

REMUNERATION REPORT

DIRECTORS REMUNERATION

In 2022, the Annual General Meeting of shareholders has approved the remuneration of the Members of the Board of Directors through approving a resolution that has been submitted by the Board of Directors.

The shareholders decided to maintain the fees paid to the directors at the previous year's level with a majority of 99.97%. The fees paid to the Board have not been increased since 2008, except for the fees paid to the Chair and the members of the Audit and Risk Committee which have been increased in 2015 in line with best practices.

Directors each received a fixed fee of €40,000 per year, whereas each of the Vice Chairs received an annual fixed fee of €48,000 and the Chair received a fee of €100,000 per year.

The directors chairing one of the committees set up by the Board, if not the Chair of the Board of Directors, received an additional remuneration of €8,000 per year. The director chairing the Audit and Risk Committee received an additional remuneration of €9,600 per year.

Attendance fees for each Board or Board Committee meeting amounted to €1,600, except for the meetings of the Audit and Risk Committee for which directors received €1,920 per meeting. A director participating in more than one committee meeting on the same day received the attendance fee for one meeting only.

All fees are net of any Luxembourg withholding taxes.

The total net remuneration fees expensed for the year 2022 to the members of the Board of Directors (net of the Luxembourg withholding tax) amounted to €823,761 of which €531,601 represented the fixed part of the Board fees, with the remaining €292,160 being variable fees. The gross overall figure (including withholding taxes) for the year 2022 was €1,029,701. This compares to a gross remuneration of €1,131,067 in 2021.

The 2022 remunerations cover the fees paid for ten Board meetings, the meetings of the Board Committees described in the table below as well as two meetings of the Strategic Taskforce. The amounts relate to the Board fees expensed during the year 2022.

During 2022, the Board and the Committees of the Board were composed as follows:

- Frank Esser, Chair
- Tsega Gebreyes, Vice-Chair (until 7 April 2022)
- Anne-Catherine Ries, Vice-Chair
- Peter van Bommel, Vice-Chair
- Serge Allegrezza (until 7 April 2022)
- Béatrice de Clermont Tonnerre (until 24 October 2022)
- Ramu Potarazu
- Kaj-Erik Relander
- Françoise Thoma
- Katrin Wehr-Seiter
- Jacques Thill
- Jennifer Byrne (as of 7 April 2022)
- Carlo Fassbinder (as of 7 April 2022)

The composition of the committees, chairs and members is provided as follows:

Committee Membership

AUDIT AND RISK COMMITTEE	NOMINATION COMMITTEE	REMUNERATION COMMITTEE
Chair		
Peter van Bommel	Anne-Catherine Ries	Françoise Thoma
Members		
Carlo Fassbinder Françoise Thoma Kaj-Erik Relander Katrin Wehr-Seiter	Jennifer Byrne Frank Esser Kaj-Erik Relander Jacques Thill	Anne-Catherine Ries Peter van Bommel Frank Esser Ramu Potarazu Katrin Wehr-Seiter

The detailed overview of the individual remunerations expensed in 2022 and 2021 to each Director is provided as follows.

Directors Remuneration

IN €	2022 (for Meetings Q1 2022 to Q4 2022)				2021 (for Meetings Q1 2021 to Q4 2021)			
	Directors Remuneration	Attendance Fees	Taxes	Total	Directors Remuneration	Attendance Fees	Taxes	Total
Serge Allegrezza	10,667	11,840	5,627	28,133	40,000	31,680	17,920	89,600
Peter van Bommel	55,600	30,080	21,420	107,100	47,200	44,480	22,920	114,600
Jennifer Byrne	29,334	14,400	10,934	54,668				
Beatrice de Clermont-Tonnerre	30,000	22,400	13,100	65,500	40,000	33,600	18,400	92,000
Frank Esser	100,000	28,800	32,200	161,000	100,000	36,800	34,200	171,000
Carlo Fassbinder	29,333	13,120	10,613	53,067				
Tsega Gebreyes	12,667	8,000	5,167	25,833	54,000	27,520	20,380	101,900
Paul Konsbruck	–	–	–	–	40,000	32,000	18,000	90,000
Ramu Potarazu	40,000	25,600	16,400	82,000	40,000	35,200	18,800	94,000
Kaj-Erik Relander	40,000	23,360	15,840	79,200	40,000	30,080	17,520	87,600
Anne-Catherine Ries	56,000	25,600	20,400	102,000	56,000	20,800	19,200	96,000
Françoise Thoma	48,000	28,480	19,120	95,600	48,000	28,480	19,120	95,600
Katrin Wehr-Seiter	40,000	30,080	17,520	87,600	42,400	31,680	18,520	92,600
Jacques Thill	40,000	30,400	17,600	88,000	3,333	1,600	1,233	6,167
Total	531,601	292,160	205,940	1,029,701	550,933	353,920	226,213	1,131,067

REMUNERATION OF THE MEMBERS OF THE SLT

The remuneration of the members of the SLT is determined by the Board and is based on recommendations from the Remuneration Committee.

The remuneration of the SLT members comprises two major components:

- Compensation package composed of the yearly base salary; an annual bonus; and long-term equity (LTE); and
- Benefits package which is aligned with local and market practices

The average to highest compensation ratio (comprising annual base salary, bonus and equity at target) for all employees at the level of SES S.A. is at 1 to 15 which remains below market benchmarks and ratios which can be observed in CAC 40 or FTSE 100 companies.

The following members were active in the SLT in the year 2022:

- Chief Executive Officer, Steve Collar
- Chief Financial Officer, Sandeep Jalan
- Chief Technology Officer, Ruy Pinto
- Chief Services Officer, John Baughn
- Chief Strategy and Product Officer, John-Paul Hemingway
- Chief Development Officer, Christophe De Hauwer
- Chief Human Resources Officer, Evie Roos (until 30 June 2022)
- Chief People Officer, Pan Macdonald (from 1 July 2022)
- Chief Legal Officer, Thai Rubin

The total remuneration of the CEO, CFO and other SLT members follows the principles set out in the Remuneration policy and is provided in the tables below:

2022 Remunerations

IN €	Annual Base Salary ¹	Annual Bonus	Long Term Equity ²	Pension Expenses	Other Benefits and Payments ³	Total	Average to highest compensation ratio at the level of SES SA ⁴
Chief Executive Officer	735,438	760,001	705,265	125,027	54,778	2,380,508	15x
Chief Financial Officer	439,616	365,669	319,463	66,561	22,833	1,214,143	8x
Other SLT Members	2,204,143	1,689,753	1,497,444	211,088	415,503	6,017,931	6x
Total 2022	3,379,197	2,815,423	2,522,172	402,676	493,114	9,612,582	-

2021 Remunerations

IN €	Annual Base Salary	Annual Bonus	Long Term Equity ³	Pension Expenses	Other Benefits and Payments ⁴	Total
Chief Executive Officer	735,438	1,038,732	655,129	125,428	53,114	2,607,840
Chief Financial Officer	423,631	487,589	244,547	64,938	22,857	1,243,562
Other SLT Members	2,096,982	2,103,941	1,223,323	221,478	344,516	5,990,240
Total 2021	3,256,051	3,630,262	2,122,998	411,844	420,488	9,841,642

1 Annual base salary of other (than CEO and CFO) SLT Members ranges from 323,067 EUR to 414,227 EUR with an average at 373,450 EUR

2 Amortisation of Long Term Equity grants

3 Other benefits and payments include health care plans, death and disability insurance, company cars or car allowances and other payments

4 Average to highest compensation ratio (comprising annual base salary, bonus and equity at target) for all employees at the level of SES S.A.

Yearly Base Salary

The yearly base salary is reviewed annually by the Remuneration Committee.

For new nominations, base salaries are set based on external benchmarks while also considering the degree of qualification and experience required as well as the employment conditions at the time of the offer.

Except for the Chief Executive Officer, yearly base salaries of SLT members based in Luxembourg were adjusted in April 2022 following the legally required cost of living adjustment (Luxembourg Index).

Annual Bonus

The annual bonus of SLT members is composed of two parts: (i) the financial performance of the company; and (ii) the performance against business objectives, accounting for 70% and 30% of the bonus respectively.

The financial performance measures group actual achievement vs. budget for three elements, revenue (accounting for 40%), EBITDA (accounting for 40%), complemented by net operating cash flow (accounting for 20%). The Board of Directors sets annual targets during the annual budget process and confirms annual achievement level. In 2022, the Group financial performance payout was confirmed at 108% based on the weighted results for the three metrics.

Financial Performance Component of Annual Bonus

Annual Bonus	Metric ¹	Target in MEUR	Actuals in MEUR	Achievement in %	Pay-out per Metric	Weighting	Pay-out
Financial Performance (70%)	Revenue	1,890	1,857	98.3%	91.5%	40%	108.2%
	Adjusted EBITDA ²	1,085	1,094	100.8%	104.0%	40%	
	Net operating cash flow	859	1,037	120.8%	150.0%	20%	

¹ Based on an average €/ \$ FX rate of €1 = \$1.055 and excluding the acquisition of DRS Global Enterprise Solutions (completed on 1 August 2022)

² Adjusted EBITDA excludes material exceptional items, such as US C-band clearing

The business objectives are set annually by the Board at the start of each performance year and relate to the strategic roadmap of the Company.

The SES Board confirmed an achievement for 2022 at 92% which applies equally to each SLT member including the CEO.

For confidentiality purposes, achievement of business objectives is reported in aggregate with weighting per objective provided as follows:

Business Objectives Component of Annual Bonus

Annual Bonus	Objective	Weighting	Pay-out
Business Objectives (30%)	Strategic and Business Execution	40%	92%
	Deliver O3b mPOWER	20%	
	Socially Responsible and outwardly impactful	20%	
	Internal Transformation and Operational Excellence	20%	

The main achievements in 2022, contributing to the 92% overall pay-out were as follows:

Strategic and Business Execution:

- SES-17 was successfully brought into commercial service in June 2022
- Completed value-accretive acquisition of DRS Global Enterprise Solutions for \$443 million on 1 August 2022
- Three satellites were launched and are now operational supporting our US C-band clearing initiative and resulting in Phase II clearing on track to be completed on time
- \$170 million of incremental value created from completing additional US C-band clearing for Verizon, ahead of expectations

Deliver O3b mPOWER

- The first two O3b mPOWER satellites were launched in December 2022
- TT&C system and ground deployed and operational including customer gateways and ARC
- 10 O3b mPOWER products launched and operational in the market
- More than \$100m of new gross backlog was added in 2022, including a landmark partnership with Reliance Jio in India, as well as new business with Explora Journeys (part of MSC), Microsoft, Marlink, and others

Socially Responsible and outwardly impactful

- Delivered the SES ESG Horizon strategy and targets
- ESG targets adopted in remuneration across the organisation

Internal transformation and operational efficiency

- Net Promoter Score improved from +34 to +39
- Achieved cost savings of more than €10 million above target, contributing to an Adjusted EBITDA outturn which exceeded target
- Positive employee Net Promoter Score at +4

The 2022 annual bonus relates to the 2022 performance year and will be paid in March 2023.

The overview of the 2022 annual bonus of the CEO, CFO and other SLT members is provided in the table below:

Bonus SLT expense

IN €	Bonus at target (Abs.)	Bonus at target (% of Base Salary)	Maximum award limit (150%)	Percentage achievement	Bonus Amount
Chief Executive Officer – Annual Bonus 2022 performance year	735,438	100%	1,103,156	103.3%	760,001
- Financial Performance (70%)	514,806		772,209	108.2%	557,020
- Business Objectives (30%)	220,631		330,947	92.0%	202,981
Chief Financial Officer – Annual Bonus 2022 performance year	353,851	80%	530,776	103.3%	365,669
- Financial Performance (70%)	247,695		371,543	108.2%	268,006
- Business Objectives (30%)	106,155		159,233	92.0%	97,663
Other SLT Members – Annual Bonus 2022 performance year	1,635,139	[50–80]%	2,452,709	103.3%	1,689,753
- Financial Performance (70%)	1,144,597		1,716,896	108.2%	1,238,454
- Business Objectives (30%)	490,542		735,813	92.0%	451,298

Long Term Equity Incentives

The third element of the compensation package relates to the long-term equity granted by the Company. The plan, administered by the Remuneration Committee, permits the grant of three equity types: (i) stock options; (ii) restricted shares; and (iii) performance shares. The 2022 total grant value was divided into one-third of stock options, one-sixth of restricted shares, and one half of performance shares.

Stock option grants prior to year 2021 have a vesting period of four years with a yearly vesting of 25% on 1 January of each year following the grant. For closer alignment with market practices, stock option grants from year 2021 on have a three-year cliff vesting of 100% on 1 June of the third year following the grant year.

The Restricted Shares are FDRs granted with the sole condition that, at vesting, the SLT member must be employed by SES. The Restricted Shares vest on 1 June of the third year following the year of their grant.

Performance Shares are FDRs granted to SLT members and vest on 1 June of the third year following the year of their grant. Performance shares granted prior to year 2021 are subject to the outcome of the compounded three years adjusted Economic Value Added (EVA). From grant 2021 onwards, vesting is subject to outcome of Total Shareholder Return (TSR), measured on a relative basis to the median TSR performance of a panel of comparable companies during a three-year period.

For the 2022 vesting of performance shares, the EVA calculated over the period 2019 to 2021 was positive at €193 million and thus triggered 100% vesting of the performance shares granted in 2019.

During 2022, the members of the SLT were awarded a combined total of 1,111,357 options to acquire company FDRs at an exercise price of €8,40 as well as 66,142 restricted shares as part of the company's long-term incentive plan and 198,426 performance shares. The CEO was awarded 302,827 stock options, 18,023 restricted shares and 54,069 performance shares.

The detailed overview of the 2022 equity grant and vesting as well as current shareholding for the CEO, CFO and other SLT members is provided as follows:

Long Term Equity 2022

IN €	Components	Long Term Equity Plan – 2022 Grant			Equity Vesting in 2022		Registered shares and FDR's – 31 December 2022
		Grant Year	Vesting Year ¹	Units granted	Grant Year	Units vested	
Chief Executive Officer	Stock Options	2022	2025	302,827	2018 to 2020	271,509	193,132
	Performance Shares	2022	2025	54,069	2019	24,399	
	Restricted Shares	2022	2025	18,023	2019	8,133	
Chief Financial Officer	Stock Options	2022	2025	138,765	2020	58,434	15,000
	Performance Shares	2022	2025	24,777	2020	23,694	
	Restricted Shares	2022	2025	8,259	2020	7,898	
Other SLT Members	Stock Options	2022	2025	669,765	2018 to 2020	307,751	198,003
	Performance Shares	2022	2025	119,580	2019	44,604	
	Restricted Shares	2022	2025	39,860	2019	14,868	

1 Stock Options: for grants prior to 2021, vesting period over four years with a yearly vesting of 25% on 1 January of each year following the grant.

Cliff vesting of three years from 2021 grant year onward.

1 Performance and Restricted Shares: vesting on 1 June of the third year following the year of the grant.

Long Term Equity 2021

IN €	Components	Long Term Equity Plan – 2021 Grant			Equity Vesting in 2021	
		Grant Year	Vesting Year ¹	Units granted	Grant Year	Units vested
Chief Executive Officer	Stock Options	2021	2024	269,375	2017 to 2020	294,454
	Performance Shares	2021	2024	51,162	2018	13,788
	Restricted Shares	2021	2024	17,054	2018	9,192
Chief Financial Officer	Stock Options	2021	2024	120,426	2020	58,434
	Performance Shares	2021	2024	22,872	N/A	N/A
	Restricted Shares	2021	2024	7,624	N/A	N/A
Other SLT Members	Stock Options	2021	2024	563,797	2017 to 2020	414,206
	Performance Shares	2021	2024	107,082	2018	40,335
	Restricted Shares	2021	2024	35,694	2018	26,890

1 Stock Options: for grants prior to 2021, vesting period over four years with a yearly vesting of 25% on 1 January of each year following the grant.

Cliff vesting of three years from 2021 grant year onward.

1 Performance and Restricted Shares: vesting on 1 June of the third year following the year of the grant.

When exercising their vested stock options and their vested shares, the SLT members must do this in accordance with the SES Dealing Code (including requiring the prior authorisation from the Deputy Corporate Secretary and/or Chief Financial Officer and provide selling orders outside of a closed period).

During 2022, Christophe De Hauwer and Sandeep Jalan have sold all performance and restricted shares that vested on 1 June 2022. Evie Roos, Thai Rubin and Ruy Pinto sold some of the restricted and performance shares that vested on 1 June 2022. Steve Collar, John Baughn and John-Paul Hemingway kept all their restricted and performance shares that vested on 1 June 2022. Steve Collar has sold 120,000 and purchased 30,000 stock options from 2020 Stock option grant at the price of 5,973 per share. Sandeep Jalan, Evie Roos and John Baughn have sold some stock options from their 2020 stock option grant. As for the members of the Board, all transactions are reported on the [SES website, Management Disclosures](#).

Benefits package

As for the benefits provided to members of the SLT, they are aligned with local and market practices and include pensions, health care plans, death and disability insurances, company cars or car allowances and other payments.