

Explanatory note concerning the amendment of the remuneration of the Supervisory Board

Date	25 October 2018	Contact	Supervisory Board of Directors
Subject	Proposal to amend the remuneration of the members of the Supervisory Board of Directors of Heijmans N.V.	Telephone	+31 (0)6 2221 19 56
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To *Extraordinary Meeting of Shareholders of Heijmans N.V.*

An explanation for the proposal to amend the remuneration of the members of the Board of Supervisory Directors of Heijmans N.V. as contained in Item 4 on the agenda for resolution by the Heijmans N.V. Extraordinary General Meeting of Shareholders to be held on Thursday, 6 December 2018, is provided as follows.

In accordance with best practice 3.3.1 of the Netherlands Corporate Governance Code, the remuneration of the supervisory directors shall reflect the time commitment and the responsibilities of the position. In light of that, the Board of Supervisory Directors assessed its current remuneration with reference to the best practice mentioned and on the basis of a current benchmark survey. The Board of Supervisory Directors determined that the current remuneration, adopted by the Annual General Meeting of Shareholders in 2005, requires adjustment.

The benchmark survey demonstrates that the median total remuneration of supervisory directors of almost all listed companies has increased by approx. 50% since 2005. This is the result of an increase in the time commitment and responsibilities of the position applicable today. Therefore it is appropriate to propose an amendment. This amendment is in part considered important by the Supervisory Board of Directors, because over the next three years there will be four vacancies on the Supervisory Board of Directors and Heijmans wants to be able to fill these vacancies with well-qualified supervisory directors. Competitive remuneration is required in this respect.

On the basis of the provisions of the Netherlands Corporate Governance Code and on the basis of the results of the benchmark survey, the Supervisory Board of Directors is proposing an amendment that would cause the remuneration to be positioned below the median level of the peer group used.

The following remuneration is proposed, effective from the beginning of 2018:

	Current annual remuneration in euros	Proposed annual remuneration in euros	Reference group annual remuneration benchmark in euros
Chairman of the Supervisory Board	45,000	60,000	60,200
Vice Chairman of the Supervisory Board	N/A	45,000	53,200
Member of the Supervisory Board	30,000	40,000	43,150
Chairman of the Audit Committee	5,000	8,000	10,000
Member of the Audit Committee	5,000	6,000	7,000
Chairman of the Remuneration Committee	2,500	4,000	7,700 ¹
Member of the Remuneration Committee	2,500	3,000	6,000 ²
Chairman of the Selection and Appointment Committee	2,500	4,000	
Member of the Selection and Appointment Committee	2,500	3,000	
Expense allowance	2,723	N/A	

Payment will be adjusted as at 1 January each year on the basis of the Statistics Netherlands (CBS) all-items consumer price index.

The Supervisory Board of Directors intends to review its remuneration every three years.

Heijmans N.V.
Rosmalen, 25 October 2018

¹ Provided the Remuneration Committee and the Selection and Appointment Committee are not combined.

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