

## Agenda item 2: Report from the Executive Board and Supervisory Board 2020

### Question 1

**Original:** De online verkopen van Fragrancenet compenseerden in 2020 grotendeels de wegvallende omzet uit het retailsegment en de reisbranche. Hoe gaat B&S het omnichannelmodel verder uitbouwen?

**Translated:** The online sales of FragranceNet to a large extent compensated the decrease in turnover in the Retail segment and travel related markets. How will B&S further expand the omnichannel model?

**Answer:** *We are expanding the omnichannel through online expansion in the B2C (geographical), B2R (serving e-comm platforms) and B2B channels (our order platform). The expansion goes hand in hand with the expansion of our long tail assortment in various categories and the further roll-out of our platform.*

### Question 2

**Original:** Overnames zijn een belangrijke pijler van de groeistrategie van B&S. Kan B&S motiveren welke regio's en productgroepen of niches relevant zijn voor deze groeimogelijkheden, alsook of de pandemie opportunistische M&A aantrekkelijker maakt?

**Translated:** Acquisitions are an important pillar of the growth strategy of B&S. Can B&S motivate which regions and product categories or niches are relevant for these growth opportunities, also does the pandemic make opportunistic M&A more attractive?

**Answer:** *B&S is focused on adjacent geographies and product categories. Given our ambition to move further towards the end-consumer, expand our long-tail assortment and the transition towards a high-tech company, these are also our focus points for M&A. The pandemic in our view does not make M&A necessarily less or more attractive.*

### Question 3

**Original:** Veruit het grootste deel van de omzet is afkomstig uit de VS en Europa. B&S is aanwezig in 35 landen en heeft de ambitie uitgesproken om verder te groeien. Richt B&S zich hierbij ook op segmenten en/of geografische markten die zij nog niet, of beperkt, bedient?

**Translated:** By far the largest share of sales stems from the US and Europe. B&S is present in 35 countries and has the ambition to grow. Is the focus of B&S also on segments and/or geographical markets not yet served or served limitedly?

**Answer:** *Traditionally the European and Asian market were the strongest markets for B&S. With our presence in the UAE we gained access to the Middle Eastern market and with the acquisition of FragranceNet we built our position in the US. Our focus is both on expanding our position in the markets we are present (also building presence of product categories not yet present in a certain geography) and building our position in the markets where we don't have presence yet.*

**Question 4**

**Original:** De productgroepen Food en Liquor voldoen niet aan de ROIWC-ambitie van B&S. Welke stappen zijn volgens B&S nodig om wel aan de 25 procentgrens te voldoen?

**Translated:** The product groups Food and Liquor do not meet the ROIWC ambition of B&S. What steps are required to meet the 25%?

**Answer:** *The 25% is a target for B&S Group as a whole. The Liquor segment has been affected by the trade wars in 2019 and the Covid effects in 2020. As indicated at our Capital Markets Day we see gross margins normalizing in those markets and also our primary focus is on the gross margin. As for food the lagging performance is the result of overcapacity in warehouses and infrastructure and as such missing volumes. We are focused on product portfolio rationalization and the addition of marketing services to both boost inventory turnaround and margin.*

**Question 5**

**Original:** Ondervindt B&S problemen in de toeleveringsketen als gevolg van de verschillende verstoringen die sinds de start van de pandemie zijn ontstaan en zijn de hieruit voortvloeiende kosten door te berekenen aan de klant?

**Translated:** Is B&S experiencing supply chain difficulties as a result of the various disruptions that have arisen since the start of the pandemic and can the resulting costs be passed on to the customer?

**Answer:** *We mainly experienced the complexity in the supply chain during Q1 2021 with delays in sea freight and shortage of containers. We are passing on the majority of these costs to our customers as our customers are paying for our services and not merely for our products.*

**Question 6**

**Original:** Het gegeven vooruitzicht van jaarlijks 15 procent omzetgroei in de periode 2021-2023, waar acquisities en organische groei ieder voor de helft aan bij moeten dragen, zijn ambitieus. Is dit geschetste traject onder de huidige omstandigheden, waarbij de lockdowns langer duren dan verwacht, nog wel haalbaar?

**Translated:** The given objective of 15 percent annual revenue growth in the period 2021-2023, to which acquisitions and organic growth should each contribute half, are ambitious. Is this outlined trajectory still feasible under the current circumstances, in which the lockdowns take longer than expected?

**Answer:** *The 15% is an average per year. We remain confident that we will meet our medium-term objectives.*

## **Agenda item 7: remuneration 2020 : implementation of the amended Remuneration Policy**

### **Question 7**

**Original:** Bij zijn vertrek heeft de heer Meulman 600 duizend euro als vertrekvergoeding ontvangen. Ook is aan hem een variabele bezoldiging van ruim 818 duizend euro toegekend. Kan de RvC deze betalingen aan de heer Meulman toelichten?

**Translated:** On his departure, Mr. Meulman received 600,000 euros as severance payment. He has also been awarded variable remuneration of more than 818 thousand euros. Can the Supervisory Board explain these payments to Mr Meulman?

**Answer:** *Mr. Meulman served as CEO for the Group for over 16 years and has been with the Group for 28 years. The contract was terminated in mutual agreement in best interest for both parties against fair conditions given the tenure and accomplishments.*

## Agenda item 8: Proposal amended Remuneration Policy

### Question 8

**Original:** Voor de STI wordt voorgesteld de winst voor belasting en 'goed werkkapitaalbeheer' als financiële criteria te hanteren. Geldt ten aanzien van deze laatste doelstelling dat de RvC het 'rendement op werkkapitaal' (ROIWC) als prestatie criterium zal gaan hanteren?

**Translated:** For the STI, it is proposed to use profit before tax and "good working capital management" as financial criteria. With regard to the latter objective, does the Supervisory Board apply the "return on working capital" (ROIWC) as a performance criterion?

**Answer:** *ROIWC will be the majority part of this, complemented by working capital in days and aging of positions.*

### Question 9

**Original:** Waarom heeft de RvC niet geopteerd voor een criterium waarbij het volledige vermogensbeslag wordt meegewogen, zoals het rendement op geïnvesteerd kapitaal (ROIC of ROCE)?

**Translated:** Why has the Supervisory Board not opted for a criterion in which the full capital requirement is taken into account, such as the return on invested capital (ROIC or ROCE)?

**Answer:** *The company is using (amongst others) the ROIWC metric to manage the segments. The influence of the segment directors on non-working capital elements is limited and as such excluded from the internal metric. To be aligned with the metrics used for managing the organization ROIWC is chosen.*