

11 Remuneration of Board of Directors and Executive Committee members

This note describes the Ageas Remuneration Policy as applied in 2013. It contains detailed information on the remuneration of individual Board Members and Executive Committee Members who held office during 2013.

The remuneration of 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 www.ageas.com/en/Pages/governance.aspx).

Paragraph 11.1 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 11.2 entitled Remuneration of Ageas Executive Committee Members.

11.1 Remuneration of the Board of Directors

Changes in the Board of Directors in 2013 – Remuneration 2013

Four new Board Members were appointed during 2013; Steve Broughton, Jane Murphy, Richard Jackson and Lucrezia Reichlin, this in succession of three Members that left the Board during 2013; Frank Arts, Shaoliang Jin and Bridget McIntyre and in succession of Ronny Brückner who unfortunately passed away in August 2013.

The Board is currently composed of ten 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 and Lucrezia Reichlin (non-executives, independent).

Detailed information on the mandates of Board Members with subsidiaries or equity associates of Ageas are provided in section 3.7. 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 1.23 million in the 2013 financial year (2012: EUR 1.22 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's 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.

Please refer to the Report of the Remuneration Committee for further information on the remuneration of non-executive Board Members.

In accordance with the policy, non-executive Board Members did not receive annual incentives or stock options and were 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 11.2).

Remuneration of the Board of Directors

The remuneration received by Board of Directors Members in 2013, is mentioned in the table below. The number of Ageas shares held by Board Members at 31 December 2013 is reported in the same table. For specific Board mandates we refer to section 3.7 Board of Directors.

Function	From	Till	Remuneration in 2013 (in EUR) as Board Member of Ageas ¹⁾³⁾	Ageas shares ⁴⁾ directly held at 31 December 2013 by current Board Members	
Jozef De Mey	Chairman	1 January 2013	31 December 2013	142,000	9,427
Guy de Selliers de Moranville	Vice-chairman	1 January 2013	31 December 2013	94,500	
Frank Arts	Non-executive Board member	1 January 2013	30 April 2013	25,500	833
Shaoliang Jin	Non-executive Board member	1 January 2013	30 April 2013	18,500	
Ronny Brückner	Non-executive Board member	1 January 2013	31 July 2013	40,750	3,100,000 ⁵⁾
Bridget F. McIntyre	Non-executive Board member	1 January 2013	30 April 2013	23,500	
Roel Nieuwdorp	Non-executive Board member	1 January 2013	31 December 2013	91,000	260
Lionel Perl	Non-executive Board member	1 January 2013	31 December 2013	85,000	
Jan Zegering Hadders	Non-executive Board member	1 January 2013	31 December 2013	92,000	
Steve Broughton	Non-executive Board member	1 May 2013	31 December 2013	54,500	
Jane Murphy	Non-executive Board member	1 May 2013	31 December 2013	56,500	
Richard Jackson	Non-executive Board member	1 October 2013	31 December 2013	20,250	
Lucrezia Reichlin	Non-executive Board member	1 October 2013	31 December 2013	21,750	
Bart De Smet	Chief Executive Officer (CEO)	1 January 2013	31 December 2013	See infra ²⁾	3,660 ⁶⁾
Total				765,750	3,114,180

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 11.2 for details of his remuneration).

3) Excluding reimbursement of expenses.

4) All numbers after reverse stock split.

5) Number of shares on 31 July 2013.

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

The remuneration received by Board of Directors Members in 2013 for their mandates in subsidiaries of Ageas is mentioned in the table below.

	From	Till	Total Remuneration in 2013 (in EUR) as member of the Board of directors of Ageas subsidiaries ²⁾
Jozef De Mey	1 January 2013	31 December 2013	122,972
Guy de Selliers de Moranville	1 January 2013	31 December 2013	45,631
Frank Arts	1 January 2013	30 April 2013	47,000
Shaoliang Jin	1 January 2013	30 April 2013	
Ronny Brückner	1 January 2013	31 July 2013	
Bridget F. McIntyre	1 January 2013	30 April 2013	17,571
Roel Nieuwdorp	1 January 2013	31 December 2013	60,000
Lionel Perl	1 January 2013	31 December 2013	66,000
Jan Zegering Hadders	1 January 2013	31 December 2013	48,986
Steve Broughton	1 May 2013	31 December 2013	62,815
Jane Murphy	1 May 2013	31 December 2013	
Richard Jackson	1 October 2013	31 December 2013	
Lucrezia Reichlin	1 October 2013	31 December 2013	
Bart De Smet	1 January 2013	31 December 2013	See infra ¹⁾
Total			470,975

1) *Bart De Smet is not remunerated as Board Member but as CEO (see note 11.2 for details of his remuneration).*

2) *Excluding reimbursement of expenses.*

11.2 Remuneration of Ageas Executive Committee Members

The Executive Committee of Ageas is composed of Bart De Smet (CEO), Christophe Boizard (CFO) and Kurt De Schepper (CRO). The CEO is the only executive member of the Board of Directors.

The members of the Executive Committee jointly earned in the course of 2013:

- a base remuneration of EUR 1,425,000 (compared to EUR 1,325,000 in 2012);
- a short-term incentive (STI) of EUR 780,404 in 2013 compared to EUR 774,973 in 2012. In line with the approved Remuneration Policy, only 50% of the short-term incentive earned over 2011 was paid in 2012, 25% of the remainder has been adjusted and paid in 2013, the remainder is to be adjusted and paid in 2014. Additionally only 50% of the short-term incentive earned over 2012 was paid in 2013, the remainder is to be adjusted and paid in 2014 and 2015. The STI for the 2013 financial year will be paid partly in 2014, 2015 and 2016;
- a long-term incentive of 25,033 shares with a value of EUR 801,579 (compared to 2012 when 43,927 shares – with a value of EUR 1,118,010 – were earned), and;
- pension costs of EUR 549,994 (excluding taxes) (compared to EUR 397,417 in 2012);

- an amount of EUR 216,731 (compared to EUR 190,623 in 2012) representing other usual benefits;
- no termination compensation was paid in 2013.

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 2013

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 2013 comprised:

- a base remuneration of EUR 575,000, well within the range approved by the shareholders in 2013;
- a short-term incentive of EUR 345,576. In line with the remuneration policy, he will be paid EUR 332,736 during 2014 of which:
 - EUR 172,788 is related to the 2013 financial year. In line with the Remuneration Policy, only 50% of the EUR 345,576 of STI related to the 2013 financial year will be paid in 2014. The balance of the STI related to the 2013 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 2012 financial year was EUR 98,563, this amount was revised downwards taking into account the 2013 result to EUR 87,406. The balance of the STI related to the 2012 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 2011 financial year was EUR 42,063, this amount was revised upwards, taking into account the 2012 and 2013 results, to EUR 72,542.
- a long-term incentive of 10,101 shares (with a counter value of EUR 323,443), based on the volume weighted average price (VWAP) of February 2014. In line with the Remuneration Policy approved by the General Meetings of Shareholders in 2010, the shares related to this long-term incentive will be blocked until 2018 and further adjusted taking into account the evolution over the years 2014, 2015 and 2016. For 2012, 16,576 shares were conditionally granted and blocked until 2017, to be further adjusted taking into account the evolution over the years 2013, 2014 and 2015. All numbers mentioned are after the reverse stock split;

- an amount of EUR 228,938 (excluding taxes) representing the costs of the defined contribution pension plan;
- an amount of EUR 84,421 representing other usual benefits such as health, death and disability cover and company car.

Other members of the Executive Committee

The composition of the Executive Committee remained unchanged in 2013.

In 2013, the remuneration of Christophe Boizard, CFO comprised:

- a base remuneration of EUR 425,000;
- a short-term incentive of EUR 236,300. In line with the remuneration policy, he will be paid EUR 207,203 during 2014 of which :
 - EUR 118,150 is related to the 2013 financial year. In line with the Remuneration Policy, only 50% of the EUR 236,300 of STI related to the 2013 financial year will be paid in 2014. The balance of the STI related to the 2013 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 2012 financial year was EUR 79,954, this amount was revised downwards taking into account the 2012 result to EUR 70,472. The remaining 25% of the STI related to the 2012 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 2011 financial year was EUR 10,141 this amount was revised upwards, taking into account the 2012 and 2013 result, to EUR 18,581.
- a long-term incentive of 7,466 shares (with a counter value of EUR 239,068) based on the volume weighted average price (VWAP) of February 2014. In line with the Remuneration Policy approved by the General Meetings of Shareholders in 2010, the shares related to this long-term incentive will be blocked until 2018 and further adjusted taking into account the evolution over the years 2014, 2015 and 2016. For 2012, 14,090 shares were conditionally granted and blocked until 2017, to be further adjusted taking into account the evolution over the years 2013, 2014 and 2015. All numbers mentioned are after the reverse stock split.
- an amount of EUR 150,731 (excluding taxes) representing the costs of the defined contribution pension plan;
- an amount of EUR 77,478 representing other usual benefits such as health, death and disability cover and company car.

In 2013, the remuneration of Kurt De Schepper, CRO comprised:

- a base remuneration of EUR 425,000;
- a short-term incentive of EUR 238,215. In line with the remuneration policy, he will be paid EUR 240,465 during 2014 of which:
 - EUR 119,107 is related to the 2013 financial year. In line with the Remuneration Policy only 50% of the EUR 238,213 of STI related to the 2013 financial year will be paid in 2014. The balance of the STI related to the 2013 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 2012 financial year was EUR 75,400, this amount was revised downwards, taking into account the 2013 result, to EUR 66,473. The remaining 25% of the STI related to the 2012 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 2011 financial year was EUR 30,500 this amount was revised upwards, taking into account the 2012 and 2013 result, to EUR 54,885.
- a long-term incentive of 7,466 shares (with a counter value of EUR 239,068) based on the volume weighted average price (VWAP) of February 2014. In line with the Remuneration

Policy approved by the General Meetings of Shareholders in 2010, the shares related to this long-term incentive will be blocked until 2018 and further adjusted taking into account the evolution over the years 2014, 2015 and 2016. For 2012, 13,261 shares were conditionally granted and blocked until 2017, to be further adjusted taking into account the evolution over the years 2013, 2014 and 2015. All numbers mentioned are after the reverse stock split;

- an amount of EUR 170,325 (excluding taxes) representing the costs of the defined contribution pension plan;
- an amount of EUR 54,832 representing other usual benefits such as health, death and disability cover and company car.

Long-term incentive

In 2012, 43,927 shares were committed to be granted to the ExCo. These shares are blocked until 2017 and the number of shares can be adjusted taking into account the evolution over the years 2013, 2014 and 2015.

As mentioned above, in 2013, 25,033 shares were committed to be granted to the ExCo. These shares are blocked until 2018 and the number of shares can be adjusted taking into account the evolution over the years 2014, 2015 and 2016.

	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
Bart De Smet	3,365	16,576	10,101
Christophe Boizard	932	14,090	7,466
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), relating to the options awarded to the CEO and CRO 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 2013	Options exercised in 2013	Outstanding at 31 December 2013
Bart De Smet	2008	2,530	16.46	2-04-2014			2,530
Kurt De Schepper	2004	8,959	14.78	13-04-2014			8,959
	2005	8,959	18.41	11-04-2015			8,959
	2008	2,040	16.46	2-04-2014			2,040

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.