

AMENDMENT TO THE REMUNERATION POLICY FOR THE BOARD OF MANAGEMENT

The current Remuneration Policy for the Board of Management (the “Policy”) was approved by the AGM in 2021.¹ At the AGM of April 22, 2022, a change regarding the Policy for 2022 and onwards will be proposed to shareholders. The amended Policy will, after approval of the AGM, become effective from 1 January 2022 (retro-actively) and will remain effective until a new Policy is approved, which will be proposed to shareholders no later than at the AGM in 2025.

CHANGE IN POLICY

Last year the AGM approved to replace the list of STI metrics to be chosen from each year by two financial STI metrics that are applicable throughout the effective period of the Policy, being Adjusted OPI and Operating Cash Flow (‘OCF’). It is now proposed to replace OCF by Free Cash Flow (‘FCF’). The reason being is that OCF is an internal metric which is not externally published, and focus is only on Adjusted EBITDA, Capex and Working Capital. Therefore, OCF is viewed as what the Board of Management can “operationally control directly”. Besides, feedback has been received from shareholders who favor FCF over OCF, as FCF is a metric that is published externally and therefore well recognized by investors. Ultimately, the Board of Management is expected to steer on FCF as it also includes elements like interest, tax, and cash out from provisions.

There are no other changes to the Policy: the labor market peer group against which remuneration levels are compared remains unchanged, as is the composition of the remuneration package (i.e. base salary, variable remuneration, post-contract benefits and other benefits) and the employment agreements with members of the Board of Management.

CONSIDERATIONS IN DRAFTING THE CHANGE TO THE POLICY

In proposing this change to the Policy, the Supervisory Board took into account all relevant considerations that were also part of the full review that was brought to the AGM in 2021, e.g. the interests of and feedback from our stakeholders, the experience with the Remuneration Policy as approved by the AGM last year, guidelines of shareholder advisory bodies and the principles and best practices of the Dutch Corporate Governance Code 20216 and the revised EU Directive to encourage long-term shareholder engagement (SRD II).

¹ The current Remuneration Policy for the Board of Management is available via this [link](#).