation of ESG initiatives and supporting the bpostgroup in developing a position as a global leader in ESG performance. The ESG Squad Leaders and Target Owners manage their initiatives with their respective teams, and together with the group sustainability team, meet on a monthly basis to share progress of their initiatives, including challenges and opportunities. The Chief Strategy and Transformation Officer, supported by the Group Sustainability Team reports 3 to 4 times a year to the ESG Committee on the overall progress on the ESG roadmap. During these sessions risks and opportunities are discussed, including a deep dive on selected topics and steering on the ESG strategy. The ESG governance framework of bpostgroup is depicted below:

### Board of Directors, assisted by the ESG Committee

As the company’s ultimate decision-making body, the Board has oversight of all ESG responsibilities, including approval of ESG strategies and review of ESG performance. The ESG Committee is chaired by the President of the Board.



### Chief Strategy and Transformation Officer, assisted by the Group Sustainability team

Responsible for execution and management of all ESG matters, including identifying ESG risks and opportunities and coordination of sustainability initiatives throughout the group.



### ESG Squad Leaders and Target Owners

Embedded across the business and responsible for coordination, implementation and reporting of ESG matters and initiatives relevant to business units

The ESG Committee shall in particular:

- advise the Board of Directors on the group’s global sustainability strategy and reviews on a regular basis the evolution and impact of such strategy;
- make recommendations to the Board of Directors with respect to matters affecting ESG responsibilities and related corporate conduct consistent with the group’s sustainability strategy;
- assist the management in executing the sustainability strategy and implementing the group ESG program and initiatives;
- coordinate and advise on ESG sustainability initiatives and commitments throughout the group and encourage integration of ESG matters into overall business strategy;
- monitor and advise on ESG trends in public policy, regulation and legislation as well as on emerging ESG matters, and advise the Board of Directors on additional actions in response to such trends and/or issues;
- identify the ESG risks and opportunities that may impact the group’s ability to create long term value and affect its business, operations, performance and/or reputation;
- advise the Board of Directors on the inclusion of ESG risks and opportunities into the group’s long term strategy and development;
- submit the sustainability-related information in the integrated report to the Board of Directors;
- assist the bpost Board of Directors, management and communication teams with regard to bpost non-financial disclosure and reporting obligations;
- assist communication teams regarding group’s key ESG messages with regard to strategy and long-term value creation and ensure that ESG is properly reflected in financial disclosures and other market communications.

The ESG Committee consists of maximum 6 directors. The ESG Committee’s Chair is designated by the ESG Committee’s members. The ESG Committee was, per December 31, 2022, composed of the following 5 members:

| NAME                   | POSITION               |
|------------------------|------------------------|
| Laurent Levaux (Chair) | Non-Executive Director |
| Mohssin El Ghabri      | Non-Executive Director |
| Audrey Hanard          | Non-Executive Director |
| Caroline Ven           | Non-Executive Director |
| Sonja Willems          | Independent Director   |

The ESG Committee met 3 times in 2022.

## Executive Management

### CEO

The current CEO *ad interim*, Philippe Dartienne, was appointed on November 9, 2022 by the Board of Directors, pending the appointment of a new CEO. For ease of reference, references to the “CEO” in this report should be understood as CEO or CEO *ad interim*.

The CEO is vested with (i) the day-to-day management of bpost and the representation of the company in respect of such management, (ii) the execution of the resolutions of the Board of Directors and (iii) the special powers delegated to him/her by the Board of Directors in accordance with Articles 18, §2 and 25 of the Articles of Association. The CEO reports regularly to the Board of Directors.

The CEO can be removed by the Board of Directors.

### Executive Committee

bpost’s operational management is ensured by the Executive Committee and is led by the CEO. The Executive Committee consists of maximum 9 members, who are appointed (for the duration determined by the Board of Directors) and removed by the Board of Directors, following a recommendation by the CEO and advice of the Remuneration & Nomination Committee.

The Executive Committee convenes regularly at the invitation of the CEO. The Executive Committee is assisted by the Executive Committee Secretary.

The individual members of the Executive Committee exercise the special powers delegated to them by the Board of Directors or the CEO, as the case may be. Within the limits of these powers, the members of the Executive Committee may delegate to one or more members of bpost’s staff special and limited powers. The Executive Committee members may allow sub-delegation of these powers.

The Executive Committee prepares, under direction of the CEO, a business plan assessing bpost’s medium-term purposes and strategy. This business plan is submitted to the Board of Directors for approval.

The Executive Committee was, as of December 31, 2022, composed of the following members:

| NAME                 | FUNCTION                                |
|----------------------|---|
| Philippe Dartienne   | CEO <i>ad interim</i>                   |
| Mark Michiels        | Chief Human Resources Officer           |
| Anette Böhm          | Chief Human Resources Officer Group     |
| Jos Donvil           | CEO bpost Belgium                       |
| Kathleen Van Beveren | CEO E-Logistics Eurasia                 |
| Henri de Romrée      | CEO E-Logistics North America           |
| Nicolas Baise        | Chief Strategy & Transformation Officer |
| James Edge           | Chief Technology Officer                |

Pursuant to his retirement, Mark Michiels terminated his function as Chief Human Resources Officer as of December 31, 2022.

## 1991 Law Committee

The 1991 Law contains several provisions detailing the composition, appointment, and functioning of a “1991 Law Committee”. Since the entry into force of the December 2015 Law, the powers to be assigned to the 1991 Law Committee are limited to the negotiation of the Management Contract with the Belgian State (it being understood that the Management Contract requires the subsequent approval of the Board of Directors). Therefore, the 1991 Law Committee remains in existence only for the limited purposes and tasks assigned to it by the amended 1991 Law.

The 1991 Law Committee was, as of December 31, 2022, composed of the CEO, who chairs the Committee, and two other members (one Dutch-speaking member and one French-speaking member): Mark Michiels and Catherine Delvaux.

## Company Secretary

The Board of Directors and the Advisory Committees are assisted by the Group Company Secretary, Ross Hurwitz, who is also bpost’s Chief Legal Officer and Executive Committee Secretary. He was appointed in such qualities on September 23, 2021.

## Joint Auditors

The Joint Auditors audit bpost’s financial condition as well as consolidated and unconsolidated financial statements. There are four bpost Joint Auditors: (i) two Auditors appointed by the Shareholders’ Meeting and (ii) two Auditors appointed by the Court of Audit, the Belgian institution responsible for the verification of public accounts (Cour des Comptes/Rekenhof). The Joint Auditors are appointed for renewable terms of three years. The Shareholders’ Meeting determines the remuneration of the Joint Auditors.

bpost’s Joint Auditors were, as of December 31, 2022:

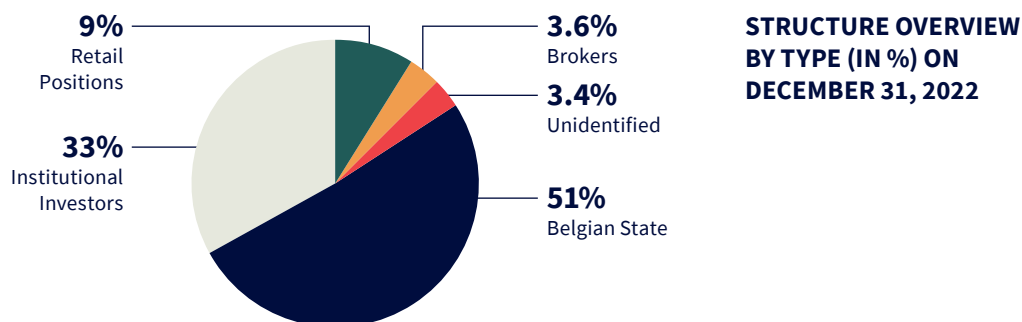
- EY Réviseurs d’Entreprises–Bedrijfsrevisoren SRL/BV (“**EY**”), represented by Mr. Han Wevers (member of the *Institut des Réviseurs d’Entreprises/Instituut van de Bedrijfsrevisoren*), De Kleetlaan 2, 1831 Diegem, Belgium (its mandate was renewed by the annual Shareholders’ Meeting on May 12, 2021, and will expire after the annual Shareholders’ Meeting to be held in 2024);
- PVMD Réviseurs d’Entreprises- Bedrijfsrevisoren SC/CV (“**PVMD**”), represented by Mr. Alain Chaerels (member of the *Institut des Réviseurs d’Entreprises/Instituut van de Bedrijfsrevisoren*), Avenue d’Argenteuil 51, 1410 Waterloo, Belgium (its mandate was renewed by the annual Shareholders’ Meeting on May 12, 2021, and will expire after the annual Shareholders’ Meeting to be held in 2024);
- Mr. Philippe Roland, First President of the Court of Audit (*Rekenhof/Cour des Comptes*), Rue de la Régence 2, 1000 Brussels, Belgium (his mandate was renewed by the Court of Audit on October 1, 2022 until September 30, 2025); and
- Mrs. Hilde François, Chair of the Court of Audit (*Rekenhof/Cour des Comptes*), Rue de la Régence 2, 1000 Brussels, Belgium (she was appointed by the Court of Audit on October 1, 2021 until September 30, 2024).

EY and PVMD are responsible for the audit of bpost’s consolidated financial statements. For the year ended December 31, 2022, EY and PVMD received 1,300,897 EUR (excluding value added tax) in fees for the audit of financial statements of bpost and its subsidiaries and 64,160 EUR (excluding value-added tax) in fees for non-audit services. The two auditors appointed by the Court of Audit received 85,661 EUR in remuneration for their services in connection with the audit of bpost’s non-consolidated financial statements for the year ended December 31, 2022.

## Shareholding structure and shareholders rights

bpost’s shares are registered or dematerialized. On December 31, 2022, bpost’s share capital was represented by 200,000,944 shares, admitted to trading on the regulated market of Euronext Brussels.

With, respectively, 48,263,200 (24.13%) and 53,812,449 (26.91%) bpost shares in their possession on December 31, 2022, the Belgian State and the SFPI/FPIM together hold 102,075,649 (51.04%) of bpost issued voting shares. The remaining 97,925,295 shares are held by individual shareholders and European and international institutional shareholders.



In 2022, bpost did not receive any transparency declarations disclosing that a notification threshold had been reached (or crossed upward or downward) in accordance with the Law of May 2, 2007 on the disclosure of significant shareholdings in listed companies and the Articles of Association. All transparency notifications are available on bpost’s website at <http://corporate.bpost.be/investors/share-information/transparency-declarations>.

The Company's shares are freely transferable, provided that, according to Article 147bis of the 1991 Law and Article 11 of the Corporate Governance Charter, the direct participation of Public Institutions in the registered capital has to exceed 50%.

On December 31, 2022, bpost did not hold any of its own shares.

Each share entitles its holder to one vote. Apart from the restrictions on voting rights imposed by law, the Articles of Association provide that, if shares are held by more than one owner, are pledged, or if the rights attached to the shares are subject to joint ownership, usufruct or any other kind of split of such rights, the Board of Directors may suspend the exercise of the rights attached to such shares until one person has been appointed as the sole representative of the relevant shares vis-à-vis bpost.

## Remuneration Report

bpost's<sup>10</sup> remuneration report (the "**Remuneration Report**") is established in accordance with article 3:6, §3 of the Belgian Code of Companies and Associations (the "**BCCA**"), the Belgian Code of Corporate Governance 2020 (the "**Corporate Governance Code**"), market practices and trends.

bpost considers transparency and clear communication on the principles and implementation of its remuneration policy to be essential. It therefore shares relevant information in this Remuneration Report on the remuneration paid to the members of the Board of Directors and of the Executive Committee in the financial year 2022. The Remuneration Report also includes tables providing additional insight into the total remuneration of the members of the Board of Directors and of the Executive Committee, as well as the performance realized and the pay-out of the variable remuneration.

### 1. Procedure for establishing the remuneration policy and setting the individual remuneration of the members of the Board of Directors and Executive Committee

In accordance with article 7:89/1 of the BCCA and the Corporate Governance Code, bpost has a specific remuneration policy (the "**Remuneration Policy**") setting out the remuneration principles of (i) the non-executive members of the Board of Directors, (ii) the CEO and (iii) the other members of the Executive Committee.

The Remuneration Policy was prepared by the Board of Directors, upon recommendation of the Remuneration & Nomination Committee, and approved by the Shareholders' Meeting on May 12, 2021<sup>11</sup>. The Remuneration Policy, together with the results of the Shareholders vote, are available on bpost's website<sup>12</sup>. Any material change to this Remuneration Policy has to be approved by the Shareholders' Meeting, upon recommendation of the Board of Directors and the Remuneration & Nomination Committee. In any case, the Remuneration Policy must be approved by the Shareholders' Meeting at least every four years. The Remuneration Policy has been applicable since January 1, 2021, and bpost did not deviate from it during financial year 2022.

bpost distinguishes three different groups for which the remuneration is set out in this Remuneration Report:

- the non-executive members of the Board of Directors;
- the CEO; and
- the members of the Executive Committee.

The individual remuneration of the members of the Board of Directors and members the Executive Committee depends on the category they belong to.

The Remuneration & Nomination Committee regularly examines the Remuneration Policy's principles and their application and will continue to do so. The Board of Directors and the Remuneration & Nomination Committee also continued analyzing the possibility and feasibility of introducing a long-term incentive plan. The purpose of this plan would be to better align the actions and initiatives of management with bpost's long-term performance as set out further in this report (**see Section 3 below**).

<sup>10</sup> A public-law public limited company incorporated and existing under Belgian law, having its registered office at Boulevard Anspach 1, 1000 Brussels (Belgium) and registered with the Crossroads Bank for Enterprises under number 214,596,464 (RLE Brussels) (the "**Company**" or "**bpost**").

*This report does not include bpost's Belgian subsidiaries, the remuneration policy of which is in line with the national reference market, or bpost's foreign subsidiaries, whose remuneration policies are in line with local reference markets of relevant companies and aim to attract and retain qualified and experienced directors and managers. In that regard, it should be noted that (i) all directors' mandates in Belgian subsidiaries are unpaid and (ii) the Radial Group has its own incentive plan, in accordance with US market practices. All amounts mentioned in this report are gross amounts.*

<sup>11</sup> [https://corporate.bpost.be/investors/shareholders-meetings/2021?sc\\_lang=en](https://corporate.bpost.be/investors/shareholders-meetings/2021?sc_lang=en): the Remuneration Policy was approved by the Shareholders' Meeting in May 2021 with a majority of 91,73% votes in favour and 8,27% votes against.

<sup>12</sup> <https://bpostgroup.com/sites/default/files/2021-07/8-bpost-remuneration-policy-en.pdf>

## 2. Total remuneration of the members of the Board of Directors, the CEO and the other members of the Executive Committee

### A. Remuneration of the non-executive members of the Board of Directors

The remuneration of the members of the Board of Directors (with the exception of the CEO) consists of two elements:

- a monthly fixed fee; and
- an attendance fee for each Advisory Committee<sup>13</sup> meeting attended.

The monthly fixed fee and the attendance fee are subject to automatic indexation on March 1 of each calendar year on the basis of the Consumer Health Index.

No other benefits were paid to the Board of Directors' members for their mandate.

The CEO is not entitled to any remuneration for his mandate as a member of the Board of Directors.

#### Monthly fixed fee

During the financial year 2022, the members of the Board of Directors (with the exception of the CEO) received the following monthly fixed fee:

- 3,859.52 EUR for the Board of Directors' Chair, who also chairs bpost's Joint Industrial Committee (*Paritair Comité Commission Paritaire*), as indexed on March 1, 2022;
- 1,929.76 EUR for each other directors (with the exception of the CEO) as indexed on March 1, 2022.

#### Attendance fees

The members of the Board of Directors (with the exception of the CEO) also received an attendance fee of 1,929.76 EUR per attended Advisory Committee meeting.

#### Overall remuneration

For the financial year 2022, the overall remuneration paid to all the members of the Board of Directors (with the exception of the CEO) totaled 455,604.47 EUR.

The table below shows the total annual remuneration paid on an individual basis to each member of the Board of Directors (with the exception of the CEO) based on his/her participation in the Advisory Committee meetings:

| BOARD OF DIRECTORS' MEMBERS                               | BOARD OF DIRECTORS |              | STRATEGIC COMMITTEE |              | REMUNERATION & NOMINATION COMMITTEE |              | AUDIT & RISK COMMITTEE |              | ESG COMMITTEE |              | AD HOC COMMITTEE |              | TOTAL ANNUAL REMUNERATION (EUR) |
|---|--------------------|--------------|---------------------|--------------|-------------------------------------|--------------|------------------------|--------------|---------------|--------------|------------------|--------------|---------------------------------|
|   | AMOUNT (EUR)       | MEETINGS (*) | AMOUNT (EUR)        | MEETINGS (*) | AMOUNT (EUR)                        | MEETINGS (*) | AMOUNT (EUR)           | MEETINGS (*) | AMOUNT (EUR)  | MEETINGS (*) | AMOUNT (EUR)     | MEETINGS (*) |                                 |
|   |                    |              |                     |              |                                     |              |                        |              |               |              |                  |              |                                 |
| <b>ANN CALUWAERTS</b><br>(as from January 1, 2023)        |                    | NA           |                     | NA           |                                     | NA           |                        | NA           |               | NA           |                  | NA           |                                 |
| <b>DAVID CUNNINGHAM</b><br>(as from May 11, 2022)         | 14,824.12          | 13/13        |                     | NA           |                                     | NA           | 1,929.76               | 1/2          |               | NA           | 1,929.76         | 1/2          | 18,683.64                       |
| <b>LIONEL DESCLÉE</b>                                     | 22,885.78          | 19/19        | 11,442.89           | 6/6          |                                     | NA           | 9,513.13               | 5/5          |               | NA           | 9,513.13         | 5/5          | 53,354.93                       |
| <b>JOS DONVIL</b><br>(until October 31, 2022)             | 19,026.26          | 9/14         | 7,583.37            | 4/4          |                                     | NA           | 1,929.76               | 1/1          |               | NA           |                  | NA           | 28,539.39                       |
| <b>MOSSHIN EL GHABRI</b>                                  | 22,885.78          | 16/19        |                     | NA           |                                     | NA           |                        | NA           | 5,789.28      | 3/3          |                  | NA           | 28,675.06                       |
| <b>AUDREY HANARD</b> (Chair until December 15, 2022) (**) | 44,898.57          | 19/19        |                     | NA           | 11,307.22                           | 6/6          |                        | NA           | 3,859.52      | 2/2          |                  | NA           | 60,065.31                       |
| <b>LAURENT LEVAUX</b>                                     | 22,885.78          | 8/19         |                     | NA           | 1,929.76                            | 1/3          |                        | NA           | 1,929.76      | 1/3          |                  | NA           | 26,745.30                       |

<sup>13</sup> The Advisory Committees include the Strategic Committee, the Remuneration & Nomination Committee, the Audit & Risk Committee, the ESG Committee and Ad Hoc Committee.

| BOARD OF DIRECTORS' MEMBERS                                     | BOARD OF DIRECTORS |              | STRATEGIC COMMITTEE |              | REMUNERATION & NOMINATION COMMITTEE |              | AUDIT & RISK COMMITTEE |              | ESG COMMITTEE    |              | AD HOC COMMITTEE |              | TOTAL ANNUAL REMUNERATION (EUR) |
|---|--------------------|--------------|---------------------|--------------|-------------------------------------|--------------|------------------------|--------------|------------------|--------------|------------------|--------------|---------------------------------|
|   | AMOUNT (EUR)       | MEETINGS (*) | AMOUNT (EUR)        | MEETINGS (*) | AMOUNT (EUR)                        | MEETINGS (*) | AMOUNT (EUR)           | MEETINGS (*) | AMOUNT (EUR)     | MEETINGS (*) | AMOUNT (EUR)     | MEETINGS (*) |                                 |
|   | <b>JULES NOTEN</b> | 22,885.78    | 17/19               | 11,442.89    | 6/6                                 | 11,307.22    | 6/6                    |              | NA               |              | NA               |              |                                 |
| <b>SONJA ROTTIERS</b><br>(Chair as from December 16, 2022) (**) | 23,896.61          | 18/19        |                     | NA           |                                     | NA           | 9,513.13               | 5/5          |                  | NA           | 9,513.13         | 5/5          | 42,922.87                       |
| <b>RAY STEWART</b><br>(until May 11, 2022)                      | 8,149.46           | 5/5          |                     | NA           | 7,447.70                            | 4/4          | 5,653.61               | 3/3          |                  | NA           | 1,794.09         | 1/1          | 23,044.86                       |
| <b>MICHAEL STONE</b>  | 22,885.78          | 17/19        | 11,442.89           | 6/6          | 1,929.76                            | 1/2          | 5,653.61               | 3/3          |                  | NA           | 7,719.04         | 4/4          | 49,631.08                       |
| <b>CAROLINE VEN</b>   | 22,885.78          | 16/19        | 9,648.80            | 5/6          |                                     | NA           |                        | NA           | 5,789.28         | 3/3          |                  | NA           | 38,323.86                       |
| <b>SONJA WILLEMS</b>  | 22,885.78          | 19/19        |                     | NA           | 11,307.22                           | 6/6          |                        | NA           | 5,789.28         | 3/3          |                  | NA           | 39,982.28                       |
| <b>TOTAL</b>  | <b>270,995.48</b>  |              | <b>51,560.84</b>    |              | <b>45,228.88</b>                    |              | <b>34,193.00</b>       |              | <b>23,157.12</b> |              | <b>30,469.15</b> |              | <b>455,604.47</b>               |

(\*) The total number of meetings used as reference in the table depends on when the concerned director has been appointed as member of the Board of Director or of an Advisory Committee.

(\*\*) As Audrey Hanard went on maternity leave as from December 16, 2022, the Board of Directors decided that Sonja Rottiers temporarily replaces her as Chair of the Board of Directors during her absence.

### B. Remuneration of the CEO and the other members of the Executive Committee

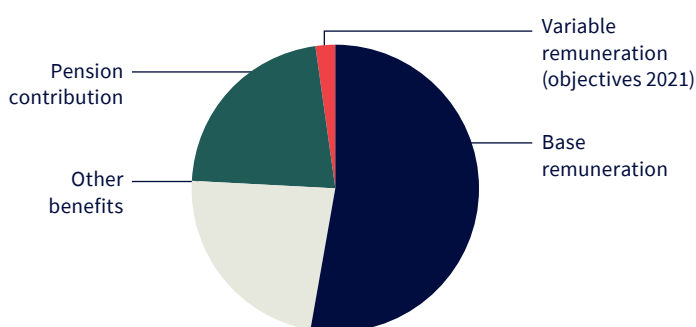
In accordance with the Remuneration Policy, the remuneration package of the CEO and the other members of Executive Committee consisted in 2022 of:

- a fixed base remuneration;
- a variable short-term remuneration<sup>14</sup>;
- pension contributions; and
- various other benefits.

No shares, stock options, or other rights to acquire shares (or other share-based remuneration) were granted to or exercised by the CEO or the other members of the Executive Committee or have expired in 2022. No options under previous stock option plans were outstanding for the financial year 2022.

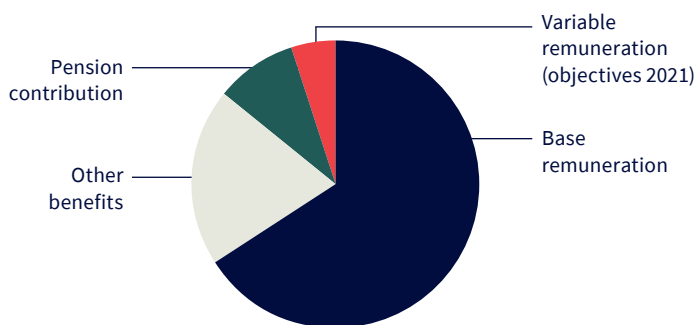
No substantial changes were made to the remuneration of the CEO and the other Executive Committee members compared to the previous financial year.

The relative importance of the various remuneration components of the CEO and Executive Committee members is illustrated in the graphs below.



**RELATIVE IMPORTANCE OF THE VARIOUS ELEMENTS OF THE CEO'S REMUNERATION (2022)**

<sup>14</sup> A variable long-term incentive is available but only for the member of the Executive Committee located in the United States. See the Remuneration Policy for more information in this respect.



**RELATIVE IMPORTANCE OF THE VARIOUS ELEMENTS OF THE GLOBAL REMUNERATION OF THE MEMBERS OF THE EXECUTIVE COMMITTEE (2022 )**

**Base remuneration**

The base remuneration consists of a fixed base salary paid in cash, defined by the nature and specificities of the functions, granted independently of bpost’s results:

- the CEO’s total base remuneration for the financial year 2022 amounted to 515,995.90 EUR (as indexed on February 1, April 1, June 1, September 1 and December 1, 2022)<sup>15</sup>. The CEO did not receive any remuneration for his mandate as a member of the Board of Directors;
- the global base remuneration granted to other members of the Executive Committee for the financial year 2022 amounted to 3,826,074.81 EUR (as indexed on February 1, April 1, June 1, September 1 and December 1, 2022). The amount of their individual base remuneration reflects the responsibilities and characteristics of the position, the level of experience and the performance of the members of the Executive Committee during the past year.

The base remuneration of the CEO was paid monthly, in twelve equal instalments. The other members of the Executive Committee were paid in accordance with local law.

The base remuneration is revised annually based on a benchmark study that covers large Belgian companies so as to offer a total remuneration in accordance with the median on the reference market.

**Variable short-term remuneration**

The short-term incentive consists of a variable remuneration paid in cash. In 2022, the CEO and the other members of the Executive Committee in Belgium had variable short-term remuneration with regard to the performance during financial year 2021 of 30% (at target) of their annual fixed base remuneration. In the case of over-performance, the variable short-term remuneration could exceed 30% and potentially reach a maximum at 60% of their annual fixed base remuneration.

The variable short-term remuneration was awarded on the basis of the achievement of both collective objectives and individual performance targets, which were set at the start of 2021. The ratio between the collective objectives and the individual performance targets is 70%-30%. Finally, the collective objectives are segmented for the group and the business units to improve the line of sight.

- The **collective objectives** (70% of the total potential variable short-term remuneration at target<sup>16</sup>) relate to performance against Key Performance Indicators (KPI’s) set by the Board of Directors upon recommendation of the Remuneration & Nomination Committee. These KPI’s include financial and non-financial indicators:
  - *EBIT* (50%): reflects the group and business units’ financial results. The financial results applicable to the CEO and the other members of the Executive Committee in charge of the support units are linked to the group, while those for the members of the Executive Committee in charge of a business unit, are linked, for 30% to the group and 70% to the respective business unit. The pay-out factor for 2021 was between 136.1% and 153.2%.
  - *Customer Loyalty Index* (15%): reflects the loyalty of bpost’s customers. The pay-out for this criterion is equal to the results for the given year. The Customer Loyalty Index for 2021 is composed of three metrics. The results for 2021 reached a pay-out factor of 123%.
  - *Short-term Absenteeism Index* (5%): reflects the wellbeing or engagement, respectively, of bpost’s staff. The pay-out for these criteria is equal to the results for the given year. The Short-term Absenteeism Index, measured on a quarterly base and specific to the Business unit and Group for 2021 reached a payout of between 16.9% and 140% for this criterion in 2021, depending on the area of responsibilities.

To ensure a constant alignment to market reality and best practices, the weight of the non-financial indicators for the collective objectives was slightly adapted. As from January 1, 2022 (for the variable remuneration to be paid in 2023), the Customer Loyalty Index weighs 20% and the Short-term Absenteeism Index is no longer taken into account.

15 On December 9, 2022, the Board of Directors and Dirk Tirez mutually agreed to terminate their collaboration: as a consequence, Dirk Tirez resigned as (i) member of the Board of Directors and (ii) CEO with immediate effect. Dirk Tirez was remunerated as CEO until December 9, 2022.  
 16 With a minimum of 0% in the case of underperformance and a maximum of 200% in the case of overperformance.



- The **individual performance targets** (30% of the total potential variable short-term remuneration at target<sup>17</sup>) are defined and agreed on at the beginning of each year (i) between the Board of Directors and the CEO and (ii) between the CEO and each Executive Committee member.

These individual targets are assessed annually during the first quarter following the end of the financial year, by the Board of Directors upon recommendation of the Remuneration & Nomination Committee.

Clear and measurable targets are set, which are to be achieved within an agreed timeframe. The individual performance is measured against these targets.

The main individual performance targets to be achieved by the CEO over financial year 2021 were the following:

- achieving specific financial results set by the Board of Directors;
- creating stability, strengthening the management team, and promoting a new culture and values to achieve the Board of Directors' sustainability strategy;
- securing the long-term sustainability strategy, including (i) developing an ambitious new strategic plan, including strategic alignment with the Board of Directors and management and (ii) engaging in the transformation set by the long-term sustainability strategy;
- improving overall employee engagement, quality of utility contract performance, and customer satisfaction.

The main individual performance targets to be achieved by the other members of the Executive Committee over financial year 2021 were the following:

- specific business achievements and development, including (i) developing the future operating and workforce model, (ii) implementing the EU omni-commerce plan, (iii) ensuring value generation during the year end peak in parcels in Belgium and (iv) continuing the digital transformation of the group;
- execution of the transformation plan both abroad and in Belgium, including (i) the acceleration of Radial US transformation and (ii) assisting in transformation set by the long-term sustainability strategy;
- team leadership, employee engagement and customer focus.

In 2021, the individual performance targets reached a pay-out of between 105 % and 150 % for the members of the Executive Committee.

The CEO received a variable short-term remuneration of 218,406 EUR<sup>18</sup> in 2022 based on the achievement of the collective objectives and the individual performance targets for the year 2021.

The members of the Executive Committee received a global variable short-term remuneration of 1,159,945.49 EUR in 2022 based on the achievement of the collective objectives and the individual performance targets for the year 2021.

The variable short-term remuneration for the achievement of the collective objectives and individual performance targets during the financial year 2022, if any, will be determined and paid in May 2023, after the performance assessment of each member of the Executive Committee and disclosed in the remuneration report to be published in 2024.

### Pension contribution

The CEO and the other members of the Executive Committee have a complementary pension plan (second pillar):

- the CEO's total pension contribution for the financial year 2022 amounted to 214,030.84 EUR;
- the Executive Committee's global pension contribution for the financial year 2022 amounted to 504,518.67 EUR.

### Other benefits

The CEO and the other members of the Executive Committee have received other benefits, e.g., an insurance covering death-in-service and disability, medical insurance, meal vouchers (except for the CEO), representation fees and a company car. These benefits are benchmarked regularly and adapted according to standard practices. The amount of the other benefit amount is set out in the table below.

### Overall remuneration

The **total remuneration** paid to the CEO in 2022 amounts to 968,373.62 EUR (compared to 620,659.39 EUR in 2021) and can be broken down as illustrated in the table below.

<sup>17</sup> With a minimum of 0% in the case of underperformance and a maximum of 200% in the case of overperformance.

<sup>18</sup> As the variable remuneration of the CEO amounts to less than one fourth of his annual remuneration, the spreading in time of the criteria for variable remuneration as laid down in Article 7:91, par. 2 of the Belgian Code of Companies and Associations does not apply.

The **total remuneration** paid to the members of the Executive Committee (other than the CEO) in 2022 amounts to 5,796,181.98 EUR (compared to 3,898,218.66 EUR in 2021) and can be broken down as illustrated in the table below:

| NAME AND POSITION                                      | TOTAL REMUNERATION OF THE CEO AND OTHER MEMBERS OF THE EXECUTIVE COMMITTEE IN 2022 |                          |                      |                             |                          | PROPORTION OF FIXED AND VARIABLE REMUNERATION <sup>19</sup> |
|--|--|--------------------------|----------------------|-----------------------------|--------------------------|---|
|  | FIXED REMUNERATION (EUR)   |                          |                      | VARIABLE REMUNERATION (EUR) | TOTAL REMUNERATION (EUR) |   |
|  | BASE REMUNERATION  | OTHER BENEFITS           | PENSION CONTRIBUTION |                             |                          |   |
| Dirk Tirez (remunerated as CEO until December 9, 2022) | 515,995.9  | 19,940.88 <sup>20</sup>  | 214,030.84           | 218,406                     | 968,373.62               | Fixed: 77.45 %<br>Variable: 22.55 %                         |
| Other Executive Committee members                      | 3,826,074.81 <sup>21</sup>   | 305,643.01 <sup>22</sup> | 504,518.67           | 1,159,945.49                | 5,796,181.98             | Fixed: 79.99 %<br>Variable: 20.01 %                         |

### C. Use of clawback provisions

There are no specific contractual clawback provisions in favor of bpost for the variable remuneration paid out to the CEO and the other members of the Executive Committee.

### D. Changes to the composition of bpost's Executive Committee – severance pay

The following changes in the composition of the Executive Committee occurred in 2022:

- on November 9, 2021, upon recommendation of the Remuneration & Nomination Committee, the Board of Directors decided to appoint (i) Jean Muls as **CEO bpost Belgium** and member of the Executive Committee and (ii) Nicolas Baise as **Chief Strategy & Transformation Officer** and member of the Executive Committee, both with effect as from January 10, 2022;
- on December 1, 2021, upon recommendation of the Remuneration & Nomination Committee, the Board of Directors decided to appoint James Edge as **Chief Technology Officer** and member of the Executive Committee with effect as from January 15, 2022;
- on January 28, 2022, upon recommendation of the Remuneration & Nomination Committee, the Board of Directors decided to appoint
  - Henri de Romrée as **CEO E-Logistics North America** and member of the Executive Committee with effect as from March 7, 2022;
  - Anette Böhm as **Chief Human Resources Officer Group** and member of the Executive Committee with effect as from June 1, 2022;
- on February 15, 2022, upon recommendation of the Remuneration & Nomination Committee, the Board of Directors decided to Philippe Dartienne as **Chief Financial Officer** and member of the Executive Committee with effect as from June 1, 2022;
- on October 3, 2022, upon recommendation of the Remuneration & Nomination Committee, the Board of Directors decided to:
  - terminate with immediate effect the collaboration with Jean Muls as **CEO bpost Belgium** and member of the Executive Committee: a severance pay of 619,461.53 EUR was paid pursuant to the dismissal in accordance with the terms and conditions of the employment agreement. No non-compete remuneration was paid.
  - appoint Jos Donvil as **CEO bpost Belgium** and member of the Executive Committee with effect as from October 31, 2022 – following his appointment as member of the Executive Committee, Jos Donvil resigned as member of the Board of Directors with effect as from October 31, 2022;
- on October 24, 2022, following a compliance review relating to the concession for the distribution of newspapers in Belgium, the Board of Directors and Dirk Tirez (CEO) mutually agreed that Dirk Tirez temporarily stepped aside pending the review. During that period, the powers of **daily management** were entrusted to Henri de Romrée (CEO of E-Logistics North America) with effect as from October 24, 2022. Henri de Romrée continued to be remunerated as a member of the Executive Committee;
- on November 9, 2022, the Board of Directors unanimously decided (i) that Henri de Romrée returns to his function of CEO of E-Logistics North America and (ii) to appoint Philippe Dartienne (CFO) as **CEO ad interim** with immediate effect. Philippe Dartienne continued to be remunerated as a member of the Executive Committee;
- on November 14, 2022, a special proxy was granted to Koen Aelterman as **Chief Financial Officer ad interim** (in accordance with the bpost delegations of authorities), pending the appointment of a new CEO;
- on December 9, 2022, the Board of Directors and Dirk Tirez mutually decided to terminate their collaboration: as a consequence, Dirk Tirez resigned with immediate effect as (i) member of the Board of Directors and (ii) CEO. Dirk Tirez was remunerated as CEO until December 9, 2022. No severance pay, non-compete remuneration or variable remuneration for the achievement of collective and individual objectives for the year ended on December 31, 2022 were due;
- on December 31, 2022, Mark Michiels retired as **CHRO**.

<sup>19</sup> Fixed remuneration comprises the base remuneration, the other benefits and the pension contributions. Variable remuneration comprises the variable short-term remuneration.

<sup>20</sup> Other benefits of the CEO include: (i) representation fees (3,300.00 EUR) and (ii) leasing costs for company car (16,640.88 EUR).

<sup>21</sup> The base remuneration of the other Executive Committee members include end-year bonuses and holiday pay, as well as the severance pay of 619,461.53 EUR paid to Jean Muls following the end of the collaboration with him.

<sup>22</sup> Other benefits of the other members of the Executive Committee include: (i) representation fees and meal vouchers (23,819.64 EUR); (ii) leasing costs for company car (88,019.56 EUR); (iii) relocation and travel reimbursement (158,258.57 EUR) and (iv) My Benefit My Choice (35,545.24 EUR).

### 3. Compliance with bpost's Remuneration Policy, long-term objectives and sustainability

The total amount of remuneration paid out during the financial year 2022 is in line with the principles of the Remuneration Policy approved by the Shareholders' Meeting of May 12, 2021.

The objective of the bpost's Remuneration Policy is to attract, motivate, and retain the best qualified talents needed to achieve bpost's short- and long-term goals within a coherent framework. The Remuneration Policy is structured in a way that aligns the interests of the bpost's Board of Directors and management with the interests of shareholders, stakeholders and society at large:

- the level of the fixed base remuneration ensures that the bpost Group could always rely on a professional and experienced management, even in more difficult times, such as the Covid-19 crisis;
- the payment of the variable short-term remuneration ensures the realization of both financial and non-financial performance criteria that translate the strategy of bpost.

### 4. Remuneration of employees

bpost applies the same principles of remuneration for its management and employees: they both have a fixed base remuneration, a variable remuneration and various benefits. The fixed base remuneration component is reviewed regularly. The variable remuneration component depends on key financial and non-financial metrics of bpost. Additional benefits are granted, depending on the qualifications and seniority of the staff.

As Belgium's leading postal operator and a parcels and e-commerce logistics provider in Europe, North-America, and Asia, bpostgroup employs over 34,509 experienced and talented employees, who are committed to serving bpost's clients and communities. bpost is dedicated to continuing to improve working conditions to promote a collaborative, inclusive and healthy workplace. bpost is convinced that this will help the Company to attract, develop and retain the best talent and capabilities to drive bpost's strategy.

The ratio between the highest executive remuneration (CEO or member of the Executive Committee, as appropriate) and the lowest employee remuneration (on a fulltime equivalent basis) within the Company in 2022 was 32.

### 5. Information on shareholder vote

The Shareholders' Meeting of May 11, 2022 approved the remuneration report of 2021 with a majority of 87,92% (compared to 79.82% in 2021) (with 12,08% against compared to 19,80% in 2021).

bpost encourages an open and constructive dialogue with its shareholders to discuss its approach to governance, including remuneration.

One concern raised about the bpost Remuneration Policy is that the company is reporting on previous year performance instead of the performance during the reporting year for the payment of the variable short-term remuneration. However, as stated above (see Section 2B), the variable short-term remuneration for the achievement of collective objectives and individual performance targets during the reporting year, if any, are only determined (and paid) in May of the following year, after the performance assessment of the CEO and of each member of the Executive Committee. As a consequence, the amount of the variable short-term remuneration, if any, related to achievement during the financial year 2022 and to be determined (and paid) in May 2023, are not known on the day of the publication of this Remuneration Report and will be disclosed in the remuneration report to be published in 2024.

### 6. Remuneration of the members of the Board of Directors and of the Executive Committee in context

This section places the remuneration of the members of the Board of Directors and of the Executive Committee and its development over time in the broader context of the average remuneration of bpost's employees (on a full-time equivalent basis) and of bpost's performance. The following table gives an overview of the evolution in time over the last 5 years of the total remuneration of the members of the Board of Directors of the Executive Committee. The table further displays this evolution in the broader context of the average remuneration of bpost's employees (on a full-time equivalent basis) and the overall annual performance criteria.

The methodology used for the calculation of the remuneration average (on a full-time equivalent basis) of the employees is the following: the sum of the monthly salary, annual bonus, other benefits, divided by the total number of employees on a full-time equivalent basis.

|  | FY 2018<br>(EUR OR %) | % CHANGE<br>VS FY 2018 | FY 2019<br>(EUR OR %) | % CHANGE<br>VS FY 2019 | FY 2020<br>(EUR OR %) | % CHANGE<br>VS FY 2020 | FY 2021<br>(EUR OR %) | % CHANGE<br>VS FY 2021 | FY 2022<br>(EUR OR %) |
|--|-----------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|
| <b>BOARD OF DIRECTORS AND MANAGEMENT REMUNERATION (1)</b>                    |                       |                        |                       |                        |                       |                        |                       |                        |                       |
| Board of Directors' members' global remuneration                             | 331,510.77            | 17%                    | 388,123.43            | -17.8% (2)             | 319,138.05            | 53.59% (7)             | 490,161.55            | -7.05%                 | 455,604.47            |
| CEO's global remuneration  | 902,123.95            | -18%                   | 736,325.66            | -15.4%                 | 623,285.02            | -0.42%                 | 620,659.39            | 56.02%                 | 968,373.62 (10)       |
| Other Executive Committee members' global remuneration                       | 4,363,457.84          | 4%                     | 4,277,964.94          | 10.7%                  | 4,791,691.71 (3)      | -18.65% (8)            | 3,898,218.66          | 48.69%                 | 5,796,181.98 (11)     |
| <b>COMPANY PERFORMANCE</b>   |                       |                        |                       |                        |                       |                        |                       |                        |                       |
| Financial metric (adjusted EBIT)   | 424,261,989.47        | -27%                   | 310,805,491.40        | -9.7%                  | 280,573,881.37        | 24.51%                 | 349,346,004.54        | -20%                   | 278,498,240.70        |
| Total operating income (adjusted)  | 3,850,200,000.00      | -0.3%                  | 3,837,800,000.00      | 8.3%                   | 4,154,600,000.00      | 4.31%                  | 4,333,721,258.15      | 1.47%                  | 4,397,525,430.98      |
| Customer Loyalty Index   | 57.95%                | 73% (4)                | 100.17%               | -8.2%                  | 91.95%                | 34% (9)                | 123.19%               | -3.36%                 | 119.05%               |
| Short-term Absenteeism Index   | 4.37%                 | 3%                     | 4.52%                 | 9.7%                   | 4.96% (5)             | 2.41%                  | 5.08%                 | 11.02%                 | 5.64%                 |
| Employee Engagement Index  |                       |                        |                       |                        |                       |                        | 72.4%                 | -1.24%                 | 71.5%                 |
| <b>AVERAGE REMUNERATION ON A FULL-TIME EQUIVALENT BASIS OF EMPLOYEES (6)</b> |                       |                        |                       |                        |                       |                        |                       |                        |                       |
| Employees of the Company   | 46,256.00             | 2%                     | 47,259.00             | 1.8%                   | 48,118.00             | 0.1%                   | 48,182.21             | 5.2%                   | 50,704.15             |

Explanations regarding information included in the above table can be found below:

- (1) The total remuneration of the members of the Board of Directors and of the members of the Executive Committee includes the variable short-term remuneration. The total remuneration of the Executive Committee also includes severance pays, if any.
- (2) The decrease in the total remuneration of the Board of Directors' members in 2020 is explained by the fact that since October 2019, the mandate of one independent director was vacant.
- (3) The increase in the total remuneration of the members of the Executive Committee (with the exception of the CEO) in 2020 compared to 2019 is explained by (i) changes in the composition of the Executive Committee leading to a higher amount of base remuneration, (ii) an increase in the pension costs, as well as (iii) the improved Company's performance in 2019 compared with the results in 2018 leading to a higher amount of variable short-term remuneration for the performances of the Executive Committee's members in 2019 paid in 2020.
- (4) The increase in the Customer Loyalty Index in 2019 is explained by the good progress of operational indicators linked to mail & parcels delivery as well as by the positive result of the NPS Parcels, an additional criterion taken into account in the determination of the Customer Loyalty Index as from 2019.
- (5) The percentage of 4.96% is the Short-term Absenteeism Index for the full financial year 2020. However, for the calculation of the collective objectives of 2020, only the Short-term Absenteeism Index of Q3 2020 is taken into account due to the quarantine impact due to Covid-19, i.e., 3.94%.
- (6) The average remuneration of employees of bpost excludes directors, members of the Executive Committee and the CEO who would have entered into an employment agreement with the Company.
- (7) The increase in the total remuneration of the Board of Directors' members in 2021 is explained by the fact that (i) the number of Board of Directors members was lower in 2020 and (ii) there were a significant number of Remuneration & Nomination Committee meetings in 2021 as a result of the replacement of the CEO and other directors whose mandate terminated.
- (8) The decrease in the total remuneration of the Executive Committee is explained by a decreased number of Executive Committee members during the financial year 2021.
- (9) The increase in the Customer Loyalty Index in 2021 is explained by progresses and good performance in all indicators composing this Index in the course of the year.
- (10) The increase in the total remuneration of the CEO in 2022 compared to the 3 previous financial years is explained by the fact that (i) the insurance policy coverage of the CEO (covering the period from July 2021 – date of appointment of Dirk Tirez as CEO – until 31 December 2021) was invoiced in 2022 and not in 2021, (ii) in 2020 and 2021, no bonus was paid to the respective CEOs as they had not completed a full year (i.e., Jean-Paul Van Avermaet for 2020 and 2021, Dirk Tirez for 2021) and (iii) the indexation during 2022.
- (11) The increase in the total remuneration of the Executive Committee in 2022 is explained by (i) the fact that in 2021, the number of Executive Committee members was lower, (ii) the total remuneration includes the severance pay of 619,461.53 EUR paid to Jean Muls and (iii) the indexation during 2022.

# Risk Management & Compliance

## Risk Management

bpost's Enterprise Risk Management ("ERM") framework assists bpost in managing risks effectively and in implementing the necessary controls to pursue its objectives. The ERM framework covers: (i) risk management, allowing bpost to take informed decisions on risks it is willing to take to achieve its strategic objectives, thereby taking into account external factors; and (ii) internal control activities, which include all internal policies, procedures and business practices to mitigate risks. Best practices in risk management and internal control activities (e.g., international standard ISO31000) and the Commission on Corporate Governance's directions have been used as references to define the ERM framework.

The following description of bpost's internal control and risk management activities is factual and aims to cover the activities' main characteristics.

## Risk assessment

The purpose of risk management, embedded in the ERM framework, is to deliver a consistent corporate approach and establish a sound risk management culture. A strategic risk assessment takes place as part of the process to define/ revise bpost's strategy. Moreover, there is risk and internal control management at a process, product or project level. This includes an evaluation of the adequacy of the most important internal controls to mitigate risks at a process, product or project level. The same structured risk management process is applied:

- identification of the risks that may have an impact on realizing the objectives;
- assessment of risks in order to prioritize them;
- decision on risk responses and action plans to address key risks;
- monitoring action plan implementation and overall risk evolutions and identification of emerging risks.

The coherence of risk activities is ensured by using a single framework of risk evaluation criteria to assess the risks. This ensures the right risks are circulated, both top-down and bottom-up.

*More information can be found in the "Risk Management" section of the annual report*

## Control activities

### In general

Policies and procedures are established for the key processes (accounting, procurement, investments, treasury, etc.). They are subject to regular controls. Internal controls are monitored where relevant.

All Group companies use an Enterprise Resource Planning ("ERP") system or accounting software to support efficient processing of business transactions, to perform accounting and to deliver data for consolidation. These systems provide management with transparent and reliable information it needs to monitor, control, and direct business operations. A close monitoring of potential conflicts of separation of duties in the ERP system is carried out on a regular basis. bpost has established management processes to ensure the implementation of appropriate measures on a daily basis to sustain the performance, availability and integrity of its IT systems. The adequacy and effectiveness is monitored through internal service level agreements as well as periodic performance and incident reporting to the different Business Units involved.

### Specifically related to the financial statements

Systematic and structured finance processes ensure a timely and qualitative reporting. These processes include the following main activities or controls:

- careful and detailed planning of all activities, including owners and timing;
- communication by the Group Finance Department prior to the closing of guidelines, including on all IFRS accounting principles, to be applied by all legal entities and operating units;
- separation of duties between the accounting teams in the different legal entities actually performing the accounting activities and the departments responsible to review the financial information. The review is performed more specifically by (i) financial business partners responsible, *inter alia*, for the review of financial information in their area of responsibility, and (ii) the Group Finance Department, which is responsible for the final review of the financial information of the different legal entities and operating units and for the preparation of the consolidated financial statements;
- systematic account justification and review after the closing triggering follow-up and feedback of the timelines, quality and lessons learned in order to strive for continuous improvement.

## Information and communication

The Internal Communication department uses a wide variety of tools, such as the Company's intranet and employee newsletters, to circulate messages in a structured and systematic way both from top management and operational level.

Financial and performance information is shared between operational and financial management and the Executive Committee. Besides the monthly reporting analysis prepared by the financial business partners, the Executive Committee conducts a thorough quarterly review of the different Business Units' performance.

Proper assignment of responsibilities and coordination between the relevant departments ensures an efficient and timely communication process for periodic financial information. The Group Finance Department communicates on a regular basis all IFRS accounting principles, guidelines and interpretations, to be applied by all legal entities and operating units, to the accounting teams of the different legal entities and operating units.

Externally, the Press Relations, Public Affairs and Investor Relations departments manage stakeholders, e.g. press, public authorities and the financial community. These departments centralize and validate external communications with a potential impact at Group level. This includes, but is not limited to, financial information.

Financial information is made available to the market on a quarterly, semi-annual and annual basis. Prior to external publication, financial information is subject to (i) an extensive internal validation process, (ii) review by the Audit & Risk Committee, and (iii) approval by bpost's Board of Directors.

## Monitoring

### Commitment to corporate governance fostering accountability

The Board of Directors supervises the Company's operational management. The Audit & Risk Committee advises the Board of Directors on accounting, audit, risk management and internal control matters. Without prejudice to the monitoring role of the Board of Directors, the Executive Committee establishes risk management and internal control guidelines and procedures and monitors their effective roll-out. A "three lines of defense" model has been implemented:

- the operational management is responsible for the design and maintenance of risk management and internal controls (first line);
- the second line functions, such as Legal & Compliance, Regulatory, Data Protection, Safety & Prevention, Security or Integrity, provide expert support to the first line operational management. All second line functions report at least annually to the Executive Committee on the risk evolution in their respective domains;
- finally, Corporate Audit, responsible for the internal audits of bpostgroup, constitutes the third line of defense. The Corporate Audit Director reports to the Audit & Risk Committee's Chair and CEO.

### Corporate Audit (internal) and Joint Auditors (external)

bpost has a professional internal audit department that works in line with the Institute of Internal Auditors' standards. The department is subject to an external quality review every five years. Corporate Audit conducts an annual risk assessment with a semi-annual revision to determine the audit program. Via its audit assignments, Corporate Audit provides reasonable assurance on internal control effectiveness in the different processes, products or projects reviewed.

The Joint Auditors provide an independent opinion on the full year statutory and consolidated financial statements. They perform a limited review on the half-year interim condensed financial statements. In addition, they review material changes to the IFRS accounting principles and evaluate the different identified key controls on the processes that support the set-up of the financial statements.

### Audit & Risk Committee and Board of Directors

The Audit & Risk Committee advises the Board of Directors on accounting, audit, risk management and internal control matters.

To do so, the Audit & Risk Committee receives and reviews:

- all relevant financial information to enable the Audit & Risk Committee to analyze the financial statements;
- the quarterly treasury update;
- any significant change of the IFRS accounting principles;
- relevant findings resulting from the activities of the Corporate Audit Department and/or the Joint Auditors;
- the Corporate Audit's semi-annual status report on the follow-up of audit recommendations and annual activity report;
- the Executive Committee's annual conclusion on the effective execution of bpost's risk management and internal control activities as well as periodic information on the main business and related risk evolutions.

The Board of Directors ultimately ensures the establishment of internal control systems and procedures. The Board of Directors monitors the functioning and adequacy of the internal control systems and procedures, considering the Audit & Risk Committee’s review, and takes the necessary measures to ensure the integrity of the financial statements. A procedure is in place to convene bpost’s appropriate governing body on short notice if and when circumstances so dictate.

More detailed information on the composition and functioning of the Audit & Risk Committee and the Board of Directors is included in the section of this Corporate Governance Statement on the Board of Directors and the Audit & Risk Committee.

## Compliance

bpostgroup is built upon a foundation of strong corporate values and ethical business practices designed to support our sustainable and responsible business strategy. These values and practices reflect our commitment to our colleagues, employees, suppliers, customers, business partners, shareholders and the larger society. Building a reputation as a trustworthy and ethical organization among our stakeholders is necessary to maintain sound and robust relationships and drive positive customer experience and financial performance.

To achieve this, bpostgroup encourages each employee to continuously hold themselves to the highest ethical standards. These standards, values and principles are set out in the bpostgroup Code of Conduct, which is reflected in multiple bpostgroup codes, policies and procedures.

Compliance with bpostgroup codes, policies and procedures is carefully monitored. The Board of Directors oversees bpostgroup’s commitment to strong corporate values and ethical business practices regularly and takes decisions and actions for enhancements, as appropriate.

### bpostgroup Compliance Department

The bpostgroup Compliance Department is responsible for coordinating compliance activities within the bpostgroup, and aims to promote, at all levels, ethical conduct, respect of values and compliance with laws and internal and external rules and policies, prevent unlawful or unethical behavior and ensures an appropriate response in case such behavior occurs. The bpostgroup Compliance Department is managed by the Director Compliance, who reports directly to Chief Legal Officer and CEO of bpostgroup.

### Commitment to integrity and ethical values

| METRIC   | 2021 | 2022 |
|--|------|------|
| Number of registered complaints on unethical workplace behaviour   | 50   | 53   |
| Number of registered cases of corruption and bribery   | 0    | 0    |
| Monetary amount of legal and regulatory fines and settlements above 10,000 EUR linked to data breaches, corruption or environment damage | 0    | 0    |

bpostgroup is committed to continuously working to improve its due diligence processes and awareness on integrity and ethical behavior across the group such as through good communication guidelines, direct employee communication and following up on registered cases of unethical workplace behavior. Employees are encouraged to report suspected violations or concerns through various channels. In 2022 bpostgroup had no registered cases of corruption or bribery, nor any legal or regulatory fines, or settlements above 10,000 EUR linked to data breaches, corruption or environment damage. The number of registered complaints on unethical workplace behavior slightly increased, mainly in North America. To address this, Radial launched, amongst other things, a second Employee Resource Group dedicated to this subject in October 2022 by initiating a positive movement to speak up and reach out. Over the course of 2022, bpostgroup strengthened efforts to create an environment across the group where people feel safe and empowered to speak up, and updated its Code of Conduct (see below).

### Code of conduct

The Board of Directors and Executive Committee have approved bpostgroup’s Code of Conduct, which was first issued in 2007 and last updated in December 2022.

The Code – publicly available on <https://bpostgroup.com/who-we-are/compliance> – has general principles that describe the values and ethical standards for everybody working in the group and enables appropriate responses in the event that it is not followed. These principles are reinforced by the relevant codes, policies and procedures that are in place across bpostgroup’s businesses, affiliates and ventures.

bpostgroup expects all its employees to comply with the Code of conduct and use it as a reference in their day-to-day practice. Any violations of the Code of Conduct must be reported to the established channels provided for in the bpostgroup Code of Conduct, on a confidential basis as the case may be.

### Human Rights Policy

bpostgroup is committed to the highest standards of ethical behaviour in the protection and promotion of human rights (including freedom of association and collective bargaining, prohibition of forced labor, human trafficking, modern slavery and child labor). bpostgroup has adopted and published a [Human Right Policy](#). bpostgroup expects all people involved in the group’s business to respect the Human Rights Policy. There is zero-tolerance regarding violations of human rights and there are no exceptions to this Human Rights Policy.

## Dealing & Disclosure Code

To comply with insider trading and market manipulation regulations, bpostgroup has adopted a Dealing and Disclosure Code which is publicly available on <https://bpostgroup.com/who-we-are/compliance>. This Code, amended from time to time to be in line with the most recent market abuse laws and regulations, aims to create awareness around possible improper conduct by employees, senior employees, and persons discharging managerial responsibilities (being members of the Board of Directors and of the Executive Committee) and their associated persons. The Dealing and Disclosure Code contains strict rules on confidentiality, non-use of “price sensitive” information, and dealing restrictions. The rules of this Code have been widely communicated within bpostgroup and the Code is available to all employees, senior employees and persons discharging managerial responsibilities. In conformity with the Market Abuse Regulation of April 16, 2014, persons discharging managerial responsibilities at bpost have been informed of their obligations in relation to insider trading under the Market Abuse Regulation.

## Commitment to employee development and competence

Good leadership is invaluable and generates better results for bpost. To develop skills, bpost has established its own training center. Technical courses are held in the business units (e.g., training on the International Financial Reporting Standards (“IFRS”) used to prepare bpost’s consolidated financial statement) and ad hoc courses are developed on a need-to-have basis. Personal development is driven by clear job descriptions and a structured bi-annual evaluation. Ad hoc coaching sessions are promoted.

# Diversity

## Creating a culture of Diversity and Inclusion

bpost is a highly diverse company in terms of its workforce and is committed to creating and supporting a collaborative workplace culture. Such a diverse environment allows the group to optimize interaction with its customers and stakeholders, and responds to challenges in different and efficient ways.

In that context, bpost has designed a [Diversity Policy](#) aimed at creating diversity and inclusion awareness within the group. The purpose of this Diversity Policy is to support bpost employees and management in building a culture where diversity and inclusion are a daily practice.

The program focuses on engagement, awareness, and involvement. The Board of Directors sets the tone at the top and is the true sponsor of the diversity and integration workshops organized for teams investing in diversity and inclusion awareness and/or dealing with specific topics within the diversity and inclusion framework.

## Diversity within the Board of Directors and the Executive Committee

bpost adheres to the view that diversity of competences and views of the Board of Directors and Executive Committee facilitates a good understanding of the business organization and affairs. It enables the members to constructively challenge strategic decisions, ensure risk management awareness, and be more open to innovative ideas.

bpost complies with the provisions of Article 7:86 of the BCCA in terms of gender diversity, but the Diversity Policy for the members of its management goes beyond this strict legal minimum.

In the composition of the Board of Directors and Executive Committee, special attention is paid to diversity in terms of criteria such as age, professional background, gender, and geographic diversity. When considering candidates for vacancies, the Remuneration & Nomination Committee takes into account balanced scorecards of such diversity criteria.

Diversity aspects that are taken into account in relation to the bpost Board of Directors and Executive Committee members are the following:

- **Gender:** gender diversity promotes a better understanding of the market place, increases creativity, produces more effective leadership and promotes effective global relationships. To achieve greater gender diversity within its management, bpost aims to (i) identify potential female talents at an early stage, (ii) provide opportunities that allow women to reach their full potential, (iii) enroll women in development programs that prepare them for management roles.
- **Age:** age diversity in the workplace is part of the human capital and provides a larger spectrum of knowledge, values, and preferences. Such age-diverse management will provide a more dynamic environment with continuous movement. To achieve age diversity, bpost aims to ensure that its management counts (i) older talents, with breadth and depth of work experience, and (ii) high-potential younger talents who are eager to learn.
- **Professional background:** to stay competitive in a changing environment, bpost must attract and retain talent with diverse professional backgrounds. Diversity of professional backgrounds provides bpost with a range of expertise and experience necessary to respond to the complex challenges it faces. To achieve professional background diversity within its management, bpost aims to identify people who (i) have distinct professional backgrounds, and (ii) come from various sectors at different points in their career.
- **Geographic diversity:** geographic diversity is significant and positively correlated with firm performance, especially in increasing business and strategy internationalization. To stimulate geographic diversity, bpost takes into account foreign elements in the profile and the path of its candidates.

The Board of Directors assesses annually whether diversity within the bpost management has improved.



## Diversity aspects – Implementation & outcome

On December 31, 2022, the outcome of diversity aspects in relation to the bpost Board of Directors and Executive Committee members is the following:

