

Corporate governance

Our governance in 2022

Forward with Purpose

Galapagos' corporate governance policies

As a listed company with its registered office in Mechelen (Belgium), Galapagos NV (hereinafter "Galapagos NV" or the "Company") is required to apply the Belgian Code of Companies and Associations (the "Belgian Companies Code") and the 2020 Belgian Corporate Governance Code (the "2020 Code"), both of which entered into force on 1 January 2020.

For the reporting year beginning on 1 January 2022, the 2020 Code was our reference code. On 26 April 2022, as a consequence of the introduction of a one-tier governance structure at the Company through the amendment of our Articles of Association, Galapagos NV's Board of Directors approved an updated Corporate Governance Charter. On 21 March 2023, our Board of Directors approved an amendment to the Corporate Governance Charter. The amended Corporate Governance Charter refers to the establishment of the Management Committee supporting the Executive Committee, allows the same person to be Lead Non-Executive Director and Chairman of the Audit Committee, provides that the Lead Non-Executive Director is member or Chairman of the Nomination Committee and clarifies that the Lead Non-Executive Director supports the Chairman in ensuring the prevention and managing of conflicts of interests involving potentially a director. Galapagos NV's Corporate Governance Charter is available on our website (www.glp.com). The Corporate Governance Charter applies in addition to the applicable laws and regulations, Galapagos NV's Articles of Association and the corporate governance provisions included in the Belgian Companies Code and the 2020 Code. The Corporate Governance Charter describes the main aspects of corporate governance at Galapagos NV, including its governance structure, the terms and functioning of the Board of Directors (including its Board Committees), the Executive Committee and the rules of conduct.

For the reporting year beginning on 1 January 2022, the Board of Directors strove to comply with the rules and recommendations of the 2020 Code. At the same time, the Board of Directors is of the opinion that certain deviations from the rules and recommendations of the 2020 Code were justified, in view of our activities, our size, and the specific circumstances in which we operate. In such cases, which are mentioned in this corporate governance statement, we apply the "comply or explain" principle as set forth in the 2020 Code. Reference is made to the [About the Board of Directors](#) and [Nomination Committee](#) sections below.

Our governance structure

The 2020 Code requires companies to make an explicit choice for one of the governance structures provided for in the Belgian Companies Code.

From 1 January 2022 until 26 April 2022, Galapagos NV had a two-tier governance structure as provided by the Belgian Companies Code, with two governance bodies: the Supervisory Board and the Management Board. The Supervisory Board was responsible for the general policy and strategy of the Company, and had all powers which are specifically reserved for it under the Belgian Companies Code. The Supervisory Board also supervised the Management Board. The Management Board exercised all powers which are not reserved for the Supervisory Board in accordance with the Belgian Companies Code, including the management of the Galapagos group and the supervision of actual performances compared to strategic goals, plans and budgets.

As from 26 April 2022, Galapagos NV adopted a one-tier governance structure as provided by the Belgian Companies Code, with the Board of Directors replacing the (former) Supervisory Board and the Executive Committee replacing the (former) Management Board.

One-tier governance structure



The role of the Board of Directors is to pursue sustainable value creation by the Company, by setting the Company's strategy, putting in place effective, responsible and ethical leadership and monitoring the Company's performance. The Board of Directors is the ultimate decision-making body, with the overall responsibility for the management and control of the Company, and is authorized to carry out all actions that are necessary or useful for the realization of the Company's object with the exception of those reserved to the Shareholders' Meeting by applicable law. The Board of Directors also supervises the Executive Committee. The Board acts as a collegiate body.

The Board of Directors has delegated certain powers to manage the Company to the Executive Committee, led by our Chief Executive Officer. The Executive Committee is responsible and accountable to the Board of Directors for the discharge of its responsibilities. Furthermore, the Board of Directors has delegated the day-to-day management of the Company to one Executive Committee member, i.e. our Chief Executive Officer.

In order to efficiently fulfill its tasks and in view of the size and activities of the Company, the Board of Directors has established an Audit Committee, a Remuneration Committee and a Nomination Committee. These Board Committees serve in an advisory capacity to the Board of Directors on the matters delegated to them respectively as set forth in the applicable laws and the Company's Corporate Governance Charter. Until 2 May 2022, there was a combined Nomination and Remuneration Committee. As from 2 May 2022, our Board of Directors has set up a separate Nomination Committee and Remuneration Committee.

In addition to the information set out below, we refer to the **Risk management** and **Risk factors** sections of this report for a description of the most important characteristics of our internal control and risk management systems. The Risk management and Risk factors sections are deemed incorporated by simple reference into this corporate governance statement.

Board of Directors of Galapagos NV

Composition of the Board of Directors

Per 31 December 2022, our Board of Directors consists of the following members:

Paul Stoffels*

joined Galapagos as Chief Executive Officer in April 2022, and is an executive member and the Chairman of our Board of Directors since 26 April 2022. He also is member of the Executive Committee at Galapagos. Prior to that, he was Vice Chairman of the Executive Committee and Chief Scientific Officer of Johnson & Johnson where he set the company's wide innovation agenda and led its pharmaceutical R&D-pipeline, as well as other external initiatives. Before that, he was worldwide Chairman of Pharmaceuticals of Johnson & Johnson which, under his leadership, significantly rejuvenated its product pipeline and adopted a transformational R&D-operating model, which resulted in the launch of 25 innovative medicines across the globe. Dr. Stoffels joined Johnson & Johnson in 2002, following the acquisition of Virco and Tibotec, where he was Chief Executive Officer and Chairman respectively, and where he led the development of several breakthrough products for the treatment of HIV. Dr. Stoffels also is a member of the Supervisory Board of Philips Healthcare in the Netherlands.

*Stoffels IMC BV, permanently represented by Dr. Paul Stoffels





Rajesh Parekh

is a non-executive member of our Board of Directors since 2004, and has served as the Chairman of our Board from 2004 to 26 April 2022. Dr. Parekh is a General Partner at Advent Life Sciences which he joined in 2006. During his academic career at Oxford University, he co-founded Oxford GlycoSciences where he served as Chief Scientific Officer and Chief Executive Officer from 1988 until its sale to Celltech Group (now UCB) in 2003. He has founded or served on the Boards of

several life sciences companies in the United States and Europe, including Avila Therapeutics, EUSA Pharma, Biocartis, and Amsterdam Molecular Therapeutics (AMT) Holding (now uniQure). He also was a member of the Supervisory Board of the Novartis Venture Fund. Dr. Parekh also serves as a member of the Board of Directors of Advent Life Sciences, Aleta, Arrakis, Artax, Aura Biosciences, Leviccept, Ventus, PE Limited, Pheno Therapeutics, and Ploughshare. He received his MA in Biochemistry, and DPhil in Molecular Medicine from the University of Oxford, where he has also served as a Senior Research Fellow and Professor.

Mary Kerr

is a non-executive independent member of our Board of Directors since 26 July 2016, as well as Chief Executive Officer and director of NeRRe Therapeutics. Dr. Kerr was co-founder and Chief Executive Officer of KaNDy Therapeutics until that company was acquired by Bayer in September 2020 for \$425 million, potential development and regulatory milestone payments of up to \$450 million, and by potential additional triple digit million in sales milestone payments. Before her career in biotech, Dr. Kerr held a range of senior leadership roles at GSK over more than 20 years, including Senior Vice President and Global Franchise Leader for the Immuno-Inflammation and Infectious Diseases franchise. She was a founding member and on the Corporate Executive team of ViiV Healthcare. She has spent most of her career on the R&D commercial interface in global strategy and regional operational roles, predominantly in the specialty and orphan space. Dr. Kerr gained a Ph.D. in Pharmacology at the University of Bradford, did Post-Doctoral research at the Michigan Cancer Foundation in Detroit, and has an MBA from the University of Kingston.





Peter Guenter

is a non-executive independent member of our Board of Directors since 30 April 2019. Mr. Guenter is a member of the Executive Board of Merck and Chief Executive Officer of Merck Healthcare since January 2021. Before joining Merck, he served as Chief Executive Officer at Almirall from 2017 to 2020. Prior to joining Almirall, he worked at Sanofi for 22 years, most recently as Executive Vice President Diabetes and Cardiovascular Global Business Unit. During his tenure at Sanofi, he

held many senior positions including Vice President Eastern Europe and Northern Europe, Vice President Business Management and Support, General Manager Germany, Senior Vice President Europe, Executive Vice President Global Commercial Operations, and Executive Vice President General Medicine and Emerging Markets. He was a member of Sanofi's Executive Committee from 2013 until August 2017. Before joining Sanofi, he held different positions in sales and marketing at Smith Kline and Ciba Geigy. Mr. Guenter also is a member of the Board of the European Federation of Pharmaceutical Industries and Associations (EFPIA). He holds a Master's Degree in Physical Education from the Faculty of Medicine and Health Sciences, University of Ghent.

Daniel O'Day

is a non-executive member of our Board of Directors since 22 October 2019. Mr. O'Day is the Chairman of the Board of Directors and Chief Executive Officer of Gilead Sciences, which employs more than 17,000 people worldwide. Prior to joining Gilead in 2019, Mr. O'Day served as the Chief Executive Officer of Roche Pharmaceuticals. His career at Roche spanned more than three decades, during which he held several executive positions in the company's pharmaceutical and diagnostics divisions in North America, Europe and Asia. He served as a member of Roche's Corporate Executive Committee, as well as on a number of public and private Boards, including Genentech, Flatiron Health and Foundation Medicine. Mr. O'Day also serves on the Board of Directors for the Pharmaceutical Research and Manufacturers of America Organization. Mr. O'Day holds a Bachelor's Degree in Biology from Georgetown University and a MBA from Columbia University in New York.





Linda Higgins

is a non-executive member of our Board of Directors since 22 October 2019. Linda Slanec Higgins, PhD, joined Gilead Sciences, Inc. in 2010 and is currently Sr. Vice President Research Strategy, Innovation & Portfolio. In her first ten years at Gilead, she led the Biology division, significantly expanding the therapeutic area scope and capabilities of the department. She founded External Innovation as integral component for Research. She previously served as President

& Chief Executive Officer of InteKrin Therapeutics, and as Head of Research at Scios, a Johnson & Johnson company, where she provided leadership for drug discovery, preclinical development and translational medicine. Dr. Higgins is passionate about biopharmaceutical discovery and development, and has been dedicated to excellence in applied scientific research since 1991. She has led projects and departments in multiple therapeutic areas including central nervous system, fibrosis, inflammation, cardiovascular, virology and oncology. Dr. Higgins built many of these as new areas at Scios and Gilead. Dr. Higgins earned an A.B. in Behavioral Physiology from Kenyon College, a Ph.D. in Neurosciences from the University of California, San Diego School of Medicine, and completed Post-Doctoral training in Molecular Genetics at the Howard Hughes Medical Institute of the University of California, Berkeley. She has authored over 50 original peer reviewed scientific papers and invited articles, and is an inventor of over a dozen patents. Dr. Higgins also serves as a non-executive director on the Board of Arcus Biosciences and Tizona Therapeutics.

Elisabeth Svanberg

is a non-executive independent member of our Board of Directors since 28 April 2020. Dr. Svanberg received her MD and PhD from the University of Gothenburg (Sweden), and is a Board-Certified General Surgeon and Associate Professor of Surgery. Dr. Svanberg joined Serono International in 2000, initially in the field of metabolism, and subsequently held roles of increasing responsibilities before joining Bristol Myers Squibb in the United States in 2007. At BMS, Dr.

Svanberg served as Development Leader for a first-in-class novel diabetes medicine, and subsequently as Head of Medical Affairs for the Intercontinental region. In 2014, Dr. Svanberg joined Janssen Pharmaceuticals (a Johnson & Johnson company) as Vice President, Head of the Established Products group where she was managing a portfolio of 90 products, used by an estimated 150 million patients globally. Since 2016, Dr. Svanberg currently serves as Chief Development Officer at Ixaltis, and since 2020 as Chief Medical Officer at Kuste Biopharma, specialty pharmaceutical companies developing proprietary therapeutics to treat genitourinary (GU) disorders with unmet medical need. Dr. Svanberg also serves as a non-executive director on the Boards of Egetis (formerly PledPharma) (since 2017), Swedish Orphan Biovitrum (until May 2022), Pharnext (until March 2022), Amolyt Pharma (since 2021), LEO Pharma (since 2022), and EPICS Therapeutics (since 2022).





Jérôme Contamine

is a non-executive independent member of our Board of Directors since 26 April 2022. Mr. Contamine served as Chief Financial Officer of Sanofi for more than nine years from 2009 until 2018. Prior to joining Sanofi, he was Chief Financial Officer of Veolia from 2000 to 2009. He previously held various operating functions at Total, and served four years as an auditor at the Cour des Comptes (the supreme body responsible for auditing the use of public funds in France). Mr.

Contamine is a graduate of France's École Polytechnique, ENSAE (École Nationale de la Statistique et de l'Administration Économique) and École Nationale d'Administration. He held the position of non-executive director at Valeo from 2006 to 2017. Mr. Contamine also serves as a non-executive director on the Boards of Société Générale and Total Energies.

Dan Baker

is a non-executive independent member of our Board of Directors since 26 April 2022. Dr. Baker joined Janssen/Centocor in 2000 and as Vice President Immunology R&D his responsibilities included the clinical development of Remicade, Simponi and Stelara, as well as other programs in rheumatology and dermatology. He supervised many Phase I-III trials in multiple disease areas, and oversaw more than 15 regulatory approvals in the US, Europe and Japan. Throughout his time at Janssen, he was responsible for evaluating business development opportunities in the immunology space. In 2015 he took on a new role as Disease Area Stronghold Leader at Janssen where he was responsible for Phase II & III clinical development plans for rheumatology products and the overall portfolio strategy in rheumatology and immunology. This included the early research strategy for immunology discovery, managing the early portfolio development and approving all late-stage efforts. Since his retirement from Janssen in 2019, he has continued to be involved in bringing therapies to patients. He raised capital (>\$20MM) to fund and start an immunology company, KiRA Biotech, where he now acts as Chief Executive Officer and as Executive Director. Dr. Baker received his B.A. in Biology from Gettysburg College and his Medical Degree from the University of Pennsylvania. He completed his Medical Residency at Hershey Medical Center and Fellowship in Rheumatology and Immunology at the University of Pennsylvania, followed by a Research Fellowship in Rheumatology at Mass General Hospital. He continued on as part of the faculty of the University of Pennsylvania for 18 years before taking on industry roles.



Changes to our Board of Directors

The tenure of Katrine Bosley and Howard Rowe as members of our Board of Directors came to an end on 26 April 2022. We thank Katrine Bosley and Howard Rowe for their contributions and commitment to the Company over the years.

About the Board of Directors

Galapagos NV's Board of Directors consists of at least five and no more than nine members. At least three members of our Board of Directors are independent. On 31 December 2022, the Board of Directors consisted of nine members, five of whom are independent within the meaning of article 7:87 of the Belgian Companies Code and provision 3.5 of the 2020 Code.

Except for Stoffels IMC BV (permanently represented by Dr. Paul Stoffels), all members of the Board of Directors are non-executive directors.

The members of our Board of Directors are appointed at the Shareholders' Meeting upon the proposal of the Board of Directors, for a renewable term of up to four years. Members of the Board of Directors whose mandate has come to an end may be re-appointed. When a position on the Board of Directors becomes vacant, the remaining members may temporarily fill the mandate by cooptation and until appointment of a new Board member at the next Shareholders' Meeting. Each member of the Board of Directors appointed as such by the Shareholders' Meeting shall complete the tenure of the member of the Board of Directors he/she replaces, unless the Shareholders' Meeting decides otherwise. The Nomination Committee nominates, for approval by the Board of Directors, candidates to fill vacancies as they arise, and advises on proposals for appointment originating from shareholders, in each case taking into account the Company's needs and the selection criteria determined by the Board of Directors. In proposing candidates, particular consideration will be given to gender diversity and diversity in general, as well as complementary skills, knowledge and experience.

Provision 3.12 of the 2020 Code recommends that, in case of a one-tier governance structure, (a) there should be a clear division of responsibilities between the person presiding over the Board of Directors (the Chairman) and the person assuming executive responsibility for running the company's business (the CEO), and (b) the Chairman of the Board of Directors and CEO should not be the same individual. In deviation from this provision, Stoffels IMC BV (permanently represented by Dr. Paul Stoffels), who is our CEO since 1 April 2022, was also appointed as Chairman of the Board of Directors as of 26 April 2022. In light of the prevailing circumstances, the Board of Directors considered that the one-tier governance structure and the combined role as CEO/Chairman allows the Company to fully leverage the leadership of Dr. Paul Stoffels, and to efficiently set and implement the Company's direction and strategy (including in the field of business development). Furthermore, the Board of Directors is of the opinion that such combined role has a positive impact on the functioning and efficiency of the Board, as well as on the provision of information to the Board of Directors, allowing the Board of Directors to monitor the Company's (and group's) performance more effectively during 2022. In order to ensure sufficient balance, the Board adopted a counter balancing governance

structure that includes the election of a Lead Non-Executive Director acting as the principal liaison between the Chairman and the non-executive members of the Board of Directors (see also below). Dr. Rajesh Parekh was appointed as the Lead Non-Executive Director of the Company, effective as of 2 May 2022. Effective as of March 21, 2023, Jérôme Contamine is appointed as the new Lead Non-Executive Director of Galapagos, replacing Dr. Rajesh Parekh. The Lead Non-Executive Director is entrusted with the responsibilities and powers set out in the Corporate Governance Charter of Galapagos NV.

The following table sets forth certain information with respect to the members of our Board of Directors during the financial year ended on 31 December 2022:

Name	Position	Nationality	Year of birth or incorporation	Year of initial appointment	Independent director ⁽¹⁾	Attendance rate
Rajesh Parekh ⁽²⁾	Chairman	British	1960	2004		91%
Stoffels IMC BV ^{(3) (6)}	Chairman	Belgian	2022	2022		100%
Howard Rowe ⁽⁴⁾	Member	British and U.S.	1969	2010	●	100%
Katrine Bosley ⁽⁴⁾	Member	U.S.	1968	2013	●	100%
Mary Kerr	Member	British	1961	2016	●	91%
Peter Guenter	Member	Belgian	1962	2019	●	91%
Elisabeth Svanberg	Member	Swedish	1961	2020	●	100%
Jérôme Contamine ⁽⁵⁾	Member	French	1957	2022	●	100%
Dan Baker ⁽⁵⁾	Member	U.S.	1950	2022	●	100%
Daniel O' Day	Member	U.S.	1964	2019		100%
Linda Higgins	Member	U.S.	1962	2019		100%

(1) Independent director pursuant to article 7:87 of the Belgian Companies Code and article 3.5 of the 2020 Code.

(2) Chairman until 26 April 2022

(3) Director and Chairman as from 26 April 2022 – permanently represented by Dr. Paul Stoffels

(4) Director until 26 April 2022

(5) Director as from 26 April 2022

(6) In June 2022, Galapagos entered into a related party transaction with Stoffels IMC BV within the meaning of article 7:96 of the Belgian Companies Code (i.e. an amendment of the management agreement between Galapagos NV and Stoffels IMC BV). Having a conflict of interests concerning the proposed amendment, Stoffels IMC BV (permanently represented by Dr. Paul Stoffels) left the meeting before the deliberation and vote concerning this agenda item took place. Afterwards, he rejoined the Board meeting for the next agenda items. Thus, this meeting was taken into account for his attendance rate during the 2022 financial year.

In 2022, the following persons, as identified in the table above, were members of the Board of Directors (former Supervisory Board): Stoffels IMC BV (permanently represented by Dr. Paul Stoffels) (member and Chairman since 26 April 2022), Rajesh Parekh (Chairman until 26 April 2022), Howard Rowe (member until 26 April 2022), Katrine Bosley (member until 26 April 2022), Mary Kerr, Peter Guenter, Daniel O'Day, Linda Higgins, Elisabeth Svanberg, Jérôme Contamine (member since 26 April 2022) and Dan Baker (member since 26 April 2022). On 31 December 2022, Mary Kerr, Peter Guenter, Elisabeth Svanberg, Jérôme Contamine and Dan Baker were independent members of the Board of Directors within the meaning of article 7:87 of the Belgian Companies Code and provision 3.5 of the 2020 Code. In 2022, the Board of Directors was therefore composed of a majority of independent directors.

At the Annual Shareholders' Meeting of 26 April 2022, the tenure of Howard Rowe and Katrine Bosley as members of the Board of Directors came to an end.

In 2022, the Board of Directors thus consisted of three women (except between 1 January 2022 and 26 April 2022 when the Board consisted of four women), and six men (except between 1 January 2022 and 26 April 2022 when the Board consisted of four men), representing five different nationalities and different age categories.

During 2022, Galapagos NV complied with its obligations with respect to gender diversification in the Board of Directors as set forth in article 7:86 of the Belgian Companies Code, and the Board of Directors will continue to monitor future compliance. In proposing candidates, particular consideration is given to diversity in gender, age, nationality, educational and professional background, as well as complementary skills, knowledge and experience. The profiles of all members of the Board of Directors are included in this report (see above), and are also available on www.glp.com.



The role of the Board of Directors is to pursue the long-term success and sustainable value creation by Galapagos NV. The Board of Directors does so by assuming the authority and responsibilities assigned to it by Belgian corporate law, the Company's Articles of Association, and the Corporate Governance Charter, and by combining entrepreneurial leadership with appropriate risk assessment and management. Each of the directors' expertise and experience is exemplified by the varied professional activities they carry out and offices they hold. During its meetings in 2022, the Board of Directors dealt with matters pertaining to, among other things, our strategy and growth, the entry into the field of oncology through the combined acquisitions of CellPoint and AboundBio, the evaluation of other business development opportunities, the search and recruitment of our new Chief Executive Officer, the implementation of our new governance model, the implementation of our new strategic direction to accelerate innovation and time-to-patients (including a focus on key therapeutic areas of immunology and oncology, and an expansion of drug modalities beyond small molecules, such as biologicals and CAR-T), clinical trial results, commercialization of Jyseleca®, and regulatory developments, convening of the Shareholders' Meeting and preparation of resolutions to be submitted for approval to the shareholders, the creation of new subscription rights for the benefit of the personnel of Galapagos NV and its subsidiaries, and review and approval of our financial reporting.

In 2022, fourteen meetings took place physically, through written resolutions, telephone conferences or videocalls to discuss specific matters, including three meetings in the presence of a notary public (relating to the issuance of Subscription Right Plan 2022 (A), Subscription Right Plan 2022 (B), Subscription Right Plan 2022 BE, Subscription Right Plan 2022 RMV and Subscription Right Plan 2022 ROW). Two of the meetings in the presence of a notary public were attended by Peter Guenter and Rajesh Parekh via telephone conference. The third meeting in the presence of a notary public was attended by Mary Kerr and Elisabeth Svanberg via telephone conference. All other directors were represented by proxy at the meetings in the presence of a notary public. The attendance rate for the other Board meetings, as identified in the table above, was as follows: Rajesh Parekh: 91%; Stoffels IMC BV (permanently represented by Dr. Paul Stoffels) (member since 26 April 2022): 100%; Howard Rowe (member until 26 April 2022): 100%; Katrine Bosley (member until 26 April 2022): 100%; Mary Kerr: 91%; Peter Guenter: 91%; Jérôme Contamine (member since 26 April 2022): 100%; Dan Baker (member since 26 April 2022): 100%; Daniel O'Day: 100%; Linda Higgins: 100%, and Elisabeth Svanberg: 100%. The overall attendance rate was 98%. Stoffels IMC BV (permanently represented by Dr. Paul Stoffels) recused itself from deliberation and decision-making on one agenda item because of a conflict of interests, in accordance with article 7:96 of the Belgian Companies Code, as set forth in further detail in the section titled **Conflict of interests and related parties**.

The Board of Directors acts as a collegial body. A formal evaluation of the Board of Directors (formerly Supervisory Board) and its Board Committees was carried out in September 2021. Each member of the Board of Directors provided feedback through individual assessment forms. The results were presented on an aggregate basis by the Secretary *ad interim* of the (former) Supervisory Board (currently Board of Directors), and served as a basis for discussion by the full (former) Supervisory Board. This evaluation specifically addressed the functioning of the (former) Supervisory Board, the size and composition of the (former) Supervisory Board, the interaction between the (former) Supervisory Board and the (former) Management Board (currently the Executive Committee), and the functioning of the Board Committees. A new Board evaluation exercise was performed in the second half of 2022. As part of this exercise, the Board of Directors' composition was reviewed, a composition matrix was created, and interviews were held with Board members on the functioning and composition of the Board of Directors.

Pursuant to the Company's Corporate Governance Charter and as a counter balancing governance structure for the combined CEO & Chairman role within the Board, the Board of Directors appointed a Lead Non-Executive Director. The Lead Non-Executive Director is also automatically the Vice-Chairman of the Board of Directors. The Lead Non-Executive Director is entrusted with the responsibilities and powers set out in Galapagos NV's Corporate Governance Charter, including, but not limited to, serving as principal liaison between the non-executive directors and the Chairman of the Board. Dr. Rajesh Parekh was appointed as the Lead Non-Executive Director of the Company, effective as of 2 May 2022. Effective as of March 21, 2023, Jérôme Contamine is appointed as the new Lead Non-Executive Director of Galapagos, replacing Dr. Rajesh Parekh.

The Board of Directors appointed a Secretary entrusted with the functions set out in Galapagos NV's Corporate Governance Charter, including, but not limited to, to advise the Board of Directors and its individual members on all corporate governance matters.

Committees

Audit Committee

Audit Committee member	Function	Independent member ⁽¹⁾	Attendance rate
Howard Rowe ⁽²⁾	Chairman	●	100%
Jérôme Contamine ⁽³⁾	Chairman	●	100%
Mary Kerr	Member	●	89%
Peter Guenter	Member	●	100%

(1) Independent member pursuant to article 7:87 of the Belgian Companies Code and article 3.5 of the 2020 Code

(2) Chairman until 26 April 2022

(3) Chairman as per 2 May 2022

The Audit Committee assists the Board of Directors in fulfilling its monitoring responsibilities with respect to financial reporting, and control and risk management in the broadest sense. The Audit Committee's key responsibilities include (i) monitoring the integrity of the Company's financial statements and the Company's accounting and financial reporting processes and financial statement audits, (ii) monitoring the effectiveness of the Company's internal control and risk management systems, (iii) monitoring the internal audit function and its effectiveness, (iv) monitoring the performance of the external auditor and the statutory audit of the annual and consolidated accounts, (v) reviewing and monitoring the independence of the external auditor, (vi) informing the Board of Directors on the results of the statutory audit, and (vii) informing the Board of Directors on the Company's ESG activities, as included in the Sustainability report which contains the non-financial information as required by articles 3:6, § 4 and 3:32, § 2 of the Belgian Companies Code.

Per 31 December 2022, the Audit Committee consisted of the following three directors, as identified in the table above: Jérôme Contamine (Chairman), Mary Kerr, and Peter Guenter. All members of the Audit Committee are non-executive directors, and are all independent within the meaning of article 7:87 of the Belgian Companies Code, provision 3.5 of the 2020 Code, and Rule 10A-3(b)(1) under the U.S. Securities Exchange Act of 1934, as amended (subject to the exemptions provided in Rule 10A-3(c) under such act. The Chairman of the Audit Committee is an independent non-executive director. Collectively, the members of the Audit Committee have sufficient relevant experience to fulfill their roles effectively, notably in financial matters (including, but not limited to, general accounting and financial reporting, as well as matters of audit, internal control, and risk control) and in the life sciences industry.

In 2022, the Audit Committee held nine meetings, in which it dealt with matters pertaining to, among other things, audit review, risk management, monitoring financial reporting, the monitoring of Sarbanes-Oxley compliant internal and external audit systems, the monitoring of compliance matters, an update of the Audit Committee Complaints Procedure Policy, a cyber security incident and the onboarding of the new auditor. The Audit Committee acts as a collegial body. The overall attendance at the Audit Committee meetings in 2022 was 97%. The attendance rate at the Audit Committee meetings in 2022 for each of its members is set forth in the table above. Some of the meetings were attended by the statutory auditor of the Company.

Nomination Committee

Nomination Committee members ⁽¹⁾	Function	Independent member ⁽²⁾	Attendance rate
Rajesh Parekh	Chairman		100%
Katrine Bosley ⁽³⁾	Member	●	100%
Stoffels IMC BV ⁽⁴⁾	Member		100%
Jérôme Contamine ⁽⁵⁾	Member	●	100%
Elisabeth Svanberg ⁽⁶⁾	Member	●	100%

(1) Pursuant to article 4.20 of the 2020 Code, the remuneration committee and nomination committee were combined from 1 January 2022 up to 2 May 2022

(2) Independent member pursuant to article 7:87 of the Belgian Companies Code and article 3.5 of the 2020 Code

(3) Member until 26 April 2022

(4) Member as per 2 May 2022 and permanently represented by Dr. Paul Stoffels

(5) Member as per 2 May 2022

(6) Member until 2 May 2022

The Nomination Committee makes recommendations to the Board of Directors with regard to the appointment of the members of the Board of Directors, the CEO, and the members of the Executive Committee. Per 31 December 2022, the Nomination Committee consisted of the following three directors, as identified in the table above: Dr. Rajesh Parekh (Chairman), Stoffels IMC BV (permanently represented by Dr. Paul Stoffels) and Jérôme Contamine. Collectively, the Nomination Committee members have sufficient relevant experience to fulfill their roles effectively.

Provision 4.19 of the 2020 Code recommends that the Board of Directors should set up a Nomination Committee with the majority of its members comprising independent non-executive directors. In deviation from this provision, the Nomination Committee consisted in 2022 of one executive director, one independent non-executive director and one non-executive director. The latter (Dr. Rajesh Parekh) no longer qualifies as independent pursuant to article 7:87 of the Belgian Companies Code and article 3.5 of the 2020 Code given his long tenure at Galapagos NV. The Board felt it was appropriate to appoint him as a member and Chairman of the Nomination Committee in view of his experience as former Chairman of the Board and to ensure a smooth transition to the new Chairman. Effective as of 21 March 2023, Dr. Elisabeth Svanberg was appointed as member and Chairman of the Nomination Committee, replacing Dr. Rajesh Parekh.

The Nomination Committee meets as frequently as necessary to ensure effective operation of its responsibilities. In 2022, the Nomination Committee held six meetings, dealing with, among other things, matters pertaining to the hire of our new CEO, the proposal of new directors appointed at our Shareholders' Meeting on 26 April 2022, our new governance structure, the proposal of our new Executive Committee members (as per 1 January 2023), and our 2022 Board evaluation. The Nomination Committee acts as a collegial body. The overall attendance at the Nomination Committee meetings in 2022 was 100%. The attendance rate at the Nomination Committee meetings in 2022 for each of its members is set forth in the table above.

Remuneration Committee

Remuneration Committee members ⁽¹⁾	Function	Independent member ⁽²⁾	Attendance rate
Rajesh Parekh	Chairman		100%
Katrine Bosley ⁽³⁾	Member	●	100%
Jérôme Contamine ⁽⁴⁾	Member	●	100%
Elisabeth Svanberg	Member	●	100%

(1) Pursuant to article 4.20 of the 2020 Code, the remuneration committee and nomination committee were combined from 1 January 2022 up to 2 May 2022

(2) Independent member pursuant to article 7:87 of the Belgian Companies Code and article 3.5 of the 2020 Code

(3) Member until 26 April 2022

(4) Member as per 2 May 2022

The Remuneration Committee makes recommendations to the Board of Directors with regard to the remuneration of the members of the Board of Directors, the CEO, and the members of the Executive Committee, including variable remuneration and long-term incentives, whether or not stock-related, in each case insofar as allowed by applicable laws and regulations.

Per 31 December 2022, the Remuneration Committee consisted of the following three non-executive directors, as identified in the table above: Dr. Rajesh Parekh (Chairman), Elisabeth Svanberg, and Jérôme Contamine, the majority of whom are independent members of the Board of Directors within the meaning of article 7:87 of the Belgian Companies Code and provision 3.5 of the 2020 Code. Collectively, the Remuneration Committee members have sufficient relevant experience to fulfill their roles effectively.

The Remuneration Committee meets as frequently as necessary to ensure effective operation of its responsibilities. In 2022, the Remuneration Committee held six meetings, dealing with, among other things, matters pertaining to the remuneration of our new CEO and Executive Committee members, grants of subscriptions rights, restricted stock units (RSUs) and bonuses, the packages of our retiring Chief Business Officer and Chief Medical Officer, and salary increases. The Remuneration Committee acts as a collegial body. The overall attendance at the Remuneration Committee meetings in 2022 was 100%. The attendance rate at the Remuneration Committee meetings in 2022 for each of its members is set forth in the table above. The CEO participated in those meetings where the remuneration of the Executive Committee members (other than the CEO) were discussed.

Executive Committee of Galapagos NV

Composition of the Executive Committee

Per 31 December 2022, our Executive Committee consists of the following members:

Paul Stoffels*

joined Galapagos as Chief Executive Officer in April 2022, and is an executive member and the Chairman of our Board of Directors since 26 April 2022. He also is a member of the Executive Committee at Galapagos. Prior to that, he was Vice Chairman of the Executive Committee and Chief Scientific Officer of Johnson & Johnson where he set the company's wide innovation agenda and led its pharmaceutical R&D-pipeline, as well as other external initiatives. Before that, he was worldwide Chairman of Pharmaceuticals of Johnson & Johnson which, under his leadership, significantly rejuvenated its product pipeline and adopted a transformational R&D-operating model, which resulted in the launch of 25 innovative medicines across the globe. Dr. Stoffels joined Johnson & Johnson in 2002, following the acquisition of Virco and Tibotec, where he was Chief Executive Officer and Chairman respectively, and where he led the development of several breakthrough products for the treatment of HIV. Dr. Stoffels also is a member of the Supervisory Board of Philips Healthcare in the Netherlands

*Stoffels IMC BV, permanently represented by Dr. Paul Stoffels





Bart Filius

is appointed as President of Galapagos in February 2021, and serves as Chief Financial Officer since December 2014 and as Chief Operating Officer since September 2017, and is a member of the Executive Committee at Galapagos. Prior to that, Mr. Filius worked over 13 years at Sanofi where he was the Chief Financial Officer of Sanofi Europe during the last 3 years. Earlier at Sanofi, he was the Country Manager and Chief Financial Officer of Sanofi in the

Netherlands. Before that, he was Vice President of Mergers & Acquisitions, during which time he led and completed the divestiture of various franchises. Prior to joining Sanofi, he was a strategy consultant at Arthur D. Little. Mr. Filius has an MBA degree from INSEAD, and a Bachelor's Degree in business from Nyenrode Business University. In May 2019, Mr. Filius was elected as non-executive director in the Supervisory Board of ProQR Therapeutics.

Walid Abi-Saab

joined Galapagos as Chief Medical Officer in March 2017. Dr. Abi-Saab has driven Galapagos' overall medical strategy and was responsible for late stage clinical development and operations, medical and regulatory affairs and safety. As of June 2021, he became responsible for all development activities as he added early-stage development activities to his already existing responsibilities for late-stage development.





Michele Manto

is appointed as Chief Commercial Officer in January 2020, and member of the Executive Committee at Galapagos. He joined Galapagos in September 2017 as Senior Vice President Commercial Operations to build and lead Galapagos' commercial organization and capabilities. Previously, Mr. Manto held various commercial leadership roles at AbbVie, most recently as General Manager, Global Marketing Rheumatology and General

Manager in the Netherlands. Prior to this, he led AbbVie's commercial activities and launches in rheumatology, gastroenterology and dermatology in Germany and other European countries. He started his professional career as a management and strategy consultant at McKinsey & Company. Mr. Manto holds an MBA from INSEAD and a Degree in Engineering from the Politecnico of Milan.

Our new Executive Committee Members

Per 1 January 2023, our Executive Committee has been strengthened with the addition of the following members:

Annelies Missotten

is appointed as Chief Human Resources Officer and member of the Executive Committee at Galapagos. She joined Galapagos as Vice President Human Resources in February 2018 to transform and build an expert HR team to enable business growth, and leading the transformation of Galapagos into an integrated biopharmaceutical company with an international set-up. In 2020, she was appointed Senior Vice President Human Resources and strategic advisor to the CEO and Executive Committee. Before joining Galapagos, she held various senior global HR positions at GSK. She started her career at Proximus, and acquired deep expertise over time in key HR Centres of Expertise, including Training & Development, Talent Acquisition and Reward, and HR Business partnership roles. Ms. Missotten holds a Master's Degree in Roman Philology from KU Leuven, a DEA in Italian Culture and Linguistics from the Paris IV Sorbonne (France) and L'Università Cattolica di Milano. Over the years, she completed her education with several systemic psychology and coaching certifications and business courses, amongst others, from INSEAD, Fontainebleau (France).





Valeria Cnossen

is appointed as General Counsel, responsible for Compliance & Ethics, the Corporate Secretary Office and Intellectual Property, and member of the Executive Committee at Galapagos. Ms. Cnossen joined Galapagos on 1 August 2022. She previously was General Counsel of the Consumer Health Group at Johnson & Johnson where she was a strategic partner and key advisor on laws and regulations, transactions and emerging areas, impacting the

business such as digital, transparency, sustainability and public policy. Prior to that, she held leadership roles within the Medical Devices and Pharmaceutical Sectors of Johnson & Johnson. Ms. Cnossen joined Johnson & Johnson in 2011 through the acquisition of Crucell, where she was Head of Legal and Compliance. Prior to joining Crucell, Ms. Cnossen was in private legal practice at De Brauw Blackstone Westbroek in the Netherlands, and Cravath, Swaine & Moore in New York City. Ms. Cnossen is a purpose-driven leader, known for her ability to develop high-performing teams and the careers of others, especially as a mentor for women.

About the Executive Committee

The following table sets forth certain information with respect to the members of our Executive Committee during the financial year ended on 31 December 2022:

Name ⁽¹⁾	Position	Nationality	Year of birth or incorporation	Year of initial appointment
Onno van de Stolpe ⁽²⁾	Chief Executive Officer	Dutch	1959	1999
Stoffels IMC BV ⁽³⁾	Chief Executive Officer	Belgian	2022	2022
Bart Filius	President, Chief Financial Officer & Chief Operating Officer	Dutch	1970	2014
Andre Hoekema ⁽⁴⁾	Chief Business Officer	Dutch	1957	2005
Walid Abi-Saab ⁽⁵⁾	Chief Medical Officer	U.S. & Lebanese	1965	2017
Michele Manto	Chief Commercial Officer	Italian	1973	2020

(1) Following the introduction of a one-tier board structure at the Company, the Board of Directors resolved to appoint the members of the (former) Management Board as member in the Executive Committee as from 26 April 2022

(2) Member and CEO until 31 March 2022

(3) Member as from 26 January 2022 – CEO as from 1 April 2022 – permanently represented by Dr. Paul Stoffels

(4) Member until 31 October 2022

(5) Member until 31 December 2022

The Executive Committee has been entrusted by the Board of Directors with the executive management and running of the Company. Without prejudice to the overall responsibility and tasks of the Board of Directors regarding the management and control of the Company, the tasks of the Executive Committee include the following matters (without limitation): the research, identification and development of strategic possibilities and proposals which may contribute to the Company's development in general, the management of the Company and Galapagos group, the supervision of the actual performance of the business compared to its strategic goals, plans and budgets, and the support of the CEO with the day-to-day management of the Company and Galapagos group.

The Executive Committee meets as often as necessary to ensure its effective operation, and in principle once per month.

On 31 December 2022, the Executive Committee consisted of four people: Stoffels IMC BV (permanently represented by Dr. Paul Stoffels) (CEO and Chairman of the Executive Committee), Bart Filius (President, CFO and COO), Dr. Walid Abi-Saab (CMO) and Michele Manto (CCO), representing four different nationalities and different age categories. Dr. André Hoekema's mandate as CBO and Executive Committee member ended per 31 October 2022. Dr. Walid Abi-Saab's mandate as CMO and Executive Committee member ended per 31 December 2022. He will stay with Galapagos until 31 May 2023 to ensure a smooth transition.

Furthermore, the Executive Committee members have different educational backgrounds, as can be read in each of their profiles (above).

The members of the Executive Committee are appointed by the Board of Directors upon recommendation of the Nomination Committee. In proposing candidates for the Executive Committee, particular consideration is given to educational and professional background, complementary skills, knowledge and experience, as well as to diversity in age, gender and nationality.

Galapagos NV's share capital and shares

Share capital increases and issue of shares by Galapagos NV in 2022

On 1 January 2022, the share capital of Galapagos NV amounted to €354,582,005.11 represented by 65,552,721 shares. In the course of 2022, there were three capital increases resulting from the exercise of subscription rights under subscription right plans, resulting in the issuance of 282,790 new shares, an increase of the share capital by €1,529,893.90 and an increase of the issuance premium account by €5,165,462.70.

At the end of 2022, the share capital of Galapagos NV amounted to €356,111,899.01 represented by 65,835,511 shares.

During 2022, the Board of Directors issued subscription rights under five Subscription Right Plans:

- On 13 January 2022, the Supervisory Board (now the Board of Directors) issued 30,000 subscription rights, after acceptance by the beneficiary, within the framework of the authorized capital, for the benefit of a member of the personnel of the group under Subscription Right Plan 2022 (A).

The subscription rights issued under Subscription Right Plan 2022 (A) have a term of eight years as of the date of the offer and an exercise price of €46.18 (the closing price of the share on Euronext Amsterdam and Brussels on the day preceding the date of the offer).

- On 26 January 2022, the Supervisory Board (now the Board of Directors) issued 1,000,000 subscription rights, after acceptance by the beneficiary, within the framework of the authorized capital, for the benefit of a member of the personnel of the group under Subscription Right Plan 2022 (B).

The subscription rights issued under Subscription Right Plan 2022 (B) have a term of eight years as of the date of the offer and an exercise price of €50.00.

- On 6 May 2022, the Board of Directors issued 2,091,239 subscription rights, after acceptance by the beneficiaries, within the framework of the authorized capital, for the benefit of Executive Committee members and employees of the Galapagos group under new subscription right plans: “Subscription Right Plan 2022 BE”, “Subscription Right Plan 2022 RMV” and “Subscription Right Plan 2022 ROW”.

The subscription rights issued under Subscription Right Plan 2022 BE, Subscription Right Plan 2022 RMV and Subscription Right Plan 2022 ROW have a term of eight years as of the date of the offer and subscription rights issued under the first offer have an exercise price of €57.46 (the closing price of the share on Euronext Amsterdam and Brussels on the day preceding the date of the first offer) and under the subsequent offer of €51.58 (the closing price of the share on Euronext Amsterdam and Brussels on the day preceding the date of the second offer).

Number and form of Galapagos shares

Of the 65,835,511 shares of Galapagos NV outstanding at the end of 2022, 5,846 were registered shares and 65,829,665 shares were dematerialized shares. All shares are issued and fully paid up and are of the same class.

Rights attached to Galapagos shares

Each share (i) entitles its holder to one vote at the Shareholders’ Meetings; (ii) represents an identical fraction of the share capital and has the same rights and obligations and shares equally in the profit of Galapagos NV; and (iii) gives its holder a preferential subscription right to subscribe to new shares, convertible bonds or subscription rights in proportion to the part of the share capital represented by the shares already held. The preferential subscription right can be restricted or cancelled by a resolution approved by the Shareholders’ Meeting, or by the Board of Directors subject to an authorization of the Shareholders’ Meeting, in accordance with the provisions of the Belgian Companies Code and Galapagos NV’s articles of association.

Galapagos NV’s authorized capital

In accordance with the articles of association, the Extraordinary Shareholders’ Meeting of Galapagos NV authorized the Board of Directors to increase the share capital of Galapagos NV, in one or several times, and under certain conditions set forth *in extenso* in the articles of association of Galapagos NV.

This authorization consists of two parts:

- A general authorization for capital increases up to 20% of the share capital at the time of convening the Shareholders’ Meeting of 22 October 2019 (i.e. €67,022,402.04) was renewed and is valid for a period of five years from the date of publication of this renewal in the Annexes to the Belgian State Gazette, i.e. 13 November 2019. This general authorization will expire on 12 November 2024; and

- A specific authorization for capital increases of more than 20% and up to 33% of the share capital at the time of the convening the Shareholders' Meeting of 25 April 2017 (i.e. € 82,561,764.93), was renewed and was valid for a period of five years from the date of publication of this renewal in the Annexes to the Belgian State Gazette, i.e. 31 May 2017. This specific part of the authorized capital could, however, only be used in a number of specific circumstances and upon a resolution of the Board of Directors that all independent directors (within the meaning of article 7:87 of the Belgian Companies Code) approve. This specific authorization expired on 30 May 2022.

In 2022, Galapagos NV's Board of Directors made use of the right to increase the capital in the framework of the authorized capital on three occasions:

- On 13 January 2022, in connection with the issuance of Subscription Right Plan 2022 (A) under which a maximum of 30,000 new shares could be issued for a total maximum capital increase of €162,300.00 (plus issuance premium);
- On 26 January 2022, in connection with the issuance of Subscription Right Plan 2022 (B) under which a maximum of 1,000,000 new shares could be issued for a total maximum capital increase of €5,410,000.00 (plus issuance premium); and
- On 6 May 2022, in connection with the issuance of Subscription Right Plan 2022 BE, Subscription Right Plan 2022 RMV and Subscription Right Plan 2022 ROW, under which a maximum of 2,326,025 new shares could be issued for a total maximum capital increase of €12,583,795.25 (plus issuance premium).

On 31 December 2022, an amount of €24,889,284.17 still remained available under the general part of the authorized capital.

When increasing the share capital within the limits of the authorized capital the Board of Directors may, if in Galapagos NV's interest, restrict or cancel the shareholders' preferential subscription rights, even if such restriction or cancellation is made for the benefit of one or more specific persons other than the employees of the group.

Procedure for changes in Galapagos NV's share capital

In accordance with the Belgian Companies Code, Galapagos NV may increase or decrease its share capital by decision of the Extraordinary Shareholders' Meeting approved by a majority of 75% of the votes cast, at a meeting where at least 50% of the share capital of Galapagos NV is present or represented. If the attendance quorum of 50% is not met, a new Extraordinary Shareholders' Meeting must be convened at which the shareholders may decide on the agenda items, irrespective of the percentage of share capital present or represented at such meeting. In this respect, there are no conditions imposed by Galapagos NV's articles of association that are more stringent than those required by law.

Within the framework of the powers granted to it under the authorized capital, the Board of Directors may also increase Galapagos NV's capital as specified in its articles of association.

Purchase and sale of Galapagos treasury shares

In accordance with the Belgian Companies Code, Galapagos NV may purchase, subject to the provisions of the Belgian Companies Code, Galapagos NV's own shares and dispose thereof by decision of the Extraordinary Shareholders' Meeting approved by a majority of 75% of the votes cast, at a meeting where at least 50% of the share capital of Galapagos NV is present or represented. If the attendance quorum of 50% is not met, a new Extraordinary Shareholders' Meeting must be convened at which the shareholders may decide on the agenda items, irrespective of the percentage of share capital present or represented at such meeting. The aforementioned rules are also applicable to the acquisition of shares of Galapagos NV by its subsidiaries.

The Board of Directors has currently not been authorized by an Extraordinary Shareholders' Meeting to purchase or sell its own shares.

On 31 December 2022, neither Galapagos NV nor any subsidiary of Galapagos NV held any shares in Galapagos NV, nor did any third party hold any shares in Galapagos NV on behalf of Galapagos NV or any of its subsidiaries.

Anti-takeover provisions in Galapagos NV's articles of association

Galapagos NV's articles of association currently do not contain any anti-takeover provisions.

Anti-takeover provisions under Belgian law

Under Belgian law, public takeover bids for all outstanding voting securities of the issuer are subject to the supervision of the FSMA. If the latter determines that a takeover violates Belgian law, it may lead to suspension of the exercise of the rights attached to any shares that were acquired in connection with the envisaged takeover. Pursuant to the Belgian Law of 1 April 2007 on public takeovers, a mandatory takeover bid must be made when, as a result of its own acquisition or the acquisition by persons acting in concert with it, a person owns, directly or indirectly, more than 30% of the securities with voting rights in a company with registered office in Belgium whose securities are admitted to trading on a regulated or recognized market. The acquirer must offer to all other shareholders the opportunity to sell their shares at the higher of (i) the highest price offered by the acquirer for shares of the issuer during the 12 months preceding the announcement of the bid or (ii) the weighted average price of the shares on the most liquid market of the last 30 calendar days prior to the date on which it became mandatory for the acquirer to launch a mandatory takeover bid for the shares of all other shareholders.

Material contracts containing change of control clauses

The second amended and restated collaboration agreement between Galapagos NV and AbbVie S.à r.l. (“AbbVie”) dated 24 October 2018 contains provisions granting certain rights to AbbVie upon the occurrence of a public takeover bid on our shares or a change of control in respect of Galapagos NV, including, but not limited to clause 11.2 of the agreement (*Change in Control of Galapagos*), entitling AbbVie, to oblige Galapagos NV to take appropriate measures to avoid the disclosure of confidential information, to limit AbbVie’s reporting obligations to Galapagos NV, or, depending on the stage in which the change of control occurs, to terminate the agreement.

Procedure for amendments to Galapagos NV’s articles of association

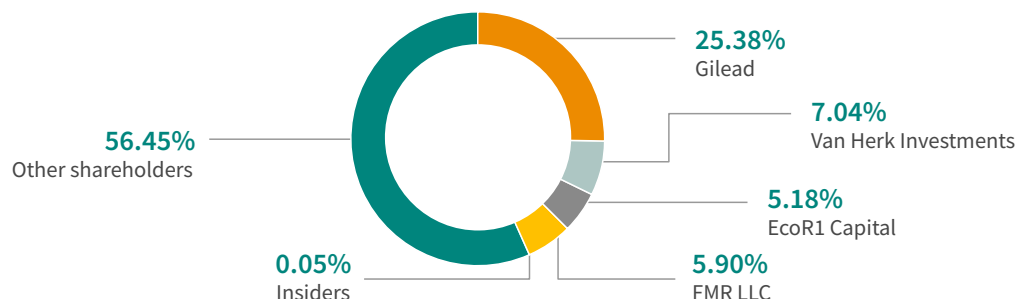
Pursuant to the Belgian Companies Code, any amendment to the articles of association, such as an increase or decrease in the share capital of Galapagos NV, and certain other matters, such as the approval of the dissolution, merger or de-merger of Galapagos NV may only be authorized with the approval of at least 75% of the votes validly cast at an Extraordinary Shareholders’ Meeting where at least 50% of Galapagos NV’s share capital is present or represented. If the attendance quorum of 50% is not met, a new Extraordinary Shareholders’ Meeting must be convened at which the shareholders may decide on the agenda items, irrespective of the percentage of share capital present or represented at such meeting.

Shareholders

Major shareholders of Galapagos NV

Based on transparency notifications received by Galapagos NV under Belgian law and the statements of acquisition of beneficial ownership filed with the U.S. Securities and Exchange Commission under U.S. securities law, the shareholders owning 5% or more of Galapagos NV’s shares on 31 December 2022 were Gilead Therapeutics A1 Unlimited Company (16,707,477 shares or 25.38%), Van Herk Investments B.V. (4,635,672 shares or 7.04%), EcoR1 Capital LLC (3,407,246 shares or 5.18%) and FMR LLC (3,884,633 shares or 5.90%).

Major shareholders on 31 December 2022



At the end of 2022, our CEO owned 1,000,000 subscription rights. The other members of our Executive Committee held an aggregate of 29,520 shares and 864,000 subscription rights. The members of our Board of Directors held an aggregate of 3,889 shares and 75,000 subscription rights. Each subscription right entitles its holder to subscribe to one share of Galapagos NV.

Subject to the approval of Galapagos' shareholders and certain other conditions, Gilead has the right under the terms of the share subscription agreement to have two designees appointed to our Board of Directors. The Board members Daniel O'Day and Linda Higgins are representatives of Gilead.

Agreements between Galapagos NV shareholders

On the date of this report, Galapagos NV had no knowledge of the existence of any shareholders' agreements between its shareholders.

Agreements with major Galapagos NV shareholders

On 14 July 2019, we and Gilead announced that we entered into a 10-year global research and development collaboration. In the context of the transaction, Gilead also made an equity investment in Galapagos. We also amended and restated the license agreement for filgotinib that we originally entered into with Gilead on 16 December 2015. On 23 August 2019, the closing of the transaction took place and we received an upfront payment of €3,569.8 million (\$3.95 billion) and a €960.1 million (\$1.1 billion) equity investment from Gilead.

On 15 December 2020, we and Gilead announced that we agreed to amend our existing arrangement for the commercialization and development of filgotinib again.

Terms of the equity investment

As part of the research and development collaboration, Gilead entered into a share subscription agreement with us. On 23 August 2019, Gilead Therapeutics A1 Unlimited

Company subscribed to 6,828,985 new Galapagos shares at a price of €140.59 per share, which included an issuance premium.

Subject to the approval of Galapagos' shareholders and certain other conditions, Gilead has the right under the terms of the share subscription agreement to have two designees appointed to our Board of Directors. The Special Shareholders' Meeting of 22 October 2019 approved the appointment of Daniel O'Day and Linda Higgins as directors of Galapagos NV, both of whom are still directors of Galapagos NV today.

On 22 October 2019, our Extraordinary Shareholders' Meeting approved the issuance of a warrant to Gilead Therapeutics A1 Unlimited Company, known as Warrant A, that confers the right to subscribe for a number of new shares sufficient to bring the number of shares owned by Gilead and its affiliates to 25.1% of the issued and outstanding shares of the Company. Warrant A expires one year after the issue date and the exercise price per share is €140.59. On 6 November 2019, Gilead exercised Warrant A and increased its ownership in Galapagos to 25.10% of the then outstanding shares.

On 22 October 2019, Gilead Therapeutics A1 Unlimited Company was also issued another warrant, known as the initial Warrant B, that confers the right to subscribe for a number of new shares sufficient to bring the number of shares owned by Gilead and its affiliates to 29.9% of the issued and outstanding shares of the Company. The initial Warrant B will expire on 23 August 2024. The exercise price per share will be the greater of (i) 120% multiplied by the arithmetic mean of the 30-day daily volume weighted average trading price of the Galapagos shares preceding the date of the exercise notice with respect to such exercise, and (ii) €140.59. Between 57 and 59 months from 23 August 2019, subject to and upon approval by the Company's Shareholders' Meeting, Gilead Therapeutics A1 Unlimited Company will be issued a warrant with substantially similar terms, including exercise price, to the initial Warrant B. This subsequent Warrant B will expire on the earlier of (i) the date that is five years after the fifth anniversary of the closing and (ii) the date that the warrant is issued.

Gilead and Gilead Therapeutics A1 Unlimited Company are subject to certain standstill restrictions until 10 years following the closing, which occurred on 23 August 2019. Among other things, during this time Gilead and its affiliates and any party acting in concert with them may not, without our consent, acquire voting securities of Galapagos exceeding more than 29.9% of the then issued and outstanding voting securities, and Gilead and Gilead Therapeutics A1 Unlimited Company may not propose a business combination with or acquisition of Galapagos. The standstill restrictions are subject to certain exceptions as provided in the share subscription agreement.

Pursuant to the terms of the share subscription agreement, Gilead and Gilead Therapeutics A1 Unlimited Company also agreed to certain lock-up provisions. They shall not, and shall cause their affiliates not to, without our prior consent, dispose of any equity securities of Galapagos prior to the second anniversary of the closing (23 August 2019). During the period beginning on the date that is two years following the closing until the date that is five years following the closing, Gilead and its affiliates shall not, without our prior consent, dispose of any equity securities of Galapagos if after such disposal they would own less than 20.1% of the then issued and outstanding voting

securities of Galapagos. The lock-up restrictions are subject to certain exceptions as provided in the share subscription agreement and may terminate upon certain events.

In April 2021, Gilead and Galapagos agreed to amend the share subscription agreement to extend the full lock-up of all of Gilead's securities of Galapagos for a period of five years until 22 August 2024. In 2022, Gilead and Galapagos agreed to amend the share subscription agreement for conformity with the change from a two-tier to a one-tier governance system by Galapagos.

Terms of the global research and development collaboration

We will fund and lead all discovery and development autonomously until the end of Phase 2. After the completion of a qualifying Phase 2 study (or, in certain circumstances, the first Phase 3 study), Gilead will have the option to acquire a license to the compound outside Europe. If the option is exercised, we and Gilead will co-develop the compound and share costs equally. Gilead will maintain option rights to our programs through the 10-year term of the collaboration. This term can be extended, at the discretion of Gilead, for up to an additional three years thereafter for those programs, if any, that have entered clinical development prior to the end of the collaboration term. On top, a final term extension can be granted in certain circumstances.

For all programs resulting from the collaboration (other than GLPG1972 and GLPG1690), Gilead will make a \$150 million opt-in payment per program and will owe no subsequent milestones. We will receive tiered royalties ranging from 20 – 24% on net sales of all our products licensed by Gilead in countries outside Europe as part of the agreement. For GLPG1972, Gilead declined to exercise its option under the collaboration agreement in November 2020. In February 2021, the development of GLPG1690 (ziritaxestat) was discontinued.

Revised filgotinib collaboration

Under the terms of the new arrangement agreed in December 2020, we assumed all development, manufacturing, commercialization and certain other rights for filgotinib in Europe. Gilead retains commercial rights and remains the marketing authorization holder for filgotinib outside of Europe, including in Japan, where filgotinib is co-marketed with Eisai. The transfer was subject to applicable local legal, regulatory and consultation requirements. Most activities transferred to Galapagos by 31 December 2021 and we completed the transition during 2022.

The new arrangement was formalized in (1) the Transition and Amendment Agreement of 3 April 2021 pursuant to which Gilead transitioned the exploitation of filgotinib in Europe to Galapagos by the end of 2021, (2) the DIVERSITY Letter Agreement of 6 September 2021 pursuant to which we and Gilead agreed to transfer the sponsorship of and operational and financial responsibility for the ongoing DIVERSITY study and its long-term extension study (LTE) study from Gilead to Galapagos, and (3) the Second Amended and Restated License and Collaboration Agreement of 24 December 2021,

amending and restating the existing collaboration agreement, which went into effect as of 1 January 2022.

In March 2022, Gilead and Galapagos agreed to transfer the sponsorship of and the operational responsibility for the MANTA study, a safety study in men with moderately to severely active UC and CD to assess semen parameters while taking filgotinib, and its long-term extension, from Gilead to Galapagos.

Since 1 January 2021, we bear the future development costs for certain studies, in lieu of the equal cost split contemplated by the previous agreement. These studies include the DARWIN3, FINCH4, FILOSOPHY, and Phase 4 studies and registries in RA, MANTA and MANTA-RAy, the PENGUIN1 and 2 and EQUATOR2 studies in PsA, the SEALION1 and 2 studies in AS, the HUMBOLDT study in uveitis in addition to other clinical and non-clinical expenses supporting these studies and support for any investigator sponsored trials in non-IBD conditions and non-clinical costs on all current trials. The existing 50/50 global development cost sharing arrangement continued for the following studies: SELECTION and its long-term extension study (LTE) in UC, DIVERSITY and its LTE, DIVERGENCE 1 and 2 and their LTEs and support for Phase 4 studies and registries in Crohn's disease, pediatric studies and their LTEs in RA, UC and CD, and support for investigator sponsored trials in IBD. In September 2021, we and Gilead agreed to transfer the sponsorship of the DIVERSITY study and its LTE study from Gilead to Galapagos. The transfer was intended to be completed by 30 June 2022 and was completed by March 2023. From 1 April 2022, Galapagos is solely responsible for all development costs for the DIVERSITY study and its LTE study. In March 2022, we and Gilead agreed to transfer the sponsorship of the MANTA study and its LTE from Gilead to Galapagos, which transfer was largely completed by 31 December 2022.

All commercial economics on filgotinib in Europe transferred to us as of 1 January 2022, subject to payment of tiered royalties of 8 to 15 percent of net sales in Europe to Gilead, starting in 2024. In connection with the amendments to the existing arrangement for the commercialization and development of filgotinib, Gilead has agreed to irrevocably pay Galapagos €160 million, subject to certain adjustments for higher than budgeted development costs. Gilead paid €35 million in January 2021, an additional €75 million in April 2021 and €50 million in 2022. Furthermore, Gilead made a one-time payment of \$15 million to Galapagos in 2022 in consideration for Galapagos assuming responsibility for the DIVERSITY study. In addition, we will no longer be eligible to receive any future milestone payments relating to filgotinib in Europe. However, we will remain eligible to receive tiered royalty percentages ranging from 20% to 30% on Gilead's global net sales of filgotinib outside of Europe and future development and regulatory milestone-based payments of up to \$275 million and sales-based milestone payments of up to \$600 million.

On 28 March 2022 filgotinib was approved by the Japanese Ministry of Health, Labour and Welfare for UC, for which we received a \$20.0 million (€18.2 million) regulatory milestone payment from Gilead in May 2022.

In March 2022, Gilead and Galapagos agreed to further amend the collaboration by adding the following countries to the Galapagos territory: Andorra, San Marino, Monaco, and Vatican City.

Our remuneration policy

A revised remuneration policy is applicable as of 1 January 2022, and has been approved by the 2022 Shareholders' Meeting. Such document is available on our website.

Remuneration report

Introduction: remuneration report 2022

Galapagos' remuneration policy

Galapagos' current remuneration policy was prepared in accordance with the Belgian Companies Code and approved by Galapagos' shareholders at the 2022 Annual Shareholders' Meeting with 64.40% of shareholder votes. The policy became effective as from 1 January 2022 and applies for the reporting year beginning on 1 January 2022. In this report we will look back at 2022 and reflect on how the progress made with regard to our 2022 corporate objectives has influenced the remuneration outcomes.

Galapagos encourages an open and constructive dialogue with its shareholders to discuss its approach to governance, including remuneration, and to understand what they consider best practices. The disclosure in the remuneration report reflects the input received from Galapagos' shareholders over the years as well as developments in the legislative framework, including the introduction of the comparison table and pay ratio.

The objective of our remuneration policy is to attract, motivate and retain diverse, qualified and expert individuals who are key in order to achieve our strategic and operational objectives. Our further goals are to be competitive in the appropriate market by benchmarking against relevant peer groups, incentivizing performance at the highest possible level, allowing for differential rewards according to individual performance, not to discriminate on any grounds other than performance, and to reinforce an open, fair, consistent and equitable culture.

Peer group and benchmarking

Galapagos' remuneration policy strives to take into account relevant benchmarks with appropriate peer companies and, for the Executive Committee members, the group's performance management system is also considered. Over the years, our Nomination and Remuneration Committee has conducted such benchmarking exercise and has been supported by external advisors during the performance of its responsibilities.

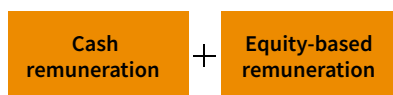
Currently a new benchmarking exercise for Executive Committee roles is ongoing in the light of our strategic transformation and reviewed R&D strategy, focused on immunology and oncology with the aim to transform patient outcomes through life-changing science and innovation. Galapagos is at a pivotal juncture in its history to reset its strategic path, and is building an oncology franchise where attracting and retaining highly specialized expertise in an international labor market is essential to succeed.

The peer groups currently determined by the Remuneration Committee consist of publicly listed biotechnology companies with a comparable market capitalization in the U.S. and biotechnology and pharmaceutical companies with a broadly comparable market capitalization in Europe, in both cases taking into account the R&D and commercialization profile and business model to the extent possible. The Committee considers both these reference points given the talent pool for the Executive Committee extends to both Europe and the U.S., with the majority of our competitors based in the U.S. These benchmarks will support the Remuneration Committee in its decision making, also taking into account Galapagos' strategic context and requirements, company performance, individual performance and skills as well as broader workforce considerations. Finally, the committee also determined to maintain a view to a Bel20 (the benchmark stock market index of Euronext Brussels) general industry peer group (excluding financial services companies) to ensure an understanding of the local Belgian listed market given the location of our headquarters; however, given the international nature of our executive leadership and specific sector considerations, it is not the reference to inform our pay policy.

Remuneration of the members of the Board of Directors

Remuneration structure components

The remuneration of the members of the Board of Directors consists of (i) a fixed annual cash amount, and (ii) an equity-based component. The remuneration of the directors does not contain a variable component, and hence no performance criteria apply to their remuneration.



In accordance with our remuneration policy and the decision of the annual Shareholders' Meeting of 28 April 2020, the remuneration of the members of the Board of Directors for the exercise of their mandate during the financial year ending 31 December 2022 consisted of the following components:

Directors	Board of Directors				Audit Committee		Nomination Committee ⁽²⁾		Remuneration Committee ⁽²⁾		TOTAL REMUNERATION
	Cash remuneration		Equity-based remuneration		Cash remuneration		Cash remuneration		Cash remuneration		
	Chairman	Member	Cash granted to acquire GLPG shares ⁽¹⁾	Acquired GLPG shares ⁽¹⁾	Chairman	Member	Chairman	Member	Chairman	Member	
Stoffels IMC BV, permanently represented by Dr. Paul Stoffels ⁽³⁾	N/A		N/A				N/A				N/A ⁽³⁾
Dr. Rajesh Parekh ⁽⁴⁾	€32,143	€33,929	€66,000	697			€13,571		€20,000		€165,643
Dr. Mary Kerr	€50,000		€50,000	528	€15,000						€115,000
Mr. Peter Guenter	€50,000		€50,000	539	€15,000						€115,000
Dr. Elisabeth Svanberg	€50,000		€50,000	532					€15,000		€115,000
Mr. Jérôme Contamine ⁽⁵⁾	€34,066	€34,000	366		€13,626			€10,220		€10,220	€102,131
Dr. Dan Baker ⁽⁵⁾	€34,066	€34,000	363								€68,066
Mr. Howard Rowe ⁽⁶⁾	€16,071	€16,000	158	€6,429							€38,500
Ms. Katrine Bosley ^{(6) (7)}	€16,071	€-	-							€4,821	€20,892
Mr. Daniel O'Day ⁽⁸⁾											N/A ⁽⁸⁾
Dr. Linda Higgins ⁽⁸⁾											N/A ⁽⁸⁾

- (1) The company grants a gross amount equal to the respective Board member's annual cash remuneration, to use the net portion (after taxes) to acquire shares of Galapagos in the open market.
- (2) Until 26 April 2022, the company had a Nomination and Remuneration Committee and as of 26 April 2022 we have two committees, being the Nomination Committee and the Remuneration Committee.
- (3) Chairman of the Board of Directors as of 26 April 2022. Stoffels IMC BV does not receive any remuneration for its mandate as Chairman of the Board of Directors or Committee member.
- (4) Chairman of the Board of Directors until 26 April 2022.
- (5) Director as of 26 April 2022.
- (6) Director until 26 April 2022.
- (7) Ms. Bosley waived her equity-related remuneration for financial year 2022.
- (8) Mr. O'Day and Dr. Higgins, both Gilead representatives, do not receive any remuneration for their mandate as members of the Board of Directors.

Effective from 26 April 2022, our new Chief Executive Officer, Stoffels IMC BV (permanently represented by Dr. Paul Stoffels) has been appointed as the Chairman of the Board of Directors of Galapagos. The Chief Executive Officer will only be remunerated for the performance of its executive functions as Chief Executive Officer and is not entitled to any additional remuneration for its mandates of Chairman of the Board of Directors or of any Committee.

Cash remuneration

The members of the Board of Directors receive a fixed annual cash amount, irrespective of the number of Board meetings that are held during the year. The remuneration of the directors does not contain a variable part. These Board fees are paid in quarterly installments at the end of each calendar quarter.

For the financial year 2022 the previous Chairman of the Board of Directors, Mr. Rajesh Parekh, received a total cash remuneration of €67,072 and the other members €50,000 each (if in function for the entire year). In addition, Committee membership entitles the directors to an additional €15,000 in cash and Committee chairmanship to an additional €20,000 in cash (if in function for the entire year).

Equity based remuneration

In accordance with provision 7.6 of the 2020 Code, Galapagos also grants members of the Board of Directors an equivalent to a remuneration in shares, being a cash amount equal to the respective Board member's annual cash remuneration whereby the net portion (after taxes) should be used to acquire Galapagos shares. During the financial year 2022, the members of the Board of Directors received the following additional cash compensation: for the previous Chairman of the Board of directors €100,000 (prorated amount if not in function for the entire year) and for the other members €50,000 each (prorated amount if not in function for the entire year), in each case subject to the requirement to use the net amount (after taxes) to acquire Galapagos shares. One former Board member waived the equity-based remuneration for the financial year 2022. These share purchases resulted in the number of shares identified in the table above. The shares that each director so acquires are to be held until at least one year after the Board member leaves the Board of Directors and at least three years after the time of acquisition. These latter payments make up the equivalent of an equity component of the members of the Board of Directors' remuneration, as recommended by the 2020 Code.

As of 2020 Galapagos does not grant any subscription rights to members of the Board of Directors (non-executive directors).

2022 CORPORATE OBJECTIVES Each equally weighted
Corporate Actual cash burn versus guidance, training and compliance goals
Business Development Achievement of business development transaction(s)
Research progress Select new targets and nominate pre-clinical candidates to strengthen our Discovery portfolio. Identify a new target from pre-clinical research on new drug modalities
Clinical trial progress Advance compounds to the next clinical development phase to mature the development pipeline. Initiate the expansion of the use of filgotinib so that it may become accessible to a broader patient population
Commercial development Execution of a successful Europe launch for filgotinib, including sales and earnings target

The individual performance evaluation is supported by the group's performance management system that assesses the performance of all employees (including Executive Committee members) over the calendar year against a set of objectives determined at the start of the year.

Taking all considerations into account, Galapagos' policy is to grant a number of subscription rights each year based on a consideration of each Executive Committee member's role, individual performance for the performance year as well as individual impact on long-term value creation.

The Remuneration Committee is responsible for evaluating the Executive Committee members' performance in accordance with the principles set out above. The Remuneration Committee is composed exclusively of non-executive directors and a majority of its members qualify as independent Board members. This helps prevent the occurrence of conflicts of interest regarding the implementation of the remuneration policy in relation to the Executive Committee members. The members of the Executive Committee are not invited to take part in any discussions of the Remuneration Committee related to their own individual remuneration.

The level of achievement of the objectives for the CEO is assessed at the end of each year by the Remuneration Committee and discussed and finally established by the Board of Directors. The level of achievement of the objectives of the other members of the Executive Committee is assessed by the CEO at the end of the year, discussed by the Remuneration Committee and finally established by the Board of Directors.

Executive Committee	Fixed remuneration			Variable remuneration			TOTAL REMU- NERATION	Proportion of fixed and variable remuneration
	Base salary	Other compo- nents ⁽¹⁾	Pension	Cash bonus ⁽²⁾	Multi-year variable			
					Vested RSUs ⁽³⁾	Granted SRs ⁽⁴⁾		
Stoffels IMC BV, permanently represented by Dr. Paul Stoffels ⁽⁵⁾	€562,500	€-	€-	€337,500	€-	€570,000	€1,470,000	Fixed: 38.27% Variable: 61.73%
Onno van de Stolpe ⁽⁶⁾	€160,524	€22,970	€19,500	€-	€-	€-	€202,994	Fixed: 100%
Other ExCom members ⁽⁷⁾	€1,617,538	€82,873	€220,575	€659,300	€6,103,529	€-	€8,683,815	Fixed: 22.12% Variable: 77.88%

- (1) Other components are the value of the benefits and perquisites awarded, such as a company car, tax advisory services and health and disability insurance.
- (2) The one-year variable is the short-term cash bonus awarded to each Executive Committee member in respect of 2022 and paid in April 2023.
- (3) During financial year 2022 RSUs vested under RSU Plan 2019.I, 2019.II, 2019.III, 2020.II and 2021 IV and pay-outs occurred accordingly.
- (4) The value of the subscription rights ("SRs") granted during the financial year 2022 is calculated by comparing the exercise price with the average share price of the share as quoted on Euronext Brussels and Amsterdam during the financial year 2022.
- (5) CEO as of 1 April 2022.
- (6) CEO until 31 March 2022. Mr. Onno van de Stolpe's base salary is €160,524, including €5,239.02 in the form of personal pension contributions. The €19,500 pension amount does not include the amount of €5,239.02, which is part of Mr. Onno van de Stolpe's fixed base salary.
- (7) Pursuant to the applicable Belgian legislation for the two-tier governance system, we hereby disclose the individual figures for the Executive Committee members part of the aggregate amounts disclosed under "Other ExCom members".

Other ExCom members	Fixed remuneration			Variable remuneration			TOTAL REMU- NERATION	Proportion of fixed and variable remuneration
	Base salary	Other compo- nents ⁽¹⁾	Pension	Cash bonus ⁽²⁾	Multi-year variable Vested RSUs ⁽³⁾	Granted SRs ⁽⁴⁾		
Bart Filius	€515,000	€25,527	€63,300	€230,000	€1,974,467	€-	€2,808,294	Fixed: 21.50% Variable: 78.50%
Andre Hoekema	€317,775	€25,328	€46,125	€100,000	€1,961,547	€-	€2,450,775	Fixed: 15.88% Variable: 84.12%
Walid Abi-Saab	€434,563	€14,203	€62,400	€165,000	€1,543,240	€-	€2,219,406	Fixed: 23.03% Variable: 76.97%
Michele Manto	€350,200	€17,815	€48,750	€164,300	€624,275	€-	€1,205,340	Fixed: 34.58% Variable: 65.42%

Fixed remuneration

The Board of Directors, upon recommendation of the Remuneration Committee, decided that for the financial year 2022 each member of the Executive Committee, including the CEO, received the base salary (gross amount) as identified in the total remuneration table above. The fixed remuneration is a base salary designed to fit responsibilities, relevant experience and competences, in line with market rates for equivalent positions.

Variable remuneration

Galapagos' policy is to grant a number of long-term incentives based on the individual performance for the performance year while also considering individual (future) impact on long-term value creation. Bonuses consist both of a short-term cash component and a long-term RSU component. Members of the Executive Committee were also offered subscription rights in 2022.

Under our remuneration policy, the CEO's cash bonus can be maximum 75% of its base salary. The aggregate cash bonuses of the other members of the Executive Committee can be maximum 50% of the aggregate base salaries. An equivalent number of RSUs will

be granted to the CEO and the other members of the Executive Committee under the RSU Annual Long-Term Incentive Plan.

(a) Short-term variable remuneration

Upon recommendation of the Remuneration Committee, the Board of Directors determined an overall achievement of 80% (out of a maximum of 100%) against the 2022 corporate objectives. In arriving at this determination, the Board considered that some of the objectives were not achieved, some had been met and some overachieved. This determination included an evaluation of activities that were either stopped, started or modified by the strategic reset that occurred during the course of the year following the appointment of our new CEO.

The performance highlights over 2022 included: (i) the acquisition of CellPoint & AboundBio, propelling us into the field of oncology, and next generation CAR-Ts and biological drug modalities, (ii) Jyseleca[®] performance beyond expectations, with actual full year net sales of €87.6 million, at the upper end of the guidance of €80 – 90 million and above the initial 2022 net sales guidance of €65 – 75 million – reaching 18,000 patients in Europe and reimbursed for RA in 15 countries, and for UC in 11 countries, (iii) regulatory progress, including completion of the PRAC article 20 procedure for all JAK inhibitors in Europe to treat certain inflammatory disorders, including filgotinib, and separately, a positive CHMP opinion on the type II variation application for filgotinib based on the MANTA and MANTA-RAy studies, resulting in a label update of the European label for RA and UC, (iv) the launch of our new *Forward, Faster* strategy involving the transformation of our R&D organization into a fit-for-purpose R&D organization, built around our key therapeutic areas oncology and immunology and (v) initial encouraging safety and efficacy results from ongoing Phase 1/2 study in refractory/relapsed non-Hodgkin's lymphoma with CD19 CAR-T candidate, GLPG5101, manufactured at point-of-care.

The 80% corporate funding level is applicable to the wider Galapagos workforce for the corporate component of their bonus funding, including the members of the Executive Committee. The Board of Directors, for the CEO upon recommendation of the Remuneration Committee and for the other Executive Committee members upon proposals of the CEO, considered this level of funding, as applied to the wider workforce, together with individual performance of Executive Committee members in order to determine the individual cash bonus outcomes for 2022 set out in the total remuneration table above: Stoffels IMC BV, permanently represented by Dr. Paul Stoffels (€337,500; 60% of 2022 base salary)²⁸, Mr. Bart Filius (€230,000; 45% of 2022 base salary), and Mr. Michele Manto (€164,300; 47% of 2022 base salary). Our former Executive Committee members have the following cash bonus outcomes: Dr. Andre Hoekema (€100,000; 31% of 2022 base salary) and Dr. Walid Abi-Saab (€165,000; 38% of 2022 base salary). These 2022 cash bonuses will be paid in April 2023. With the exception of the retired Chief Business Officer and Chief Medical Officer, each of the members of the Executive Committee will be granted an equivalent number of RSUs under the 2023 RSU Annual Long-Term Incentive Plan as long-term variable remuneration.

²⁸ The conflict of interest procedure within the meaning of article 7:96 of the Belgian Companies Code has been applied for the 2022 bonus decision for Stoffels IMC BV, a full disclosure shall happen in the annual report for the financial year 2023.

(b) Long-term variable remuneration

In 2022, our (new) CEO, Stoffels IMC BV (permanently represented by Dr. Paul Stoffels), was offered 1,000,000 subscription rights under Subscription Right Plan 2022 (B) as a sign-on remuneration given the strategic importance of hiring Dr. Stoffels as CEO, his knowledge and experience in the pharmaceutical sector and leadership capabilities. He accepted all the granted subscription rights.

The members of the Executive Committee were offered new subscription rights under Subscription Right Plan 2022 BE and each accepted all subscription rights granted as per the following: Mr. Bart Filius: 68,000 subscription rights, Dr. Walid Abi-Saab: 32,000 subscription rights and Mr. Michele Manto: 24,000 subscription rights. Further reference is made to the **Equity components** of the remuneration section, which contains, among others, a description of the 2022 grant of subscription rights.

The total remuneration table above sets forth the value of the number of RSUs vested and paid out in 2022 for each member of the Executive Committee. Each RSU represents the right to receive, at Galapagos' discretion, one Galapagos share or a payment in cash of an amount equivalent to the volume-weighted average price of the Galapagos share on Euronext Brussels over the 30-calendar day period preceding the relevant vesting date. During 2022, there were RSU vestings under five different RSU plans: Plan 2019.I, Plan 2019.II, Plan 2019.III, Plan 2020.II and Plan 2021.IV. The pay-outs to the Executive Committee members occurred accordingly and the aggregate amounts are set forth in the total remuneration table above. Reference is made to the **Equity components** of the remuneration section.

For a description of the RSU grants to the Executive Committee members in 2022, reference is made to the **Equity components** of the remuneration section. This section also sets out the main characteristics of the different RSU plans issued by Galapagos to its members of the Executive Committee in 2019, 2020, 2021 and 2022.

Pension and other components

In addition, the members of the Executive Committee enjoy a number of benefits in line with our remuneration policy such as a retirement plan, insurance programs (covering life insurance, disability, travel insurance and health), company cars and the provision of certain tax services. The aforementioned retirement plan is set up as a defined contribution arrangement and is in line with market practice in Belgium. The pension and other components of the remuneration of each Executive Committee member are summarized in the total remuneration table above.

Equity components of the remuneration

Subscription rights awarded, exercised or expired

In 2022, we issued subscription right plans for the benefit of employees of the group and of Executive Committee members: Subscription Right Plan 2022 (A), Subscription Right Plan (B), Subscription Right Plan 2022 BE, Subscription Right Plan 2022 RMV and Subscription Right Plan 2022 ROW. Each subscription right gives the right to subscribe

for one new Galapagos share. Our CEO was offered new subscription rights under Subscription Right Plan 2022 (B) and the members of the Executive Committee were offered new subscription rights under Subscription Right Plan 2022 BE, subject to acceptance. The final number of accepted subscription rights under Subscription Right Plan 2022 (B) was enacted by the notary deed of 25 March 2022 and under Subscription Right Plan 2022 BE by notary deeds of 7 July 2022 and 2 September 2022. The table below sets forth the numbers of subscription rights offered and accepted by the CEO and each other member of the Executive Committee in 2022, respectively under Subscription Right Plan 2022 (B) and Subscription Right Plan 2022 BE.

The main characteristics of the subscription right plans offered to the members of the Executive Committee are as follows:

- The subscription rights are offered for no consideration;
- The subscription rights typically have a lifetime of eight years and a vesting period of three years after the year of grant;
- Good and bad leaver rules apply in case of termination prior to the end of the vesting period.

Under Subscription Right Plan 2022 (B), the subscription rights have a lifetime of eight years and an exercise price of €50.00. The subscription rights under Subscription Right Plan 2022 (B) vest only and fully on the first day of the fourth calendar year following the calendar year in which the grant was made. The subscription rights can in principle not be exercised prior to 1 January 2026.

Under Subscription Right Plan 2022 BE, the subscription rights have a lifetime of eight years and an exercise price of €57.46. For all the beneficiaries under the Subscription Right Plan 2022 BE, the subscription rights vest only and fully on the first day of the fourth calendar year following the calendar year in which the grant was made. The subscription rights can in principle not be exercised prior to 1 January 2026 and are not transferable. The table below sets forth the main characteristics for subscription right plans issued during previous years and 2022.

As from 1 January 2020, Galapagos no longer grants any subscription rights to members of the Board of Directors, taking into account the stricter rules of the Belgian Companies Code and provision 7.6 of the 2020 Code, which stipulates that non-executive directors should not be entitled to receive stock options. Prior to 2020, members of the Board of Directors were granted subscription rights and hence the table below also contains disclosures for Board members.

No subscription rights expired for members of the Board of Directors or Executive Committee in 2022.

The table below sets forth the subscription rights outstanding and exercisable per 31 December 2022 for the (former) members of the Board of Directors or Executive Committee, the subscription rights awarded to the (former) Executive Committee

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members during 2022 and exercised by the (former) members of the Board of Directors or Executive Committee in 2022:

	Plan ⁽¹⁾	Grant date	Vesting period	Exercise period	Exercise price	Number of SRs outstanding per 31/12/2022	Number of SRs exercisable per 31/12/2022	SRs offered & accepted during 2022	SRs exercised during 2022	SRs expired in 2022
Directors⁽²⁾										
Dr. Rasjesh Parekh	WP 2017	30/08/2017	36 months 1/36 per month	01/01/2021 – 16/05/2025	€80.57	15,000	15,000			0
	WP 2018	24/08/2018	36 months 1/36 per month	01/01/2022 – 18/04/2026	€79.88	15,000	15,000			0
	WP 2019	12/07/2019	36 months 1/36 per month	01/01/2023 – 10/04/2027	€95.11	15,000				0
Mr. Howard Rowe	WP 2014	25/07/2014	36 months 1/36 per month	01/01/2018 – 24/07/2022	€14.54	0	0		2,520	0
	WP 2015	30/04/2015	36 months 1/36 per month	01/01/2019 – 29/04/2023	€28.75	2,520	2,520			0
	WP 2015.B	02/03/2016	36 months 1/36 per month	02/03/2019 – 21/12/2023	€49.00	7,500	7,500			0
	WP 2016	16/08/2016	36 months 1/36 per month	01/01/2020 – 31/05/2024	€46.10	7,500	7,500			0
	WP 2017	30/08/2017	36 months 1/36 per month	01/01/2021 – 16/05/2025	€80.57	7,500	7,500			0
	WP 2018	24/08/2018	36 months 1/36 per month	01/01/2022 – 18/04/2026	€79.88	7,500	7,500			0
	WP 2019	12/07/2019	36 months 1/36 per month	01/01/2023 – 10/04/2027	€95.11	7,500				0
Ms. Katrine Bosley	WP 2015	30/04/2015	36 months 1/36 per month	01/01/2019 – 29/04/2023	€28.75	2,520	2,520			0
	WP 2015.B	02/03/2016	36 months 1/36 per month	02/03/2019 – 21/12/2023	€49.00	7,500	7,500			0
	WP 2016	16/08/2016	36 months 1/36 per month	01/01/2020 – 31/05/2024	€46.10	7,500	7,500			0
	WP 2017	30/08/2017	36 months 1/36 per month	01/01/2021 – 16/05/2025	€80.57	7,500	7,500			0
	WP 2018	24/08/2018	36 months 1/36 per month	01/01/2022 – 18/04/2026	€79.88	7,500	7,500			0
Dr. Mary Kerr	WP 2019	12/07/2019	36 months 1/36 per month	01/01/2023 – 10/04/2027	€95.11	7,500				0
	WP 2017	30/08/2017	36 months 1/36 per month	01/01/2021 – 16/05/2025	€80.57	7,500	7,500			0
	WP 2018	24/08/2018	36 months 1/36 per month	01/01/2022 – 18/04/2026	€79.88	7,500	7,500			0
Mr. Peter Guenter	WP 2019	12/07/2019	36 months 1/36 per month	01/01/2023 – 10/04/2027	€95.11	7,500				0
Executive Committee members										
Stoffels IMC BV, permanently represented by Dr. Paul Stoffels	SR Plan 2022 (B)	25/03/2022	100% 3rd year after year of grant 01/01/2026	01/01/2026 – 25/01/2030	€50.00	1,000,000	0	1,000,000		0

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	Plan ⁽¹⁾	Grant date	Vesting period	Exercise period	Exercise price	Number of SRs outstanding per 31/12/2022	Number of SRs exercisable per 31/12/2022	SRs offered & accepted during 2022	SRs exercised during 2022	SRs expired in 2022
Mr. Onno van de Stolpe	WP 2014	14/10/2014	36 months 1/36 per month	01/01/2018 – 24/07/2022	€14.54	0	0		100,000	0
	WP 2015	29/06/2015	36 months 1/36 per month	01/01/2019 – 29/04/2023	€28.75	0	0		100,000	0
	WP 2015.B	02/03/2016	36 months 1/36 per month	02/03/2019 – 21/12/2023	€49.00	100,000	100,000			0
	WP 2016	31/07/2016	36 months 1/36 per month	01/01/2020 – 31/05/2024	€46.10	100,000	100,000			0
	WP 2017	30/08/2017	36 months 1/36 per month	01/01/2021 – 16/05/2025	€80.57	100,000	100,000			0
	WP 2018	18/06/2018	36 months 1/36 per month	01/01/2022 – 18/04/2026	€79.88	100,000	100,000			0
	WP 2019	12/07/2019	36 months 1/36 per month	01/01/2023 – 10/04/2027	€95.11	100,000				0
	SR Plan 2020	16/06/2020	100% 3rd year after year of grant 01/01/2024	01/01/2024 – 17/04/2028	€168.42	85,000				0
	SR Plan 2021 BE	18/08/2021	100% 3rd year after year of grant 01/01/2025	01/01/2025 – 30/04/2029	€64.76	85,000				0
Mr. Bart Filius	WP 2017	30/08/2017	100% 3rd year after year of grant 01/01/2021	01/01/2021 – 16/05/2025	€80.57	60,000	60,000			0
	WP 2018	18/06/2018	100% 3rd year after year of grant 01/01/2022	01/01/2022 – 18/04/2026	€79.88	80,000	80,000			0
	WP 2019	12/07/2019	100% 3rd year after year of grant 01/01/2023	01/01/2023 – 10/04/2027	€95.11	65,000				0
	SR Plan 2020	16/06/2020	100% 3rd year after year of grant 01/01/2024	01/01/2024 – 17/04/2028	€168.42	50,000				0
	SR Plan 2021 BE	18/08/2021	100% 3rd year after year of grant 01/01/2025	01/01/2025 – 30/04/2029	€64.76	50,000				0
	SR Plan 2022 BE	02/09/2022	100% 3rd year after year of grant 01/01/2026	01/01/2026 – 06/05/2030	€57.46	68,000		68,000		0
Dr. Andre Hoekema	WP 2014	14/10/2014	100% 3rd year after year of grant 01/01/2018	01/01/2018 – 24/07/2022	€14.54	0	0		10,000	0
	WP 2015	29/06/2015	100% 3rd year after year of grant 01/01/2019	01/01/2019 – 29/04/2023	€28.75	20,000	20,000		10,000	0
	WP 2015.B	02/03/2016	100% 3rd year after year of grant 02/03/2019	02/03/2019 – 21/12/2023	€49.00	40,000	40,000			0
	WP 2016	31/07/2016	100% 3rd year after year of grant 01/01/2020	01/01/2020 – 31/05/2024	€46.10	55,000	55,000			0
	WP 2017	30/08/2017	100% 3rd year after year of grant 01/01/2021	01/01/2021 – 16/05/2025	€80.57	60,000	60,000			0
	WP 2018	18/06/2018	100% 3rd year after year of grant 01/01/2022	01/01/2022 – 18/04/2026	€79.88	50,000	50,000			0

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	Plan ⁽¹⁾	Grant date	Vesting period	Exercise period	Exercise price	Number of SRs outstanding per 31/12/2022	Number of SRs exercisable per 31/12/2022	SRs offered & accepted during 2022	SRs exercised during 2022	SRs expired in 2022
			3rd year after year of grant 01/01/2022	– 18/04/2026						
	WP 2019	12/07/2019	100% 3rd year after year of grant 01/01/2023	01/01/2023 – 10/04/2027	€95.11	50,000				0
	SR Plan 2020	16/06/2020	100% 3rd year after year of grant 01/01/2024	01/01/2024 – 17/04/2028	€168.42	30,000				0
	SR Plan 2021 BE	18/08/2021	100% 3rd year after year of grant 01/01/2025	01/01/2025 – 30/04/2029	€64.76	30,000				0
	WP 2016.B	06/04/2017	100% 3rd year after year of grant 06/04/2020	06/04/2020 – 19/01/2025	€62.50	10,000	10,000			0
	WP 2017	30/08/2017	100% 3rd year after year of grant 01/01/2021	01/01/2021 – 16/05/2025	€80.57	45,000	45,000			0
	WP 2018	18/06/2018	100% 3rd year after year of grant 01/01/2022	01/01/2022 – 18/04/2026	€79.88	60,000	60,000			0
Dr. Walid Abi-Saab	WP 2019	12/07/2019	100% 3rd year after year of grant 01/01/2023	01/01/2023 – 10/04/2027	€95.11	50,000				0
	SR Plan 2020	23/06/2020	100% 3rd year after year of grant 01/01/2024	01/01/2024 – 17/04/2028	€168.42	40,000				0
	SR Plan 2021 BE	18/08/2021	100% 3rd year after year of grant 01/01/2025	01/01/2025 – 30/04/2029	€64.76	40,000				0
	SR Plan 2022 BE	02/09/2022	100% 3rd year after year of grant 01/01/2026	01/01/2026 – 06/05/2030	€57.46	32,000		32,000		0
	WP 2017	30/08/2017	100% 3rd year after year of grant 01/01/2021	01/01/2021 – 16/05/2025	€80.57	60,000	60,000			0
	WP 2018	18/06/2018	100% 3rd year after year of grant 01/01/2022	01/01/2022 – 18/04/2026	€79.88	30,000	30,000			0
Mr. Michele Manto	WP 2019	12/07/2019	100% 3rd year after year of grant 01/01/2023	01/01/2023 – 10/04/2027	€95.11	40,000				0
	SR Plan 2020	16/06/2020	100% 3rd year after year of grant 01/01/2024	01/01/2024 – 17/04/2028	€168.42	30,000				0
	SR Plan 2021 BE	02/07/2021	100% 3rd year after year of grant 01/01/2025	01/01/2025 – 30/04/2029	€64.76	30,000				0
	SR Plan 2022 BE	02/09/2022	100% 3rd year after year of grant 01/01/2026	01/01/2026 – 06/05/2030	€57.46	24,000		24,000		0

(1) Warrant Plan (WP) and Subscription Right Plan (SR Plan)

(2) Dr. Dan Baker, Dr. Elisabeth Svanberg, Mr. Jérôme Contamine, Mr. Daniel O'Day and Dr. Linda Higgins do not have any subscription rights.

At the end of 2022, Stoffels IMC BV (permanently represented by Dr. Paul Stoffels) held 1,000,000 subscription rights, Mr. Bart Filius held 25,000 shares and 373,000 subscription rights, Dr. Walid Abi-Saab held 2,500 shares and 277,000 subscription rights, and Mr. Michele Manto held 2,020 shares and 214,000 subscription rights.

RSUs offered to, vested or expired for the Executive Committee members

In 2022, the Executive Committee members were offered new RSUs under 2022 RSU Annual Long-Term Incentive Plan, except our new CEO who joined per 1 April 2022, and under the 2022 RSU Retention Plan, subject to acceptance. The members of the Executive Committee accepted all RSUs offered to them, except for one member. The grant under the 2022 RSU Annual Long-Term Incentive Plan is the grant equivalent to the actual bonus for 2021 and this RSU grant will vest in full three years after the offer date. The grant under the 2022 RSU Retention Plan has a four-year vesting period, with 25% vesting each year and a first vesting date on 1 May 2023. With the exception of the RSUs offered to and accepted by Stoffels IMC BV (permanently represented by Dr. Paul Stoffels), the RSUs are not transferable. The table below sets forth the total number of RSUs offered and accepted by each Executive Committee member during 2022: Stoffels IMC BV (permanently represented by Dr. Paul Stoffels): 74,408 RSUs, Mr. Bart Filius: 61,442 RSUs, Dr. Walid Abi-Saab: 37,274 RSUs and Mr. Michele Manto: 27,354 RSUs.

The main characteristics of the RSU plans for the Executive Committee members are as follows:

- The RSUs are offered for no consideration;
- Three or four year vesting periods apply, as set forth per plan in the table below;
- In case of termination of service before the vesting date, forfeiture rules apply.

Each RSU represents the right to receive, at Galapagos' discretion, one Galapagos share or a payment in cash of an amount equivalent to the volume-weighted average price of the Galapagos share on Euronext Brussels over the 30-calendar day period preceding the relevant vesting date. However, in respect of Executive Committee members, any vesting prior to the third anniversary of the offer date will always give rise to a payment in cash rather than a delivery of shares as an incentive.

No RSUs expired during financial year 2022. The table below sets forth the main characteristics of RSU plans issued to the (former) Executive Committee members in 2019, 2020, 2021 and 2022, the number of RSUs awarded to and accepted by each (former) Executive Committee member under the respective RSU Plan, and the number of RSUs vested and paid out to each (former) Executive Committee member during 2022:

Executive Committee member	Plan	Offer date	Vesting period	Vesting date	Number of RSUs offered and accepted	RSUs vested during 2022
Stoffels IMC BV, permanently represented by Dr. Paul Stoffels	Plan 2022.II	05/05/2022	Four-year vesting period	01/05/2023	74,408	
				01/05/2024		
				25%/year		
				01/05/2025		
Plan 2019.I	16/10/2019	100% three years after offer date	16/10/2022	15,000	15,000	
			01/05/2020			
Plan 2019.II	16/10/2019	Four-year vesting period	01/05/2021	25,606	6,401	
			25%/year			
Plan 2019.III	16/10/2019	50% two years after offer date 50% three years after offer date	16/10/2021	16,922	8,461	
			16/10/2022			
Plan 2020.I	06/05/2020	100% three years after offer date	06/05/2023	2,392		
			01/05/2022			
Plan 2020.II	06/05/2020	Four-year vesting period	01/05/2021	15,925	3,981	
			25%/year			
Plan 2021.I	05/05/2021	100% three years after offer date	01/05/2022	2,111		
			01/05/2023			
Plan 2021.IV	24/09/2021	Four-year vesting period	01/05/2023	61,719	15,429	
			25%/year			
Plan 2019.I	16/10/2019	100% three years after offer date	01/05/2024	5,000	5,000	
			16/10/2022			
Plan 2019.II	16/10/2019	Four-year vesting period	01/05/2022	17,924	4,481	
			01/05/2021			
Plan 2019.III	16/10/2019	50% two years after offer date 50% three years after offer date	01/05/2022	16,922	8,461	
			01/05/2023			
Plan 2020.I	06/05/2020	100% three years after offer date	16/10/2021	1,452		
			16/10/2022			
Plan 2020.II	06/05/2020	Four-year vesting period	06/05/2023	11,148	2,787	
			01/05/2021			
Plan 2021.I	05/05/2021	100% three years after offer date	01/05/2022	1,011		
			01/05/2023			
Plan 2021.IV	24/09/2021	Four-year vesting period	01/05/2024	61,719	15,429	
			25%/year			
Plan 2022.I	03/05/2022	100% three years after offer date	01/05/2023	3,570		
			01/05/2024			
Plan 2022.II	05/05/2022	Four-year vesting period	01/05/2024	57,872		
			25%/year			
			01/05/2025			
			01/05/2026			

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Executive Committee member	Plan	Offer date	Vesting period	Vesting date	Number of RSUs offered and accepted	RSUs vested during 2022	
Dr. Andre Hoekema ⁽²⁾	Plan 2019.I	16/10/2019	100% three years after offer date	16/10/2022	3,000	3,000	
	Plan 2019.III	16/10/2019	50% two years after offer date	16/10/2021	16,922	8,461	
			50% three years after offer date	16/10/2022			
	Plan 2020.I	06/05/2020	100% three years after offer date	06/05/2023	832		
	Plan 2021.IV	24/09/2021	Four-year vesting period	25%/year	01/05/2022 01/09/2022 ⁽³⁾	51,433	25,716
25%/year				01/05/2024 01/05/2025			
Dr. Walid Abi-Saab	Plan 2019.I	16/10/2019	100% three years after offer date	16/10/2022	5,000	5,000	
	Plan 2019.II	16/10/2019	Four-year vesting period	25%/year	01/05/2020 01/05/2021	17,924	4,481
				25%/year	01/05/2022 01/05/2023		
	Plan 2019.III	16/10/2019	50% two years after offer date 50% three years after offer date	16/10/2021	10,153	5,077	
				16/10/2022			
	Plan 2020.I	06/05/2020	100% three years after offer date	06/05/2023	932		
	Plan 2020.II	06/05/2020	Four-year vesting period	25%/year	01/05/2021 01/05/2022	11,148	2,787
				25%/year	01/05/2023 01/05/2024		
	Plan 2021.I	05/05/2021	100% three years after offer date	05/05/2024	835		
	Plan 2021.IV	24/09/2021	Four-year vesting period	25%/year	01/05/2022 01/05/2023	43,203	10,800
25%/year				01/05/2024 01/05/2025			
Plan 2022.I	03/05/2022	100% three years after offer date	03/05/2025	2,550			
Plan 2022.II	05/05/2022	Four-year vesting period	25%/year	01/05/2023 01/05/2024	34,724		
			25%/year	01/05/2025 01/05/2026			
Mr. Michele Manto	Plan 2019.II	16/10/2019	Four-year vesting period	25%/year	01/05/2020 01/05/2021	5,121	1,280
				25%/year	01/05/2022 01/05/2023		
	Plan 2020.I	06/05/2020	100% three years after offer date	06/05/2023	612		
	Plan 2020.II	06/05/2020	Four-year vesting period	25%/year	01/05/2021 01/05/2022	5,308	1,327
				25%/year	01/05/2023 01/05/2024		
	Plan 2021.I	05/05/2021	100% three years after offer date	05/05/2024	835		
	Plan 2021.IV	24/09/2021	Four-year vesting period	25%/year	01/05/2022 01/05/2023	30,859	7,714
				25%/year	01/05/2024 01/05/2025		
	Plan 2022.I	03/05/2022	100% three years after offer date	03/05/2025	2,550		
	Plan 2022.II	05/05/2022	Four-year vesting period	25%/year	01/05/2023 01/05/2024	24,804	
25%/year				01/05/2025 01/05/2026			

(1) On the leaver date of Mr. Onno van de Stolpe his unvested RSUs became null and void, being 65,158 RSUs.

(2) On the leaver date of Dr. Andre Hoekema his unvested RSUs became null and void, being 39,407 RSUs.

(3) As previously disclosed, upon substantiated recommendation of the Nomination and Remuneration Committee, the Board of Directors approved a deviation of the vesting rules under the RSU Plan 2021.IV. The second vesting of 25% of the RSU grant under the aforementioned plan (corresponding with 12,858 RSUs) has occurred earlier than under the normal plan rules.

Pursuant to the terms and conditions of the RSU plans all unvested RSUs of Mr. Onno van de Stolpe and Dr. Andre Hoekema, as set out in the table above, became null and void on their respective retirement date, being 31 October 2022 and 31 December 2022.

In 2023, as part of the Executive Committee's long-term variable remuneration, a number of RSUs equivalent to the 2022 short-term cash bonuses (based on the average share price of the Galapagos share on Euronext Amsterdam during the month of April 2023) will be granted to the members of the Executive Committee under the 2023 RSU Annual Long-Term Incentive Plan (i.e. the long-term portion of the bonus for 2022), except to the retired Chief Executive Officer, Chief Business Officer and Chief Medical Officer.

Evolution of remuneration and company performance

The below table shows the annual change of remuneration of each Board member, the (former) CEO and the other Executive Committee members (in aggregate), of the performance of the Company and of average remuneration on a full-time equivalent basis of Galapagos' employees, other than members of the Board of Directors and the Executive Committee, over the five most recent financial years.

Comparative table of remuneration and company performance									
	2022	% change	2021	% change	2020	% change	2019	% change	2018
Director's remuneration⁽¹⁾									
Executive Committee^{(2) (3)}									
Stoffels IMC BV, permanently represented by Dr. Stoffels ⁽⁴⁾	€900,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	€1,470,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mr. Onno van de Stolpe, CEO ⁽⁵⁾	€160,524	-84%	€996,000	31%	€758,400	-82%	€4,322,105	209%	€1,398,236
	€160,524	-93%	€2,328,250	11%	€2,091,784	-73%	€7,666,471	242%	€2,242,627
Other Executive Committee members ⁽⁶⁾	€2,276,838	2%	€2,233,625	27%	€1,756,932	-80%	€8,980,561	303%	€2,227,461
	€8,380,367	71%	€4,893,184	22%	€3,995,216	-73%	€14,609,054	272%	€3,926,476
Board of Directors^{(7) (8)}									
Dr. Rajesh Parekh ⁽⁹⁾	€99,643	-17%	€120,000	0%	€120,000	33%	€90,000	0%	€90,000
	€165,643	-25%	€220,000	0%	€220,000	-62%	€577,950	183%	€204,300
Mr. Howard Rowe ⁽¹⁰⁾	€22,500	-68%	€70,000	-7%	€75,000	36%	€55,000	5%	€52,500
	€38,500	-68%	€120,000	-4%	€125,000	-58%	€298,975	173%	€109,650
Ms. Katrine Bosley ⁽¹⁰⁾	€20,892	-68%	€65,000	0%	€65,000	44%	€45,000	0%	€45,000
	€20,892	-68%	€65,000	-43%	€115,000	-60%	€288,975	183%	€102,150
Dr. Mary Kerr	€65,000	0%	€65,000	0%	€65,000	44%	€45,000	3%	€43,750
	€115,000	0%	€115,000	0%	€115,000	-60%	€288,975	186%	€100,900
Mr. Peter Guenter ⁽¹¹⁾	€65,000	0%	€65,000	0%	€65,000	117%	€30,000	N/A	N/A
	€115,000	0%	€115,000	0%	€115,000	-58%	€273,975	N/A	N/A
Dr. Elisabeth Svanberg ⁽¹²⁾	€65,000	0%	€65,000	47%	€44,164	N/A	N/A	N/A	N/A
	€115,000	0%	€115,000	47%	€77,999	N/A	N/A	N/A	N/A
Mr. Jérôme Contamine	€68,132	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	€102,132	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dr. Dan Baker	€34,066	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	€68,066	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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Comparative table of remuneration and company performance									
	2022	% change	2021	% change	2020	% change	2019	% change	2018
Company performance									
Financial KPIs (thousand of €, except for the stock price and number of employees)									
Operational Cash burn (-)/operational cash flow	-513,774	-9%	-564,840	9%	-517,400	-116%	3,162,804	2097%	-158,379
R&D expenditure ⁽¹³⁾	515,083	5%	491,707	-7%	531,354	24%	427,320	32%	322,875
Cash position on 31 Dec ⁽¹⁴⁾	4,094,062	-13%	4,703,177	-9%	5,169,349	-11%	5,780,832	348%	1,290,796
# of employees on 31 Dec ⁽¹⁵⁾	1,338	2%	1,309	-12%	1,489	48%	1,003	38%	725
Stock price performance (Last trading day FY)	41.35	-16%	49.22	-39%	80.48	-57%	186.50	132%	80.56
Average remuneration of employees on FTE basis									
Employees of the Group ⁽¹⁶⁾	€123,958.47	21%	€102,471.00	-2%	€104,290.00	4%	€100,682.00	4%	€97,139.00

- (1) The directors' remuneration overview contains for the CEO, other Executive Committee members and directors two separate rows, whereby the first row sets out their cash remuneration, being the annual base salary, cash bonus and (if any) exceptional bonus, to enable the comparison with the average remuneration of employees on FTE basis, and the second row sets out their total remuneration, including equity-related remuneration such as granted SRs and vested RSUs.
- (2) The first row shows the cash remuneration of the CEO and the other Executive Committee members, being the annual base salary, cash bonus and (if any) exceptional bonus.
- (3) The second row shows the total remuneration of the CEO and the other Executive Committee members, including equity-based remuneration such as RSUs vested and subscription rights granted during the year. The value of the subscription rights is calculated by comparing the exercise price of the subscription right plan with the average share price as quoted on Euronext Brussels and Amsterdam during the respective financial year. For example, for financial year 2022 the exercise price of the Subscription Right Plan 2022 BE is compared with the average share price as quoted on Euronext Brussels and Amsterdam during the financial year 2022.
- (4) CEO as of 1 April 2022.
- (5) CEO until 31 March 2022.
- (6) The other Executive Committee members during financial year 2022 are Mr. Bart Filius, Dr. Walid Abi-Saab (until 31 December 2022), Dr. Andre Hoekema (until 31 October 2022) and Mr. Michele Manto. Their remuneration over the five year period is included under the "Other Executive Committee members".
- (7) The first row shows the total cash remuneration of each member of the Board of Directors, being the board fees.
- (8) The second row shows the total remuneration of each member of the Board of Directors, including equity-based remuneration such as subscription rights granted during the year. As from 1 January 2020, Galapagos no longer grants any subscription rights to members of the Board of Directors.
- (9) Chairman of the Board of Directors until 26 April 2022.
- (10) Director until 26 April 2022.
- (11) Director as of 30 April 2019.
- (12) Director as of 28 April 2020.
- (13) Prior to the financial year ended 31 December 2021, R&D expenditure presented on this line is reflecting the total Group related expenditure including Fidelta, our fee-for-service business sold to Selvita on 4 January 2021, classified as discontinued operations in our 2020 consolidated financial statements. R&D expenditure of our continuing operations presented in our consolidated financial statement were €523,667 thousands for the financial year ended 31 December 2020, €420,090 thousands for the financial year ended 31 December 2019 and €316,222 thousands for the financial year ended 31 December 2018.
- (14) Cash position on 31 December 2020 included €7,884 thousands of cash held in Fidelta and classified as assets held for sale in our 2020 consolidated financial statements.
- (15) The number of employees per 31 December includes employees and insourced personnel (external contractors). At 31 December 2020, the number of employees included 185 employees of our fee for service activity Fidelta, which was sold to Selvita on 4 January 2021.
- (16) The average remuneration of employees is calculated on FTE basis, excluding trainees and internships, for employees employed for the full applicable financial year. It takes into account the employees' base salary, annual cash bonus and (if any) exceptional cash bonus during the respective financial year. During 2019, all Galapagos' employees received an exceptional bonus as a result of the Gilead transaction. Annual cash bonuses are included in the year upon which performance is based and not in the year in which they are paid. Due to the timing of the 2022 year-end process, the actual annual figures for employees had not been finalized by the date of this report. Therefore, 2022 annual bonus figures represent target figures multiplied by the applicable approved organizational bonus funding scores, being the company's best estimate of actual bonus outcomes.

Ratio between the highest and lowest remuneration

The ratio between the highest and lowest remuneration at Galapagos during financial year 2022 is: 1:37.75.

The ratio is calculated on the basis of the lowest FTE pay per 31 December 2022, excluding trainees and internships. The remuneration which has been taken into account in this exercise includes the annual base salary, annual cash bonus and (if any) exceptional bonus; annual cash bonus is included in the year upon which performance is based and not in the year in which it is paid. Due to the timing of the 2022 year-end process, the actual annual bonus figures for employees below the Executive Committee level had not been finalized by the date of this report. Therefore, target figures for these employees were used, multiplied by the applicable approved organizational bonus funding scores, being the Company's best estimate of 2022 actual bonus outcomes.

Minimum share ownership

From the financial year 2020, our remuneration policy has set a minimum threshold of shares to be held at any time by the Chief Executive Officer to the number of shares equivalent to one year of the Chief Executive Officer's annual base salary and by the other members of the Executive Committee to the number of shares equivalent to six months' of the relevant Executive Committee member's annual base salary. Thresholds will be recalculated on an annual basis and need to be reached within four years. For our Chief Executive Officer, Stoffels IMC BV (permanently represented by Dr. Paul Stoffels), we will calculate and disclose the applicable threshold for the first time in our annual report for financial year 2023.

Executive Committee member	Minimum share ownership Objective 2020 ⁽¹⁾	Minimum share ownership Objective 2021 ⁽²⁾	Minimum share ownership Objective 2022 ⁽³⁾
Stoffels IMC BV, permanently represented by Dr. Paul Stoffels ⁽⁴⁾	N/A	N/A	N/A
Onno van de Stolpe, CEO ⁽⁵⁾	3,218	7,753	6,461
Bart Filius, President, CFO & COO	1,073	2,622	4,881
Andre Hoekema, CBO ⁽⁶⁾	966	2,292	3,832
Walid Abi-Saab, CMO ⁽⁷⁾	1,073	2,584	4,294
Michele Manto, CCO	746	2,019	3,416

(1) The 2020 threshold needs to be reached within four years, i.e. 1 January 2024.

(2) The 2021 threshold needs to be reached within four years, i.e. 1 January 2025.

(3) The 2022 threshold needs to be reached within four years, i.e. 1 January 2026.

(4) CEO as of 1 April 2022.

(5) CEO until 31 March 2022.

(6) Member of the Executive Committee until 31 October 2022.

(7) Member of the Executive Committee until 31 December 2022.

Severance clauses and payments

Severance payments for departing members of the Executive Committee

On 30 August 2021, Galapagos announced the planned retirement of its Chief Executive Officer Onno van de Stolpe and after a transition period Stoffels IMC BV, permanently represented by Dr. Paul Stoffels, took over as Chief Executive Officer effective 1 April 2022. The retirement package of our former Chief Executive Officer, Onno van de Stolpe, has been disclosed in the annual report for financial year 2021.

In 2022, Dr. Andre Hoekema retired from Galapagos per 31 December 2022 and as of 31 October 2022 he was no longer a member of the Executive Committee. He executed an advisory role until 31 December 2022, for which he continued to receive his base salary. He qualifies as a good leaver under the terms and conditions of the subscription right plans given his retirement.

For the avoidance of doubt, Dr. Hoekema will not receive a grant under the 2023 RSU Annual Long-Term Incentive Plan equivalent to his 2022 short-term cash bonus.

Effective 1 January 2023, Dr. Walid Abi-Saab is no longer a member of our Executive Committee. He will execute a purely advisory role until 31 May 2023, for which he will continue to receive a his 2022 base salary and retains entitlement to RSU pay-outs until the aforementioned date.

For the avoidance of doubt, Dr. Walid Abi-Saab will not receive a grant under the 2023 RSU Annual Long-Term Incentive Plan equivalent to his 2022 short-term cash bonus. He will qualify as a good leaver under the terms and conditions of the subscription right plans, pursuant to an exception granted by the Board of Directors under the relevant subscription right plans.

Claw-back right of Galapagos relating to variable remuneration

As from financial year 2020, contractual provisions apply to each member of the Executive Committee to ensure that Galapagos has the right to have each Executive Committee member forfeit any unvested RSUs, deferred portions of previous cash bonuses or unvested subscription rights (i) in the event of a restatement of the financial statements that has a material negative effect on Galapagos or (ii) a material breach of our Code of Conduct and Ethics.

During the financial year 2022 no claw-back events occurred.

The 2022 RSU plans and 2022 subscription right plans contain bad leaver provisions that can result in forfeiture of any unvested RSU and/or subscription right grants in case the beneficiary leaves Galapagos prior to the relevant vesting date. On the leaver date of Mr. Onno van de Stolpe and Dr. Andre Hoekema, their outstanding RSUs under several RSU plans became null and void, respectively, being 65,158 RSUs and 39,407 RSUs.

Deviations from the remuneration policy

Galapagos' remuneration policy sets out that the Board of Directors may decide to deviate from any items of the policy if necessary to serve the long-term interests and sustainability of Galapagos. Any such deviation must be discussed at the Remuneration Committee, which will provide a substantiated recommendation to the Board of Directors. No deviations are disclosed in this remuneration report.

Conflict of interests and related parties

We consider that Gilead became a related party of Galapagos NV in 2019 because of (i) Gilead's then 25.84% shareholding (25.38% on 31 December 2022) in Galapagos NV, and (ii) the fact that Gilead is entitled to propose two candidates to be appointed to our Board of Directors under the share subscription agreement dated 14 July 2019, as amended.

On 4 March 2022, we entered into a related party transaction with Gilead within the meaning of article 7:116 of the Belgian Companies Code, by agreeing to transfer the sponsorship of and the operational responsibility for the MANTA study, a safety study in men with moderately to severely active UC and CD to assess semen parameters while taking filgotinib, and its long-term extension study, from Gilead to us. The (former) Supervisory Board (currently Board of Directors) resolved and confirmed, as far as needed, that the related party transaction approval mechanism as set forth in article 7:116 of the Belgian Companies Code did not have to be applied, since the value of the aforementioned related party transaction is less than 1% of the Company's consolidated net equity (based on the consolidated financial statements of Galapagos NV for the financial year ended on 31 December 2021) and since Galapagos NV is therefore able to rely on the materiality exemption as set out in article 7:116, § 1, 2° of the Belgian Companies Code. Furthermore, we entered into some mainly technical and non-material amendments to the existing transactions with Gilead during 2022. A more detailed explanation of some of our transactions with Gilead can be found in the section titled **Agreements with major Galapagos NV shareholders**. We further refer to **note 31**.

In the event of a transaction where a member of the Board of Directors has a conflict of interests within the meaning of article 7:96 of the Belgian Companies Code, such Board member shall notify the Board of Directors in advance of the respective conflict, and will act in accordance with the relevant rules as set out in the Belgian Companies Code (i.e. article 7:96 of the Belgian Companies Code).

Pursuant to our Corporate Governance Charter, if a member of the Executive Committee has a direct or indirect interest of a monetary nature that conflicts with the interests of the Company in respect of a decision or an act falling within the scope of the responsibilities of the Executive Committee, the Executive Committee shall refrain from making any decision. The Executive Committee shall instead escalate the matter to the Board of Directors. The Board of Directors shall decide whether or not to approve such decision or act, and shall apply the conflict of interests procedure set out in article

7:96 of the Belgian Companies Code. In the event a conflict of interests exists within the Executive Committee that falls outside of the scope of article 7:96 of the Belgian Companies Code, the existence of such conflict shall be reported by the relevant Executive Committee member, its existence shall be included in the minutes (but shall not be published) and the relevant Executive Committee member shall not vote on the matter.

In addition, the Company's Corporate Governance Charter and Galapagos' Related Person Transaction Policy contain certain procedures for transactions between Galapagos NV (including its affiliated and associated companies within the meaning of articles 1:20 and 1:21 of the Belgian Companies Code) and its Board or Executive Committee members, major shareholders, or any of their immediate family members and affiliates. Without prejudice to the procedure as set out in article 7:96 of the Belgian Companies Code, these policies provide that all transactions between Galapagos NV (including its affiliated and associated companies within the meaning of articles 1:20 and 1:21 of the Belgian Companies Code) and its Board or Executive Committee members, need the approval of the Audit Committee and the Board of Directors, which approval can only be provided for transactions at arm's length. Moreover, conflicts of interests, even if they are not a conflict of interests within the meaning of article 7:96 of the Belgian Companies Code, are enacted in the Board of Directors' meeting minutes, and the relevant Board member cannot participate in the deliberation or voting on the concerned item on the agenda.

In 2022, the following conflict of interests between Galapagos NV and a director within the meaning of article 7:96 of the Belgian Companies Code was noted:

- In a meeting of the Board of Directors held on 21 June 2022, the following was reported in accordance with article 7:96 of the Belgian Companies Code in connection with the proposed amendment of the management agreement between Galapagos NV and Stoffels IMC BV: the Chairman, being a party to the management agreement (as CEO), declared having a conflict of interests concerning the proposed amendment. The Chairmain subsequently left the meeting before the deliberation and the vote concerning this point on the agenda took place. The Board considered that said amendment is limited in scope and cost neutral for the Company: the reimbursement by the Company of Stoffels IMC BV's expenses for travel was reduced, and it was clarified that Stoffels IMC BV will bear all costs related to commuting travel. This was proposed to be compensated by an increase of its fixed fee with €50,000 on a yearly basis. As such, the Board considered that said amendment is justified and will have no material impact on the financial position of the Company.

Code of Business Conduct and Ethics

Since 2021, we have established a Code of Business Conduct and Ethics to ensure that our members of the Board of Directors, Executive Committee members and employees are making ethical and legal decisions when conducting Galapagos' business and performing their day-to-day duties. We expect our members of the Board of Directors, members of the Executive Committee and employees to conduct business with integrity, ethics and respect for human rights. We expect them to turn away from conflicts of interests, corruption and fraud. To this end, we give trainings on this Code to our employees, including our subsidiaries' employees. So far, since the launch of our Code of Business Conduct and Ethics, 97.1% of our employees has completed the training.

Our Code of Business Conduct and Ethics is available at our website (www.glp.com).

At the beginning of 2023, we made some updates to our Code of Business Conduct and Ethics to ensure that it continues to reflect who we are as an organization, including, but not limited to, (a) an explicit applicability of our Code of Business Conduct and Ethics to our suppliers and business partners, and (b) an overview of some of the work done in the past year in the field of ESG.

One breach of our Code of Business Conduct and Ethics was reported to the Audit Committee in 2022.

Statement by the Board of Directors

The Board of Directors of Galapagos NV, represented by all its members, declares that, as far as it is aware, the non-consolidated and consolidated financial statements, both prepared in conformity with the applicable standards for financial statements, give a true and fair view of the equity, financial position, and the results of Galapagos NV and the companies included in the consolidation as of 31 December 2022.

The Board of Directors of Galapagos NV, represented by all its members, further declares that, as far as it is aware, this annual report related to the financial year ended on 31 December 2022, gives a true and fair view of the development, results, and position of Galapagos NV and the companies included in the consolidation, as well a description of the most important risks and uncertainties with which Galapagos NV and the companies included in the consolidation are confronted.

The Board of Directors of Galapagos NV will submit proposed resolutions to its shareholders at its annual Shareholders' Meeting (to be held on 25 April 2023) to approve the non-consolidated annual accounts of the Company for the financial year ended on 31 December 2022 (including the allocation of the annual result as proposed by the Board of Directors), and to release from liability, by separate vote, the members of the Board of Directors, the members of the former Supervisory Board, and the statutory auditor for the performance of their respective mandates during the financial year ended on 31 December 2022.

Mechelen, 21 March 2023

On behalf of the Board of Directors

Jérôme Contamine

Chairman of the Audit Committee and member of the Board of Directors

Stoffels IMC BV

permanently represented by Dr. Paul Stoffels

Chairman of the Board of Directors