

REMUNERATION POLICY

Legal framework

This Remuneration Policy is established in compliance with and according to Article 7:89/1 of the Belgian Code of companies and associations, as inserted by the Act of 20 April 2020 implementing Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 (so called Shareholder's rights Directive II).

It implements the requirements set out in the regulation on remuneration within listed companies, notably due to the Belgian Code of companies and associations (CCA) and the 2020 Belgian Code on Corporate Governance ('2020 Code').

This remuneration policy has been submitted to the approval of the General Meeting of the Shareholders of May 5th, 2021.

Introduction and strategy

At Orange Belgium we believe our promise as a digital and caring employer enables our employees to feel committed to our long-term success. Our performance-oriented remuneration policy aims to attract and retain new talents, competencies and skills as well as motivate all our employees to achieve the company's objectives and long-term goals.

Orange Belgium's remuneration policy fits within the framework of a more comprehensive remuneration strategy, aligned with our digital and caring promise. This strategy is based on three main priorities to ensure: the right skills for the future; collective agility; and commitment of our employees to our company success. With this in mind, Orange Belgium's remuneration programs and tools aim to provide employees with opportunities to develop and grow their careers within Orange as well as working terms and conditions adapted to their daily lives and individual needs.

Our remuneration policy is continually evaluated in light of the market benchmarks, the collective stakes and Orange Belgium's objectives in order to motivate employees, to promote personal commitment to the company's project and to present an attractive compensation on the job market. To do this, Orange Belgium works in collaboration with several universities in order to develop the best tools: classification of positions, elements composing the remuneration and remuneration levels for each type of position. The salary surveys used are chosen as a function of the sector, the size of the companies and the strategic stakes. In order to align the remuneration policy with market trends a Flex Income Plan provides employees (including members of the Executive Management) with possibilities to customize their remuneration package to their personal needs in compliance with the Belgian social legislative framework.

In addition to the performance oriented remuneration policy for all of its employees, Orange Belgium also has the ambition of compensating the members of the Executive Management in accordance with the short-term performance of the company and the attainment of the company's long-term strategic ambitions. All members of the Executive Management have the status of employee.

Scope

This Remuneration policy aims at describing the way Orange Belgium S.A. rewards the members of the Board of directors, the CEO and the other management members in the sense of Article 3:6, § 3, last indent of the CCA.

Non-Executive Directors

The Board of Directors of Orange Belgium S.A. has a majority of non-executive directors, representing the majority shareholder.

The mandate of the non-executive board members representing the majority shareholder is not remunerated. This is justified because they participate as representatives of Orange S.A. in the context of their functions within Orange S.A. Non-executive board members do not receive any performance-related remuneration. In so far as their mandates are not remunerated, they do not receive shares in the company, derogating from principle n°7.6 of the CG Code 2020.

The Chairman of the Board of Directors receives a basic fee for his/her mandate, the amount of which is decided by the General Shareholders' Assembly.

Independent directors receive a basic fee for their mandate at the board of directors, and in the board committees to which they belong (audit committee, remuneration and nomination committee, strategic committee, and governance supervisory

committee). The Chairman of the Board of Directors, the vice-president and the independent directors who chair a board committee receive an extra basic fee for their mandates in these roles.

The amount of the basic fees and extra basic fees are decided by the General Shareholders' Assembly.

Executive Director – daily management (CEO)

The Board of Directors of Orange Belgium S.A. has one executive director, who is entrusted with the daily management and who is the Chief of the Executive Committee.

The CEO is remunerated for his/her mandate in the Executive Committee as described below and is not separately remunerated for the executive director's mandate.

Other management members (Executive Committee)

The Executive Committee is composed of the CEO and other members who are not members of the Board of directors, nor individually entrusted with the daily management, but who head a department in the company.

These other members qualify as "other management members" in the sense of Article 3:6, § 3, last indent of the CCA.

They are remunerated for their mandate in the Executive Committee as described below.

Structure and components of the remuneration

Structure of the remuneration

The structure of the remuneration of the members of the Executive Management aims at linking reward to overall corporate and individual performance, and to align the interests of the executives with the sustainable value-creation objectives of Orange Belgium. The structure provides for an appropriate balance between fixed and variable remuneration.

The remuneration of the members of the Executive Management consists of the following elements:

- Yearly basis remuneration
- Variable remuneration, based on short- and long-term performance and encouraging the attainment of the company's objectives
 - Short-term variable remuneration called "performance bonus"
 - Long-term variable remuneration called "Long-term Incentive Plan"
- Other elements of the remuneration
 - Group insurance consisting of four parts: life, death, disability, and exemption of premiums (details below)
 - Hospital insurance
 - Employee profit sharing plan (details below)
 - Availability of/Disposal over a vehicle
 - Meal vouchers

Depending on the role of the members of the Executive Management, the different components of fixed remuneration, variable remuneration at target, pension contributions and other elements of the remuneration should remain in a proportion as follows:

- Base remuneration: $\pm 50\%$ [or $\pm 40\%$ depending on the proportion of the variable]
- Variable (STI and LTI): $\pm 30\%$ [or $\pm 40\%$ depending on the proportion of the variable]
- Other elements (excl. pension): $\pm 10\%$
- Pension contributions: $\pm 10\%$

Yearly basis remuneration

The yearly basis remuneration is intended to remunerate the nature and the extent of the individual responsibilities. It is based on the benchmark while taking into consideration the respect of the internal equity within the company.

Variable remuneration

In compliance with Article 7:89/1 §2, 2° and 3° of the CCA, this section explains:

- the financial and non-financial performance criteria, including criteria relating to corporate social responsibility which are taken into account to determine the variable remuneration;
- how these elements contribute to the company's business strategy and the long-term interests and sustainability of Orange Belgium;
- the methodology applied to determine the extent to which the performance criteria have been met;
- the vesting conditions and the possibility for Orange to *clawback* the variable remuneration.

The performance criteria and targets as defined below take into account the terms and conditions of remuneration and employment of Orange employees.

Performance bonus

The short-term variable remuneration is a key element in the remuneration policy of the company.

Based on salary surveys, the level of the variable target lies in principle 30% of the yearly basis remuneration for the functions supporting the business, 40% for the functions leading the business and 50% for the CEO. Other percentage(s) might be proposed by the Nomination and Remuneration Committee if duly justified by specific circumstances and in any case provided that it contributes to Orange Belgium's business strategy and long-term interests and sustainability.

This variable remuneration consists of a proportion to encourage individual performance (40%) and another part aimed at attaining the company objectives (60%).

The performance bonus is subject to an absolute cap of 150% of the yearly basis remuneration, in line with principle n°7.10 of the Code 2020.

- The individual part is based on the evaluation of the relevant targets.
An important part is based on the management qualities as well as personal contribution to the achievement of the company's strategic priorities.

The targets for the individual variable part are determined every semester. The Chief Executive Officer's individual performance is determined by the Nomination and Remuneration Committee; the individual performance of the other members of the Executive Management is proposed by the Chief Executive Officer to the Nomination and Remuneration Committee.

- The collective part is based on targets which are set by the Nomination and Remuneration Committee, such as financial indicators, customer satisfaction and employee engagement, reflecting the company's strategic ambition to place its customers and its employees at the heart of its activity.

The targets may take into account various components such as:

- Consolidated total revenues
- EBITDAaL (Earnings before Interest, Taxes, Depreciation and Amortization, after Lease)
- Organic Cash Flow (the net cash provided by operating activities, less eCapex and repayment of lease liabilities)
- Brand Net Promoter Score that measures the percentage of customers who are promoters minus percentage of customers who are detractors consolidated per main business line
- Employee Net Promoter Score that measures to what extent Orange Belgium employees would recommend Orange Belgium as a good place to work (percentage of employees who are promoters minus percentage of employees who are detractors)

The targets for the collective variable part are set each semester based on company objectives and validated by the Nomination and Remuneration Committee. The result of the collective and individual part is submitted for review to the Nomination and Remuneration Committee each semester prior to it being granted.

The results of the first semester are evaluated in July of the current year; the results of the second semester are evaluated in February of the year following the end of the financial year.

The performance bonus is granted in cash, in warrants, in options on shares which are not connected to the company, or benefits available in the Flex Income Plan.

More specifically:

- A first portion (the collective part) is paid in cash under the form of a collective bonus CLA90 (up to the ceiling free of taxes and normal social security charges)

- A second portion is paid in warrants or options on shares which are not connected to the company (up to the tax ceiling of 20% of the yearly remuneration);
- A third portion is paid in the Flexible Income Plan, resulting in cash or benefits in kind.

The performance bonus is partially paid into a bonus pension plan for members of the Executive Management that started before January 2019 and did an opt-in into that pension bonus scheme, and for members that started as of January 2019..

Performance bonuses for Executive Management members either joining or leaving the company in the course of a given semester shall be calculated on a prorata temporis basis.

Long-term variable remuneration

The members of the Executive Committee are eligible by recurring Long-term Incentive Plans which reward performance measured over a three-year period.

The three-year recurring Long-term Incentive Plan ("LTIP") established by the company aims to incentivize and retain executive members over the longer term by rewarding delivery of targets linked to the company's strategy and longer term value creation. This LTIP represents 30% of yearly fixed remuneration of executive members after three years.

The LTIP is a "rolling plan" over three year performance periods with awards considered and decided annually by the Nomination and Remuneration Committee. For new executive members, the LTIP is accessible as from the year following the entry date (i.e. the next annual LTIP award considered by the Nomination and Remuneration Committee). Executive members must still be employed on the payment date to remain eligible to the Incentive Bonus unless they are requested to move within the Orange Group and in which case they will retain a prorated entitlement up to the date of transfer, always subject to the approval of the Nomination and Remuneration Committee on a case by case basis. Leavers under notice are not eligible for any further awards under consideration by the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee will decide on three company KPI's and targets to apply to each annual LTIP award for the three-year performance period at the beginning of the financial year.

Company targets are weighted independently 50%/50%/50%, with a maximum possible achievement for each LTIP award of 150%.

Performance will be assessed by the Nomination and Remuneration Committee at the end of each three-year performance period on a "Hit or Miss" principle (i.e. all or nothing), the objective is reached or not and must be reached to vest the respective percentage for each target.

Subject to the achievement of at least one company target in any three-year performance period, individual contribution by the executive member can add an additional 25% to the final result subject to an overall maximum LTIP potential of 175% of the target award.

The Nomination and Remuneration Committee assesses and decides on individual contributions in each case considering the following criteria:

- Above expectations in terms of individual contribution related to each executive member's strategic objectives (in his/her scope of responsibilities, costs and/or revenues driven)
- Above expectations in terms of collaborative and transversal contribution
- Personal achievement in the biannual bonus continuously above 100% achievement during the whole of the three-year performance period
- Any other exceptional element to be considered (Group contribution, outside Orange Belgium significant impact etc.).

The company targets to be determined by the Nomination and Remuneration Committee shall reflect the company's strategy and long-term value creation over the three year performance period. The targets may take into account components such as:

- Total Shareholder Return (TSR);
- Organic Cash Flow (OCF);
- Mobile Convergence Growth : Number of B2C convergent mobile customers at the end of the concerned period compared to the strategic plan approved by the Board of Directors (Orange Belgium perimeter only).

LTIP awards will vest subject to company performance measured over each three-year period with plan payments paid in cash, in warrants or in the form of non-company share options, or benefits available in the Flex Income Plan.

In the case of payment in the form of options, these options are frozen for one year.

Orange does not set a minimum threshold of company shares to be held by the members of the Executive Management, derogating from principle n°7.9 of the CG Code 2020. The KPIs which are set for the LTI are such that they sufficiently link the interests of the members of the Executive Management with the long-term interests of Orange. Moreover, the General Shareholders' Assembly of Orange S.A. may approve share awards in the context of the Group LTIP.

Clawback arrangement

In line with principle 7.12 of the CG Code 2020, Orange reserves the right to recover variable remuneration paid, or withhold the payment of variable remuneration, and specify the circumstances in which it would be appropriate to do so, insofar as enforceable by law.

In the event the targets for the performance bonus are not met, the collective part of the performance bonus can be reduced to 0%. In the event of insufficient personal performance, the financial individual part of the short-term bonus can also be reduced and even annulled.

Also, in the event the long-term company targets are not met and of insufficient personal performance, the payout of the LTIP can be cancelled.

In both cases (performance bonus and LTI) if it appears that variable remuneration has been awarded based on incorrect financial information, the company can seek reimbursement based on the general rules on undue payments, within 12 months following the payment date.

Other elements of the remuneration

Group insurance - additional pension plan

The members of the Executive management benefit from an additional pension plan, a plan with predefined contributions. The acquired reserve consists of employers' contributions solely.

Employee profit sharing plan

Orange Belgium shares 1% of the net consolidated profit under certain circumstances with the members of the personnel including the members of the Executive Management. In the event the conditions are fulfilled, the amount granted to each employee, herein included the members of the Executive Management, is identical no matter which position is held.

In order to incentivize employees, including the members of the Executive Management, to overachieve company targets, to recognise their contribution to the company success and enable them to share in the extra value created, Orange Belgium may share up to an additional 2% of the net consolidated profit, under certain circumstances with the members of the personnel including the members of the Executive Management, depending on the achievement of results against stretched financial targets determined annually by the Nomination and Remuneration Committee.

The final overall percentage of the net consolidated profit shared with the members of the personnel including the members of the Executive Management, therefore potentially amounts to a maximum of 3%, but capped at 1,5m€ payout,

The award of a profit-sharing scheme must be approved by the Shareholders' Meeting.

Other benefits

The members of the Executive Management benefit from other advantages, in accordance with the practices of the sector and their level of function, such as hospital insurance, availability of/disposal over a vehicle, meal vouchers, mobile phone, internet connection, etc.

Orange S.A. Share Plans

The General Shareholders' Assembly of Orange S.A. may approve share awards in the context of the Group Long Term Incentive Plan as well as other employee share plans from time to time, to be implemented by the Board of Directors. The aim is to develop corporate loyalty amongst employees in the Group and to align the interests of beneficiaries, the Group and shareholders.

Under the Group Long Term Incentive Plan, the Board of Directors of Orange S.A. may decide to award to eligible executive members of the company and certain other key employees who occupy senior positions, rights to Orange S.A. shares. If so, beneficiaries will receive free Orange S.A. shares at the end of a three-year performance period subject to presence conditions until the end of the performance period, and performance conditions. Shares will only vest at the end of the

vesting period of 3 years after the award, subject to the presence conditions and achievement of the performance conditions as assessed by the Board of Directors of Orange S.A.

From time to time the Group offers broader employee based share plans which Orange Belgium participates to subject to BoD approval which members of the Exec management are also eligible to.

Termination conditions

Labour law applies to the contractual arrangements with the members of the Executive Management and no specific severance clauses are agreed as a rule.

When duly justified by specific circumstances, derogatory contractual arrangements shall be approved by the Board of directors, upon advice of the Nomination and Remuneration Committee, in any event in compliance with the provisions of the Code of companies and associations.

Governance

The Board of Directors is responsible for the remuneration policy and its implementation in Orange Belgium. It is responsible for proposing it to the approval of the General Shareholder's Meeting, at each significant change and, in any case, at least every four years.

The remuneration and nomination committee assists the Board of Directors in defining and amending this Remuneration policy.

In compliance with Article 7:100 §5 of the CCA, the remuneration and nomination committee is responsible for the preparation of decisions on remuneration to be taken by the Board of Directors, or as the case may be, the General Shareholder's Meeting, in order to ensure these decisions are compliant with this Remuneration Policy and these do not create any conflict of interest. Without prejudice to the competencies of the remuneration and nomination committee as set out in this Remuneration Policy, it is responsible for assisting the Board of Directors in determining the performance criteria and the targets for the performance bonus and the long-term variable remuneration.

Orange only pays remuneration to the members of the Executive Committee in accordance with this remuneration policy as approved by the General Shareholder's Meeting.

If Orange would exceptionally deviate from this remuneration policy, it may only do so temporarily and only to the extent that:

- the exemption is justified by exceptional circumstances, where such exemption is necessary to serve the long-term interests and sustainability of Orange as a whole or to ensure its viability; and
- the waiver is granted in accordance with the procedure established by the remuneration policy and relates only to those elements of the remuneration policy for which the approval of the General Shareholder's Meeting would not be required.