

7.3 Remuneration of Board of Directors and Executive Committee members

This note describes the Ageas Remuneration Policy as applied in 2014. It contains detailed information on the remuneration of individual Board members and Executive Committee members who held office during 2014.

The remuneration of the Board of Directors members and Group Executive Committee members has been determined in accordance with the Remuneration Policy, which was approved by the General Meetings of Shareholders of ageas SA/NV and ageas N.V. on, respectively 28 and 29 April 2010, and which is set forth in the Ageas Corporate Governance Charter as may be amended from time to time (see <https://www.ageas.com/en/about-us/corporate-governance>).

Paragraph 7.3.1 describes the remuneration of the non-executive Board of Directors members. The remuneration of the executive Board member (the CEO) and the other members of the Group Executive Committee is clarified in paragraph 7.3.2 Remuneration of Ageas Executive Committee members.

7.3.1 Remuneration of the Board of Directors

Changes in the Board of Directors in 2014 – Remuneration 2014

In 2014, Davina Bruckner was appointed as a new Board member. The Board is currently composed of eleven members: Jozef De Mey (Chairman, non-executive), Bart De Smet (CEO, executive), Guy de Selliers de Moranville (vice-chairman, independent), Lionel Perl, Roel Nieuwdorp, Jan Zegering Hadders, Steve Broughton, Jane Murphy, Richard Jackson, Lucrezia Reichlin (non-executives, independent) and Davina Bruckner (non-executive).

Regarding Board membership of non-executive Board members in Ageas subsidiaries, Guy de Selliers de Moranville (Chairman), Jan Zegering Hadders and Steve Broughton continued to be members of the Board of Directors of Ageas UK, Ltd. Regarding AG Insurance SA/NV, Lionel Perl continued to be member of the Board of Directors and Jozef De Mey Chairman of the Board. Jozef De Mey is also non-executive Board member of Muang Thai Group Holding Company, Ltd., of Muang Thai Life Assurance Public Company, Ltd., of Bright Victory International, Ltd. and of Credimo Holding NV and Chairman of the Board of Directors of

Ageas Asia Holdings, Ltd. and Credimo NV. Roel Nieuwdorp is member of the Board of Directors of Ageas France S.A. To the extent that these positions are remunerated, the amounts paid out are disclosed in the tables below.

Total remuneration of non-executive Board members amounted to EUR 1.26 million in the 2014 financial year (2013: EUR 1.23 million). This remuneration includes the basic remuneration for Board membership and the attendance fees for Board meetings and Board Committee meetings both at the level of Ageas and at its subsidiaries.

Implementation of Remuneration Policy

In April 2010, the General Meetings of Shareholders of ageas SA/NV and ageas N.V. approved the Remuneration Policy applicable as of 1 January 2010 in respect of Ageas' non-executive Board members. In April 2011, the General Meetings of Shareholders of ageas SA/NV and ageas N.V. reconfirmed this Remuneration Policy.

The Ageas Remuneration Policy is in line with the Corporate Governance Act of 6 April 2010.

The remuneration levels for the non-executive Board members were validated by the General Meeting of Shareholders in April 2013 and did not change in 2014. These remuneration levels consist of a fixed annual remuneration on the one hand and an attendance fee on the other hand. The fixed annual remuneration amounts to EUR 90,000 for the Chairman and EUR 45,000 for the other non-executive Board members. Non-executive Board members receive an attendance fee of EUR 2,000 per Board Meeting and EUR 1,500 per Board Committee Meeting. For the Chairman of the Board of Directors and the Board Committees, the respective attendance fees are set at EUR 2,500 per Board Meeting and EUR 2,000 per Board Committee Meeting.

In accordance with the policy, non-executive Board members do not receive annual incentives or stock options and are not entitled to pension rights. The remuneration of the executive Board member (the CEO) is related exclusively to his position as CEO and is therefore determined in line with the Remuneration Policy for Executive Committee members (see paragraph 7.3.2).

Remuneration of the Board of Directors

The remuneration received by Board of Directors members in 2014, is mentioned in the table below. The number of Ageas shares held by Board members at 31 December 2014 is reported in the same table.

Function	From	Till	Remuneration in 2014 (in EUR) as Board Member of Ageas ^{1) 3)}	Ageas shares directly held at 31 December 2014 by current Board Members	
Jozef De Mey	Chairman	1 January 2014	31 December 2014	141,000	9,427
Guy de Selliers de Moranville	Vice-chairman	1 January 2014	31 December 2014	95,500	
Roel Nieuwdorp	Non-executive Board member	1 January 2014	31 December 2014	88,000	260
Lionel Perl	Non-executive Board member	1 January 2014	31 December 2014	89,000	
Jan Zegering Hadders	Non-executive Board member	1 January 2014	31 December 2014	93,500	
Steve Broughton	Non-executive Board member	1 January 2014	31 December 2014	84,000	
Jane Murphy	Non-executive Board member	1 January 2014	31 December 2014	86,000	
Richard Jackson	Non-executive Board member	1 January 2014	31 December 2014	76,000	
Lucrezia Reichlin	Non-executive Board member	1 January 2014	31 December 2014	74,000	
Davina Bruckner	Non-executive Board member	30 April 2014	31 December 2014	44,000	853,011
Bart De Smet	Chief Executive Officer (CEO)	1 January 2014	31 December 2014	See infra ²⁾	3,660 ⁴⁾
Total				871,000	866,358

1) Board Members also receive an attendance fee for committee meetings they attend as invitee.

2) Bart De Smet is not remunerated as Board Member but as CEO (see note 7.3.2 for details of his remuneration).

3) Excluding reimbursement of expenses.

4) Not including the shares committed to be granted for the LTI.

The remuneration received by Board of Directors Members in 2014 for their mandates in subsidiaries of Ageas is mentioned in the table below.

From	Till	Total Remuneration in 2014 (in EUR) as member of the Board of directors of Ageas subsidiaries ²⁾	
Jozef De Mey	1 January 2014	31 December 2014	85,340
Guy de Selliers de Moranville	1 January 2014	31 December 2014	52,969
Roel Nieuwdorp	1 January 2014	31 December 2014	60,000
Lionel Perl	1 January 2014	31 December 2014	63,000
Jan Zegering Hadders	1 January 2014	31 December 2014	52,710
Steve Broughton	1 January 2014	31 December 2014	75,577
Jane Murphy	1 January 2014	31 December 2014	
Richard Jackson	1 January 2014	31 December 2014	
Lucrezia Reichlin	1 January 2014	31 December 2014	
Davina Bruckner	30 April 2014	31 December 2014	
Bart De Smet	1 January 2014	31 December 2014	See infra ¹⁾
Total			389,596

1) Bart De Smet is not remunerated as Board Member but as CEO (see note 7.3.2 for details of his remuneration).

2) Excluding reimbursement of expenses.

7.3.2 Remuneration of Ageas Executive Committee Members

The composition of the Executive Committee changed during 2014. As of 1 July 2014, Filip Coremans succeeded Kurt De Schepper as CRO of the company. At 31 December 2014, the Executive Committee of Ageas is composed of Bart De Smet (CEO), Christophe Boizard (CFO) and Filip Coremans (CRO). The CEO is the only executive member of the Board of Directors.

In 2014, the total remuneration of the Executive Committee amounted to EUR 2,997,708 compared to EUR 3,773,708 in 2013. This comprised:

- a base remuneration of EUR 1,425,000 (compared to EUR 1,425,000 in 2013);
- a short-term incentive (STI) of EUR 801,151 in 2014 compared to EUR 780,404 in 2013. In line with the approved Remuneration Policy, only 50% of the short-term incentive for 2012 was paid in 2013, 25% has been adjusted and paid in 2014, the remainder is to be adjusted and paid in 2015. Additionally, only 50% of the short-term incentive for 2013 was paid in 2014, the remainder is to be adjusted and paid in 2015 and 2016. The STI for the 2014 financial year will be paid partly in 2015, 2016 and 2017;
- taking into account the relative TSR-performance of the Ageas share over the year 2014, there is no granting of a long-term incentive for 2014 (compared to 2013 when 25.033 shares – with a value of EUR 801,579 – were granted);
- pension costs of EUR 551,351 (excluding taxes) (compared to EUR 549,994 in 2013);
- an amount of EUR 220,206 (compared to EUR 216,731 in 2013) representing other usual benefits, such as health, death, disability cover and company car;
- no termination compensation was paid in 2014.

The remuneration of each Executive Committee member is further detailed below.

Remuneration Policy

The Remuneration Policy for the members of the Executive Management was determined by the Board of Directors, upon proposals by the Remuneration Committee, approved in April 2010 and amended in April 2011 by the General Meetings of Shareholders of ageas SA/NV and ageas N.V. For more detailed information on the remuneration applicable to the Ageas Executive Committee Members, please refer to the Report of the Remuneration Committee.

The remuneration package is part of a contract specifying terms and conditions: a description of the components of the package, termination clauses and various other clauses such as confidentiality and exclusivity. With effect from 1 December 2009, the contracts include a termination indemnity in accordance with the regulations laid down by the Belgian government.

The members of the Executive Committee are self-employed.

Remuneration of the ExCo Members in 2014

CEO

The remuneration of the CEO, who is also a member of the Board of Directors, relates solely to his position as CEO.

The remuneration of Bart De Smet has been determined after consultation with an external firm specialised in executive compensation and benefits, upon recommendation of the Remuneration Committee and in accordance with the Remuneration Policy.

Bart De Smet's remuneration in 2014 was comprised of:

- a base remuneration of EUR 575,000, well within the range approved by the shareholders in 2013;
- a short-term incentive of EUR 327,750. In line with the remuneration policy, he will be paid EUR 330,773 during 2015 of which:
 - EUR 163,875 is related to the 2014 financial year. In line with the Remuneration Policy, only 50% of the EUR 327,750 of STI related to the 2014 financial year will be paid in 2015. The balance of the STI related to the 2014 financial year will be paid in the next two years, subject to – upward or downward – revision as foreseen in the Remuneration Policy approved by the General Meetings of Shareholders in 2010;
 - the initial amount corresponding to 25% of the STI for the 2013 financial year was EUR 86,394, this amount was revised downwards taking into account the 2014 result to EUR 84,381. The balance of the STI related to the 2013 financial year will be paid next year, subject to – upward or downward – revision, and;
 - the initial amount corresponding to 25% of the STI for the 2012 financial year was EUR 98,563, this amount was revised downwards, taking into account the 2013 and 2014 results, to EUR 82,517.

- there was no granting of a long-term incentive over the year 2014. For 2013, 10,101 shares were conditionally granted. In line with the Remuneration Policy, and except for those that would be sold at vesting in 2017 (up to 50%) in order to allow financing of the related income tax, these shares are blocked until 2018, and are further adjusted taking into account the evolution over the years 2014, 2015 and 2016. All numbers mentioned are after the reverse stock split;
- an amount of EUR 226,934 (excluding taxes) representing the costs of the defined contribution pension plan;
- an amount of EUR 85,201 representing other usual benefits such as health, death, disability cover and company car.

Other members of the Executive Committee

The composition of the executive committee changed during 2014. As of 1 July 2014, Filip Coremans succeeded Kurt De Schepper as CRO of the company.

In 2014, the remuneration of Christophe Boizard, CFO was comprised of:

- a base remuneration of EUR 425,000, unchanged since 2011;
- a short-term incentive of EUR 222,488. In line with the remuneration policy, he will be paid EUR 235,153 during 2015 of which :
 - EUR 111,244 is related to the 2014 financial year. In line with the Remuneration Policy, only 50% of the EUR 222,488 of STI related to the 2014 financial year will be paid in 2015. The balance of the STI related to the 2014 financial year will be paid in the next two years, subject to – upward or downward – revision as foreseen in the Remuneration Policy;
 - the initial amount corresponding to 25% of the STI for the 2013 financial year was EUR 59,075, this amount was revised downwards taking into account the 2014 result to EUR 57,587. The remaining 25% of the STI related to the 2013 financial year will be paid next year subject to – upward or downward – revision;
 - the initial amount corresponding to the remaining 25% of the STI for the 2012 financial year was EUR 79,954 this amount was revised downwards, taking into account the 2013 and 2014 result, to EUR 66,322.
- there was no granting of a long-term incentive over the year 2014. For 2013, 7,466 shares were conditionally granted. In line with the Remuneration Policy, and except for those that would be sold at vesting in 2017 (up to 50%) in order to

allow financing of the related income tax, these shares are blocked until 2018, and are further adjusted taking into account the evolution over the years 2014, 2015 and 2016. All numbers mentioned are after the reverse stock split.

- an amount of EUR 158,051 (excluding taxes) representing the costs of the defined contribution pension plan;
- an amount of EUR 79,117 representing other usual benefits such as health, death, disability cover and company car.

In 2014, the remuneration of Kurt De Schepper, CRO (termination date 30 June 2014) was comprised of:

- a base remuneration of EUR 212,500;
- a short-term incentive of EUR 114,113. In line with the remuneration policy, he will be paid EUR 177,690 during 2015 of which:
 - EUR 57,057 is related to the 2014 financial year. In line with the Remuneration Policy only 50% of the EUR 114,113 of STI related to the 2014 financial year will be paid in 2015. The balance of the STI related to the 2014 financial year will be paid in the next two years, subject to – upward or downward – revision as foreseen in the Remuneration Policy;
 - the initial amount corresponding to 25% of the STI for the 2013 financial year was EUR 59,554, this amount was revised downwards, taking into account the 2014 result, to EUR 58,066. The remaining 25% of the STI related to the 2013 financial year will be paid next year subject to – upward or downward – revision;
 - the initial amount corresponding to the remaining 25% of the STI for the 2012 financial year was EUR 75,400 this amount was revised downwards, taking into account the 2013 and 2014 result, to EUR 62,567.
- there was no granting of a long-term incentive over the year 2014. For 2013, 7,466 shares were conditionally granted. In line with the Remuneration Policy, and except for those that would be sold at vesting in 2017 (up to 50%) in order to allow financing of the related income tax, these shares are blocked until 2018, and are further adjusted taking into account the evolution over the years 2014, 2015 and 2016. All numbers mentioned are after the reverse stock split;
- an amount of EUR 113,241 (excluding taxes) representing the costs of the defined contribution pension plan;
- an amount of EUR 27,521 representing other usual benefits such as health, death, disability cover and company car.

In 2014, the remuneration of Filip Coremans, CRO (start date 1 July 2014) comprised:

- a base remuneration of EUR 212,500;
- a short-term incentive of EUR 115,069. In line with the remuneration policy, he will be paid EUR 57,535 during 2015. Only 50% of the EUR 115,069 of STI related to the 2014 financial year will be paid in 2015. The balance of the STI related to the 2014 financial year will be paid in the next two years, subject to – upward or downward – revision as foreseen in the Remuneration Policy;
- there was no granting of a long-term incentive over the year 2014;

- an amount of EUR 53,125 (excluding taxes) representing the costs of the defined contribution pension plan;
- an amount of EUR 28,367 representing other usual benefits such as health, death, disability cover and company car.

Long-term incentive

As mentioned above, in 2014, there is no granting of a long term incentive taking into account the relative TSR- performance of the Ageas share over the year 2014.

The below table gives an overview of the number of shares granted in previous years. These shares vest only at 30 June of N+4 and are adjusted taking into account performance over the intermediate period.

	Number of shares committed to be granted for 2011	Number of shares committed to be granted for 2012	Number of shares committed to be granted for 2013	Number of shares committed to be granted for 2014
Bart De Smet	3,365	16,576	10,101	
Christophe Boizard	932	14,090	7,466	
Filip Coremans				
Kurt De Schepper	2,692	13,261	7,466	
Total	6,989	43,927	25,033	

There are no restricted shares outstanding from previous years.

Before appointment

Details of the share options (granted) awarded to the ExCo members in the past in relation to their previous positions with the Group are as follows.

	Year	Number of options granted	Exercise price	Expiry date	Exercised before 2014	Options exercised in 2014	Outstanding at 31 December 2014
Kurt De Schepper	2005	8,959	18.41	11-04-2015			8,959
Filip Coremans	2005	4,778	18.65	11-04-2015			4,778
	2006	5,973	24.68	03-04-2016			5,973
	2007	4,778	28.62	02-04-2017			4,778
	2008	4,000	16.46	05-03-2018			4,000

In the table above, the number of options granted and the exercise price relate to the share units prior to the reverse stock split in August 2012. To express them as current shares and at current share prices, the number of options has to be divided by ten and the exercise price multiplied by ten.

Details of the restricted shares (granted), relating to the Restricted Stock Unit-plans awarded to the ExCo-members in the past in relation to their previous positions with the Group are as follows.

	Year	Number of RSU granted	Vesting date	Vested in 2014	RSU committed to be granted at 31 December 2014
Filip Coremans	2012	800	1-04-2015		800
	2013	1,000	1-04-2016		1,000
	2014	800	1-04-2017		800