



NYXOAH SA

REMUNERATION POLICY

May 2025

Submitted for approval to the general shareholders' meeting of Nyxoaah SA of June 11, 2025

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1 INTRODUCTION

This remuneration policy (the "**Remuneration Policy**") has been established by Nyxoah SA (the "**Company**") in accordance with the Belgian Code of Companies and Associations (the "**CCA**") and the 2020 Belgian Code on Corporate Governance (the "**2020 Code**"), both as amended from time to time. It outlines the remuneration principles for the executive and non-executive members of the Company's board of directors and the members of the Company's executive management.

The Remuneration Policy is designed to attract, motivate and retain the expert individuals that the Company needs in the board of directors and the executive management to design and implement the strategy to achieve the Company's mission of becoming a global leader in providing innovative, clinically proven solutions to treat patients suffering from obstructive sleep apnea. It aims to promote sustainable value creation and to reward performance in order to motivate directors and members of executive management to deliver increased shareholder value through superior business results. The Remuneration Policy is consistent with the Company's overall framework for employee remuneration.

This Remuneration Policy was approved by the board of directors of the Company upon the advice by the remuneration committee. It will be submitted for approval to the general shareholders' meeting on June 11, 2025 and will be applicable as from the financial year that started on January 1, 2025. Upon each material change to the Remuneration Policy and in any case at least every four (4) years, the Remuneration Policy will be submitted to the general shareholders' meeting for approval.

2 GENERAL PRINCIPLES OF DETERMINATION OF REMUNERATION OF DIRECTORS AND MEMBERS OF EXECUTIVE MANAGEMENT

The remuneration of directors and members of executive management is determined by the board of directors on the basis of proposals from the remuneration committee. The board of directors can decide to delegate to the CEO the determination of the remuneration of some or all of the other members of executive management on the basis of guidance from the remuneration committee.

The remuneration of directors is subject to approval by the general shareholders' meeting.

When making its proposals for the board of directors, the remuneration committee benchmarks the compensation of directors and members of executive management against publicly listed peer companies from the medical technology sector to ensure that it is competitive. The remuneration committee is assisted in this benchmarking exercise by external advisors. The remuneration committee also takes into account feedback received from shareholders when formulating its proposals.

The remuneration committee consists of at least three directors, all of which are non-executive directors and a majority of which are independent directors, and it is chaired by the non-executive chairperson of the board of directors or another non-executive director appointed by the remuneration committee. That helps to avoid conflicts of interest when proposing the remuneration of executive directors and members of executive management.

The remuneration of directors and members of executive management will be disclosed to the Company's shareholders in the Company's remuneration report, which is part of the Company annual report, in accordance with the CCA and the 2020 Code.

3 REMUNERATION POLICY FOR DIRECTORS

Non-executive directors receive a fixed annual remuneration in cash in consideration for their membership of the board of directors, regardless of the number of meetings that are held in a certain year. In addition, non-executive directors who are members of one or more committees of the board of directors may receive a fixed annual remuneration for their membership of such committee(s).

Non-executive directors do not receive a variable remuneration in cash.

In addition to their fixed annual remuneration in cash, non-executive directors may further receive so-called "restricted share units" or "RSUs", which provide for a remuneration in the form of new shares whereby the relevant directors will have an obligation to subscribe for such shares at a subscription price of EUR 0.1718 per share (irrespective of the market value of the share at that time). One restricted share unit or RSU represents the obligation of the relevant non-executive director to subscribe for one new share of the Company. The RSU remuneration was awarded for the first time as of the annual general shareholders' meeting of the Company held in 2024.

The number of restricted share units proposed to be granted on an annual basis shall be calculated as follows: EUR 130,000 divided by the average closing price of the Company's shares, on the stock exchange where the Company's shares are (first) listed, during the month of May of the relevant year. For directors that are appointed between two annual general shareholders' meetings, this number shall be prorated. Fractions of shares will be disregarded. The new shares will be issued under the authorised capital of the Company. The Company reserves the right to deliver existing shares (if it has access to its own shares in accordance with applicable company law rules) or to compensate non-executive directors in cash (*i.e.*, a cash amount equal to the closing stock price of the shares on the stock exchange where the Company's shares are (first) listed on the first trading day following the date of vesting of the relevant RSUs, minus the subscription price of EUR 0.1718 per share).

The other characteristics of the RSUs are as follows:

- The RSUs are not shares (*i.e.*, they do not grant voting rights, preferential subscription rights or other membership rights to the holder).
- Unless it is decided by the general shareholders' meeting that the relevant non-executive director shall not (or not in certain years) receive RSUs, RSUs are awarded (i) on the date of the annual general shareholders' meeting held in the relevant year, to each non-executive director that is in function immediately following the annual general shareholder's meeting held in the relevant year, and (ii) on the effective date of the appointment of each non-executive director, to each non-executive director that is appointed in the relevant year after the annual general shareholders' meeting held in the relevant year;
- The RSUs are not transferable, except in case of death.

- RSUs in principle vest on the first anniversary of the date of grant provided that the relevant non-executive director is still in office at that time, except in the event of death or an exit (i.e., a merger, split or other similar corporate law reorganisation of the Company, a sale or other form of transfer of substantially all assets of the Company, a takeover bid on the Company with change of control) where immediate vesting applies. If a non-executive director is appointed after the annual general shareholders' meeting in the relevant financial year has already taken place, the RSUs granted to the relevant non-executive director in the relevant year shall vest on the next annual general shareholders' meeting after the grant, provided that the relevant non-executive director is still in office at that time. The RSUs lapse immediately in case of voluntary resignation of the non-executive director, or in case of dismissal of the non-executive director by the general shareholders' meeting.
- RSUs awarded to a non-executive director who has resigned or has been dismissed prior to the date of vesting of such RSUs shall automatically lapse on the date of termination of the director mandate.
- The vesting of RSUs is not linked to any performance criteria but rather based on continued service during the vesting period. Therefore, the remuneration in RSUs is a form of fixed remuneration.
- The grant of RSUs to a non-executive director that has not been explicitly refused by the relevant non-executive director by written notice to the Company within fifteen (15) calendar days following the date of grant, shall be deemed accepted by the relevant non-executive director and creates an obligation for the relevant non-executive director to subscribe for the underlying shares when the RSUs have vested in accordance with the terms and conditions set out herein. The RSU is therefore not an option leaving discretion with the director whether to exercise or not.
- The new shares to be issued pursuant to the exercise of RSUs shall be issued, subscribed, and fully paid up in principle within one month following the date of vesting of the relevant RSUs.

The issue of RSUs is designed to align the remuneration policy of the Company in respect of non-executive directors with provision 7.6 of the 2020 Code. In accordance with provision 7.6 of the 2020 Code, non-executive directors should receive a part of their remuneration in the form of shares of the Company. The Company has however no distributable reserves and therefore does not meet the legal requirements to effect a share buy-back. As a result, the Company does not have any treasury shares and is unable to grant existing shares to non-executive directors as part of their remuneration. It should be noted that the RSUs are not entirely equivalent to a share (no voting rights, no preferential subscription rights or other membership rights), however, in the opinion of the Company, the RSUs meet the objectives provided for in provision 7.6 of the 2020 Code.

Pursuant to article 7:91 of the CCA and provisions 7.6 and 7.11 of the 2020 Code, shares or options on shares should not vest and should not be exercisable within three years as of the grant thereof. The board of directors has been explicitly authorised in the articles of association to deviate from this rule. As indicated above, the proposed RSUs in principle will vest on a yearly basis. Furthermore, while provision 7.6 of the 2020 Code also states that shares should be held until at least one year after the non-executive board member leaves the board of directors and at least three years after the moment of award, the RSUs and underlying shares are not subject to these restrictions. The Company is of the opinion that the deviation from the aforementioned rules and principles allows for more flexibility when structuring

share-based awards, in line with changing practices. The Company believes that the RSU plan provides for sufficient orientation of the beneficiaries to the creation of long-term value for the Company.

Ultimately, the ability to remunerate non-executive directors with RSUs allows the Company to limit the portion of remuneration in cash that the Company would otherwise need to pay to attract or retain experts with the most relevant skills, knowledge and expertise. The Company is of the opinion that granting non-executive directors the opportunity to be remunerated in part in share-based incentives rather than all in cash enables the non-executive directors to link their effective remuneration to the performance of the Company and to strengthen the alignment of their interests with the interests of the Company's shareholders. The Company believes that this is in the interest of the Company and its stakeholders. Furthermore, the Company believes that this is customary for directors active in companies in the life sciences industry.

The other directors are not entitled to RSUs. The directors who are also a member of the executive management are remunerated for the executive management mandate (see section 4below), but not for their director mandate.

Notwithstanding the above, the Company may from time to time offer the non-executive directors the opportunity to subscribe to newly issued shares in the Company otherwise than pursuant to the exercise of RSUs at a subscription price that may be substantially lower than the market value of the shares at that time, provided that the relevant non-executive director irrevocably undertakes towards the Company to (i) comply with the holding period provided for in provision 7.6 of the 2020 Code (i.e. the shares so subscribed must be held until at least one year after the non-executive director leaves the board of directors and at least three years after the moment of acquiring the relevant shares), (ii) keep those shares in registered form until the end of such minimum holding period, and (iii) pay the Company an amount equal to the difference between (a) the (euro equivalent of the) last closing price of the Company's shares, on the stock exchange where the Company's shares are (first) listed, immediately preceding the date on which the relevant shares have been subscribed to by the relevant non-executive director and (b) the subscription price of the relevant shares, in case the relevant non-executive director sells or in any other way transfers all or part of the relevant shares prior to the end of the relevant minimum holding period otherwise than due to death of the relevant non-executive director. The non-executive directors may be requested to also formally confirm such undertakings in writing, but by subscribing to the relevant shares they shall already be deemed to have accepted the aforementioned undertakings.

Non-executive directors are entitled to reimbursement of reasonable out-of-pocket expenses (including travel and hotel expenses).

Executive directors do not receive any remuneration in consideration for their membership of the board of directors. They will receive remuneration as members of the executive management.

Without prejudice to the powers granted by law to the general shareholders' meeting, the board of directors may set and, from time to time, revise the rules and the level of compensation for directors carrying out a special mandate or sitting on one of the committees of the board of directors and the rules for the reimbursement of directors' business-related out-of-pocket expenses.

Directors are appointed and the length of their mandates are approved by the general shareholders' meeting. They are at all times subject to dismissal by the general shareholders' meeting.

4 REMUNERATION POLICY FOR MEMBERS OF EXECUTIVE MANAGEMENT

The remuneration of the members of executive management consists of three main elements:

- a fixed annual base remuneration,
- a short-term variable remuneration consisting of an annual performance bonus in cash, and
- a long-term incentive consisting of warrants.

For the CEO, the target proportion of these three elements is: one third fixed annual base remuneration, one third short-term variable remuneration, and one third long-term incentive.

For the other members of executive management:

- the target short-term variable remuneration (annual performance bonus in cash) is either set at a percentage of the fixed annual base remuneration (whereby such percentage can range from 30% to 100%) or set as a fixed amount (whereby such fixed amount can range from an amount equal to 30% of the fixed annual base remuneration to an amount equal to 100% of the fixed annual base remuneration). The target short-term variable remuneration (including whether this is set as a percentage or a fixed amount) is determined by the board of directors on the basis of proposals from the remuneration committee. The board of directors can decide to delegate to the CEO the determination of the target short-term variable remuneration (including whether this is set as a percentage or a fixed amount) of some or all of the other members of executive management on the basis of guidance from the remuneration committee; and
- the long-term incentive (warrants) is determined at the discretion of the board of directors.

4.1 Fixed annual base remuneration

The fixed annual base remuneration of the members of executive management is determined by the board of directors on the basis of proposals from the remuneration committee. The board of directors can decide to delegate to the CEO the determination of the fixed annual base remuneration of some or all of the other members of executive management on the basis of guidance from the remuneration committee.

4.2 Short-term variable remuneration (annual performance bonus in cash)

The short-term variable remuneration (annual performance bonus in cash) of the members of executive management is based on Company and/or individual performance. More precisely, the short-term variable remuneration of the members of executive management is based on the achievement of one or more Company objectives and/or one or more individual objectives. The Company objectives are established annually by the board of directors upon the advice of the remuneration committee. The individual objectives of the members of executive management are established annually by the board of directors upon the advice of the remuneration committee, whereby the board of directors can decide to

delegate to the CEO the annual establishment of the individual objectives of some or all of the other members of executive management. Both the Company objectives and the individual objectives of the members of executive management are set in such a way that they are a challenge to be achieved. They relate to areas that are crucial for the Company to achieve its mission of becoming a global leader in providing innovative, clinically proven solutions to treat patients suffering from OSA, thereby contributing to the Company's business strategy, long-term interests and sustainability. Such areas can include: progress in research & development, clinical trial results, commercial milestones, corporate development, cash position, etc.

The assessment of whether and to what extent the Company objectives and the individual objectives of the members of executive management are achieved is established at the end of each year by the board of directors upon the recommendation of the remuneration committee, by comparing effective performance against the objectives. The board of directors can decide to delegate to the CEO the annual assessment of the achievement of the individual objectives of some or all of the other members of executive management.

The Company does not reclaim any variable remuneration, once such variable remuneration has been paid.

4.3 Long-term incentive (warrants)

The Company may grant warrants to members of executive management in the framework of warrant plans adopted by the board of directors at the advice of the remuneration committee.

The purpose of these warrant plans is to enhance the Company's ability to attract and retain persons who (are expected to) make important contributions to the Company by providing such persons with equity ownership opportunities, and to motivate them to contribute to the Company's strategy and create long-term sustainable value, thereby aligning the interests of such persons with those of the Company and its shareholders. Therefore, the granting of warrants to members of executive management contributes to the Company's business strategy, long-term interests and sustainability.

The number of warrants to be granted to the members of executive management, as well as the grant, vesting and exercise conditions of the warrants, are determined by the board of directors at the advice of the remuneration committee. The grant, the vesting and/or the exercise of the warrants can be made conditional upon the achievement of certain objectives.

Unless the board of directors, upon the recommendation of the remuneration committee, decides otherwise at the time of the grant, 25% of the warrants will vest upon grant, 25% will vest on the first anniversary of the date of grant, 25% will vest on the second anniversary of the date of grant, and the remaining 25% of the warrants will vest on the third anniversary of the date of grant. This vesting schedule deviates from Article 7:91 CCA and section 7.11 of the 2020 Code which provide that warrants should be subject to a three-year vesting period, but the board of directors has been explicitly authorized in the Articles of Association to deviate from Article 7:91 CCA.

In deviation of provision 7.9 of the 2020 Code, no minimum threshold of shares in the Company to be held by members of executive management is set. This deviation is explained by the fact that the interests of the members of executive management are currently considered to be sufficiently oriented to the creation of long-term value for the Company, also considering the fact that some of them already hold shares and some of them already hold warrants, the value of which is based on the value of the shares in the Company. Therefore, setting a minimum threshold of shares to be held by them is not deemed necessary.

4.4 Recovery of variable remuneration

In accordance with provision 7.12 of the 2020 Code, the board of directors should include, in the contracts with the CEO and other members of executive management, provisions that would enable the Company 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.

The Company believes that this provision of the 2020 Code is not appropriate and adapted to take into account the realities of companies in the life sciences industry that are still in a development phase nor considers that it is necessary to apply claw-back provisions as (i) the pay-out of the short-term variable remuneration, based on the achievement of one or more individual objectives and one or more Company objectives as set by the board of directors, is paid only upon achievement of those objectives, and (ii) the Company does not apply any other performance-based remuneration or variable compensation.

Furthermore, the ESOP warrant plans set up by the Company contain bad leaver provisions that can result in the unexercised share options, whether vested or not, automatically and immediately becoming null and void if the agreement or other relationship between the holder and the (relevant subsidiary of the) Company is terminated for “cause”. Notwithstanding the Company’s position that warrants are not to be qualified as variable remuneration (when not depending on performance criteria), the board of directors is of the opinion that such bad leaver provisions sufficiently protect the Company’s interests and that it is therefore currently not necessary to provide for additional contractual provisions that give the Company a contractual right to reclaim any (variable) remuneration from the members of the executive management.

For those reasons, there are no contractual provisions in place between the Company and the members of the executive management that give the Company a contractual right to reclaim from said executives any variable remuneration that would be awarded.

4.5 Pension and other fringe benefits

Depending on status and location, the members of executive management may benefit from a pension plan (defined contribution type), a medical insurance, a company car or a car allowance, an office allowance, a representation allowance and certain other fringe benefits of limited value (such as a laptop, a mobile phone and meal vouchers). They are also entitled to reimbursement of reasonable out-of-pocket expenses (including travel and hotel expenses).

4.6 Duration of agreements and terminations provisions

The agreements with the members of executive management are all of an indefinite duration.

They can be terminated at any time, as the case may be subject to either legally determined or contractually agreed notice periods (or corresponding payments in lieu of notice) or severance payments. Contractually agreed notice periods (or corresponding payments in lieu of notice) or severance payments may in principle not exceed twelve months.

In deviation of the above paragraph and subject to (i) the specific and individual approval by the Company's general shareholders' meeting and (ii) compliance with any other applicable requirements and procedures imposed by the CCA in this respect, the Company may agree to a notice period (or a corresponding payment in lieu of notice) or severance payment of more than twelve months and/or a notice period (or a corresponding payment in lieu of notice) or severance payment that is triggered by a change of control over the Company.

The agreements can be terminated immediately, i.e. without notice period, by the non-breaching party in case of serious cause or material breach.

5 DEVIATIONS FROM THE REMUNERATION POLICY

In exceptional circumstances, the board of directors upon the advice of the remuneration committee may decide to deviate from the Remuneration Policy if necessary in the interest of the Company. Any deviation from this policy will be described and explained in the Company's remuneration report.