

Heijmans N.V. 2021 Remuneration Report

This report, which must be regarded as a report in the sense of Article 2:135b of the Dutch Civil Code and in the sense of principle 3.4 of the Dutch Corporate Governance Code, explains the implementation of the remuneration policy for the Executive Board and the remuneration policy for the Supervisory Board as adopted by the General Meeting of Shareholders (hereinafter: AGM) on 15 April 2020 and applicable in that year. The remuneration policy of both the Executive Board and the Supervisory Board is published on the company's website and is briefly explained below.

The report is structured as follows:

1. Basic principles of the remuneration policy for the Executive Board and Supervisory Board
2. Main points of the remuneration policy for the Executive Board
3. Implementation of the remuneration policy for the Executive Board in 2021
4. Main points of the remuneration policy for the Supervisory Board
5. Implementation of the remuneration policy for the Supervisory Board in 2021
6. Evaluation of remuneration policy and intentions for 2022
7. Advisory vote Annual General Meeting of Shareholders

1. Basic principles of the remuneration policy for the Executive Board and Supervisory Board

Heijmans has the mission of creating a healthy living environment. The company wants to be a trendsetter when it comes to innovation and works to create a healthy living environment on the basis of a distinctive vision and in-depth knowledge and skill. This strategy is aimed at making business processes Better and Smarter and at social responsibility towards increasing Sustainability. This creates long-term value for all stakeholders and, in the form of sustainable homes and sustainable construction processes, makes a significant contribution to employment and the economy for society as a whole.

In order to determine and implement this strategy, Heijmans must be able to attract, motivate and retain expert directors and supervisory directors of the right calibre. The remuneration policy lays down the basis for that and as such is instrumental in realising the strategy and value creation. A basic principle of the remuneration policy is that it must not evoke undesirable stimuli, such as behaviour focused on personal interests or taking risks that are in conflict with the company's risk profile. In this light, part of the remuneration, namely the long-term variable remuneration and the Share Matching Plan, is focused on long-term commitment. Heijmans endorses the principles and best practice provisions relating to the remuneration of directors and supervisory directors as identified in the Dutch Corporate Governance Code and follows those in its policy and in this report.

Following the development of the policy, the Supervisory Board each year reviews the policy to assess whether it needs to be adjusted (in any event, the current policy will be put on the agenda of the AGM in 2024, in accordance with statutory provisions).

For the Remuneration Policy, also see <https://www.heijmans.nl/nl/over-heijmans/corporate-governance/codes-statuten-en-reglementen/>

2. Main points of the remuneration policy for the Executive Board of Heijmans N.V.

2.1 Remuneration level

Heijmans offers the members of the Executive Board a remuneration package that is balanced and fair, both from an internal perspective, in the sense that the remuneration reflects the required competencies and responsibilities relative to other job levels, and from an external perspective, in the sense that the remuneration is comparable to the pay for a comparable board position at similar companies. The Supervisory Board includes both the internal and external reference points in its determination of the remuneration level. The external reference point is the benchmark that has been carried out for the formulation of the policy. The internal reference point is determined by the remuneration level of, in particular, the layer below the Executive Board. The internal reference point is taken into account in the

sense that a connection is made between the objectives for variable remuneration that apply to members of the Executive Board and members of the management layer below it.

The remuneration of the management layer reporting to the Executive Board is determined on the basis of a benchmark that is also used to maintain a proper remuneration ratio between board members and management.

Scenario analyses have been carried out and taken into consideration in formulating the remuneration policy.

2.2 Remuneration package

- an annual salary;
- a contribution to the accrual of a pension provision;
- short-term variable remuneration that rewards predetermined performance objectives achieved on an annual basis;
- long-term variable remuneration that rewards predetermined performance objectives achieved over a three-year period;
- the opportunity to participate in the Bonus Share Matching Plan, which encourages the accrual of an equity interest and emphasises commitment to the company.

In addition, every director receives an expense allowance and insurance contributions. They are also provided with a lease car.

2.3 Variable remuneration

The variable remuneration in both the short and long term is paid in cash. The short and long-term remuneration each amount to 50% of the annual salary if predetermined performance objectives have been fully achieved in the relevant year. If the objectives have been exceeded, the payment can rise to a maximum of 75%. If the performance remains below a predetermined minimum level, the payment is zero.

Conditions for the allocation of variable remuneration:

- If the company suffers a net loss in the year to which the variable remuneration relates, the unconditional allocation is deferred. If the company suffers another net loss in the following year, the right to variable remuneration lapses;
- The Supervisory Board has the right to finally review every allocation of variable remuneration for reasonableness.
- The entire variable remuneration is subject to a claw-back clause which provides that an allocated variable remuneration can be reclaimed if it emerges after the fact to have been allocated on the basis of incorrect information.

2.4 Bonus for long-term participation in shares

Members of the Executive Board are free to choose to participate in the Bonus Investment Share Matching Plan aimed at motivating directors for the longer term and bind them to the company. As part of this plan, they can invest up to 50% of (the net equivalent of) the short-term variable remuneration they receive in any given year in shares or depositary receipts for shares in Heijmans. Provided they hold these depositary receipts for shares for three years and are still in office at the end of this period, the company will allocate one bonus depositary receipt, a so-called matching share, for every depositary receipt invested in. The matching shares are blocked for two years after allocation.

3. Implementation of the remuneration policy for the Executive Board in 2021

The Remuneration and Appointments Committee consists of Ms Martika Jonk, Chair, and Ms Ans Knape-Vosmer. The Committee held four meetings in 2021, at which the usual annual items such as remuneration for the Executive Board members, the objectives in the context of the variable remuneration, the variable remuneration itself and the Bonus Investment Share Matching Plan were discussed. In view of the amended regulations, extensive attention was devoted to the remuneration report.

In applying the Executive Board remuneration policy in 2021, the Remuneration and Appointments Committee assessed the way in which the Executive Board has implemented the company's strategic and financial objectives.

In assessing the objectives set, general conditions were taken into account, such as the corona pandemic, which continues to have a significant impact on society and the working environment. This also includes conditions that specifically affect the construction industry, such as the as yet unresolved nitrogen problem, which lies beyond the company's sphere of influence, but which in particular influences the market for large infrastructure projects and residential construction projects.

On the advice of the Committee, the Supervisory Board has decided to allocate a short-term as well as long-term variable remuneration to the members of the Executive Board. This allocation is further explained in Section 3.3.

During the AGM on 15 April 2020, the explanatory notes for the reappointment of Mr A.G.J. Hillen referred to the most important elements of his contract with Heijmans. The Supervisory Board intended to adjust the fixed portion of the agreed-upon salary from the date of reappointment, 15 April 2020, to €550,000 gross per year, fitting within the benchmark. Because the financial consequences of the corona crisis were unclear at that time, a special circumstance arose. In consultation, with the full agreement of Mr Hillen, it was then decided not to implement the salary increase at that time. The Supervisory Board indicated at the time that it would look for a suitable solution at a later stage. At the beginning of 2021, the Supervisory Board, based on the positive results for 2020, judged that it was justified to implement the adjustment. Therefore, at the beginning of 2021, the Supervisory Board decided to implement the adjustment as of April 2021 and to apportion the original increase over the remaining term of the three-year appointment term.

3.1 Table with overview of remuneration by component

The paid gross fixed and variable remuneration paid in 2020 and 2021 and the amounts to be paid in 2022 to the members of the Executive Board are as follows:

	Gross fixed remuneration			Variable remuneration			Total fixed and variable remuneration		
	To be paid in 2022	Paid in 2021	Paid in 2020	To be paid in 2022	Paid in 2021	Paid in 2020	To be paid in 2022	Paid in 2021	Paid in 2020
A.G.J. Hillen	566.667	550.000	500.000	658.309	606.534	498.461	1.224.976	1.156.534	998.461
J.G. Janssen	-	123.958	425.000	70.895	515.554	423.692	70.895	639.512	848.692
G.M.P.A. van Boekel	425.000	141.667	-	129.721	150.000	-	554.721	291.667	-
	991.667	815.625	925.000	858.925	1.272.088	922.153	1.850.592	2.087.713	1.847.153

The variable remuneration to be paid in 2022 is inclusive of the 2019-2021 long-term variable remuneration. The variable remuneration paid to Mr Van Boekel in 2021 concerns the remuneration allocated on entering employment (sign-on bonus), which will become unconditional in September 2024. The long-term variable remuneration allocated to him is based on the transitional model that applies pursuant to the Remuneration Policy.

The breakdown of the expenses per member of the Executive Board is as follows:

		Gross fixed remuneration	Short-term variable remuneration	Long-term variable remuneration	Pension costs	Signing bonus	Expense allowances incl car costs, social security contributions and share matching plan costs	Total	Fixed/variable ratio (%)
in €									
A.G.J. Hillen*	2021	550.000	314.559	352.083	203.140	-	115.576	1.535.358	57/43
	2020	500.000	325.284	281.250	203.086	-	109.115	1.418.735	57/43
J.G. Janssen**	2021	123.958	70.895	-	25.667	-	16.591	237.111	100/0
	2020	425.000	276.491	26.563	88.000	-	41.717	857.771	65/35
G.M.P.A. van Boekel***	2021	141.667	81.023	118.899	21.667	16.667	16.767	396.690	45/55
	2020	-	-	-	-	-	-	-	0/0
Total	2021	815.625	466.477	470.982	250.474	16.667	148.934	2.169.159	
	2020	925.000	601.775	307.813	291.086	-	150.832	2.276.506	

* Chair of the Executive Board from 1 December 2016 and member of the Executive Board from 18 April 2012

** Member of the Executive Board from 30 October 2017 to 15 April 2021

*** Member of the Executive Board effective from 1 September 2021

For a more detailed explanation of the above table, see note 6.28 of the Heijmans 2021 Financial Statements.

3.2 Fixed remuneration

Hans Janssen was a member of the Executive Board and CFO up to 15 April 2021. The level of his fixed remuneration was not adjusted in 2021 in relation to 2020.

On 1 September 2021, Gavin van Boekel joined the Executive Board and was appointed CFO. His remuneration package was explained during the EGM on 30 August 2021 and is in accordance with the Remuneration Policy adopted by the AGM in 2020.

The fixed remuneration of Ton Hillen was increased effective from April 2021. This increase is further explained in Section 3.

The accrual of the old-age, survivor's and orphan's pension of Ton Hillen is in accordance with the conditionally indexed average salary sectoral pension fund scheme, in which pension is accrued on the gross fixed remuneration up to €63,855 and payment starts at the age of 67. For the portion of the salary that exceeds this amount, up to €112,189, this Executive Board member participates in a defined contribution scheme. Mr Hillen also receives compensation for the discontinuation of the early retirement top-up and the pension accrual on the salary part that exceeds €112,189.

In deviation from what is stated above, Gavin Van Boekel receives fixed compensation for the accrual of a self-managed pension scheme.

In 2021, Mr Janssen received a pro-rated fixed compensation for the accrual of his own pension provision.

There are no pension schemes for early retirement for the members of the Executive Board.

The expense allowance, including car costs, social contributions and the costs of the Share Matching Plan, are reported in the table in Section 3.1. For further details, please see the notes to the 2021 Financial Statements under Affiliates.

3.3 Variable remuneration

The variable remuneration acknowledges the achievement of the predetermined performance objectives over the year to which the report relates or over a period of three years. For both the short and long term, half of the award depends on quantitative financial objectives that are essential for the implementation of the strategy and half depends on the qualitative objectives that reflect progress in the implementation of the strategy.

At the start of each year, the Supervisory Board sets a minimum, target and maximum level for the various objectives. At the end of the year or at the end of the three-year period respectively, it is assessed to what extent these objectives have been achieved and what amount is awarded on that basis.

Of the financial performance criteria, the Supervisory Board selects the most relevant criteria at that time from a list of four included in the remuneration policy. The levels are determined in hard amounts or percentages. The qualitative criteria are derived from the 'Better, Smarter and more Sustainable' strategy and are determined in consultation with the Executive Board, whereby the Supervisory Board specifies the targeted level of progress and what it applies as the minimum and maximum.

3.3.1 Short-term variable remuneration (annual remuneration)

For the year 2021, the Supervisory Board has chosen the underlying EBITDA and the average net debt as the most relevant financial objectives in the short term. The target levels are included in the accompanying table, which shows that EBITDA was amply achieved, resulting on balance in a pay-out on the financial objectives of 35.8% of the fixed agreed-upon annual salary.

The qualitative objectives in the short term are focused on the implementation of the Better, Smarter and more Sustainable strategy, whereby a number of specific objectives have been formulated, such as reducing the number of accidents, reducing undesirable personnel turnover, increasing the number of internal appointments to key positions, further expanding the stacked building concept and the number of connections to be realised by Heijmans Energy.

The Supervisory Board has assessed performance in relation to the above-referenced qualitative objectives on the basis of KPIs, other statistical information and explanatory information provided by the Executive Board, among other things. The Supervisory Board established that performance was below target for a number of objectives, such as safety and undesirable personnel turnover, while performance was above target for a number of other objectives, such as internal appointments to key positions. On balance performance relating to the qualitative objectives was slightly below the set target, which resulted in a pay-out of 21.4% of the fixed agreed-upon annual salary.

The financial and qualitative performance achieved resulted in a total pay-out percentage of 57.2% of the fixed agreed-upon annual salary.

Short-term objective	Weighting	Minimum	At Target	Maximum	Realisation	Pay-out % of the fixed agreed-upon annual salary
Underlying EBITDA incl IFRS 16	25%	€85 million	€93 million	€110 million	€106 million	17%
Average net debt	25%	€1 million	- €9 million	- €29 million	- €64 million	18.8%
Qualitative (Supervisory Board assessment)	50%	Reasonable progress	At target	Well above target	Slightly below target	21.4%
Total	100%					57.2%

Note: If the score falls between the different levels, the remuneration is calculated linearly. Underlying EBITDA includes IFRS 16. Net debt is the average of 4 measuring points at the end of the quarter.

3.3.2 Long-term variable remuneration (three-year remuneration)

Allocation 2019-2021

The objectives for the long-term variable remuneration for the period 2019-2021 were assessed after this period.

A single financial objective applied to 2021 for the above-referenced three-year period:

- A rolling average growth rate of 5% in the earnings per share over three years.

This objective was achieved at a maximum target level, which on balance results in a pay-out of a total of 37.5% on the financial objective.

Two aspects that together form a single objective were decisive for the allocation for the qualitative objective over the three-year period:

- A general objective that relates to predictability, the digital transformation and safety in a broad sense.
- Smarter, whereby objectives have been set relating to developments in the business flows BeSense, Smart Cities and Happiness, respectively.

The Supervisory Board on the basis of KPIs, other statistical information and explanatory information provided by the Executive Board, among other things, has established that the objective was achieved well above its at target level and slightly below its maximum level set. The Supervisory Board established that on most of the objective's subcomponents, such as improving predictability, shaping the digital transformation and the application of smart city concepts, the Executive Board scored very high. The score for only one subcomponent was below the target set for the objective, namely safety in a broad sense, despite the fact that there was visible improvement. On balance the objective was achieved well above target.

On balance, the above results in a pay-out on the qualitative objectives of 31.3% of the fixed agreed-upon annual salary.

Long-term objective	Weighting	Minimum	At Target	Maximum	Realisation	Pay-out % of the fixed agreed-upon annual salary
Earning per share (3-year rolling average)	50%	N/A	5% per year on average over 3 years	N/A	Maximum realised	37.5%
Qualitative (Supervisory Board assessment)	50%	Reasonable progress	At target	Far above target	Above target	31.3%
Total	100%					68.8%

The following explanatory notes apply to the table above. The at-target level has been set for each objective, the extent to which these are more or less achieved is determined at the discretion of the Supervisory Board. This method does not imply any change in the structure of the long-term variable remuneration: this can be a maximum 75% of the fixed agreed-upon salary and the distribution between financial and qualitative objectives remains 50/50%.

3.4 Bonus Share Matching Plan (SMP)

As part of the Bonus Share Matching Plan, the Executive Board members are given the opportunity to use a maximum of 50% of the short-term remuneration allocated to them to buy shares or depositary receipts for shares in Heijmans. The so-called matching shares are allocated after three years provided that the participant is still in office at that time. Ton Hillen and Hans Janssen have been participating in this plan since they took office and invested in it for the first time in 2018 and 2019, respectively. Gavin van Boekel is first eligible for participation in the SMP in 2022.

Investment date	Ton Hillen Number Purchased	Matching Date	Hans Janssen Number Purchased	Matching Date*
April 2019	7,500	April 2022	5,000	N/A
April 2020	13,000	April 2023	8,700	N/A
April 2021	5,500	April 2024	N/A	N/A

*Not applicable, because, due to stepping down as of 15 April 2021, the matching shares conditions are no longer met.

After the matching shares are unconditionally allocated, a blocking period of two years takes effect.

5,000 matching shares were allocated to Ton Hillen in April 2021 pursuant to his purchase in April 2018. The lock-up period of these shares expires in April 2023. In April 2021 he purchased 5,500 shares or depositary receipts for shares. These shares will be matched in April 2023, provided the conditions are met.

3.5 Remuneration ratios and result trends

The table below shows the data in accordance with Article 2:135b paragraph 3 sub e Dutch Civil Code.

Fixed and variable remuneration		2021	2020	2019	2018	2017
In €		€106 million	€85 million	€78 million	€43 million	€30 million
	Underlying EBITDA (incl IFRS 16)					
	Underlying EBITDA (excl IFRS 16)					
a	Average remuneration Employees	60.055	58.035	56.823	52.797	52.553
b	Average fixed remuneration Executive Board	487.500	462.500	462.500	462.500	462.500
A.G.J. Hillen	1 Gross fixed remuneration	550.000	500.000	500.000	500.000	500.000
	2 Short-term variable remuneration	314.559	325.284	242.211	250.000	345.868
	3 Long-term variable remuneration	352.083	281.250	256.250	437.500	-102.050
	6 Pension costs	203.140	203.086	202.052	201.141	200.273
	7 Other	115.576	109.115	79.117	57.252	43.483
	Total	1.535.358	1.418.735	1.279.630	1.445.893	987.574
J.G. Janssen	1 Gross fixed remuneration	123.958	425.000	425.000	425.000	74.053
	2 Short-term variable remuneration	70.895	276.491	205.879	212.500	
	3 Long-term variable remuneration		26.563	217.813	212.500	
	6 Pension costs	25.667	88.000	88.000	88.000	14.867
	7 Other	16.591	41.717	70.037	48.801	9.059
	Total	237.111	857.771	1.006.729	986.801	97.979
G.M.P.A. van Boekel	1 Gross fixed remuneration	141.667				
	2 Short-term variable remuneration	81.023				
	3 Long-term variable remuneration	118.899				
	4 Signing bonus	16.667				
	6 Pension costs	21.667				
	7 Other	16.767				
	Total	396.690	0	0	0	0
L.J.T. van der Els	1 Gross fixed remuneration					115.954
	6 Pension costs					28.671
	7 Other					14.892
	Total	0	0	0	0	159.517
M.C. van den Biggelaar	1 Gross fixed remuneration					68.209
	6 Pension costs					11.870
	7 Other					9.372
	Total	0	0	0	0	89.451
R.F. Majenburg	1 Gross fixed remuneration					331.409
	2 Short-term variable remuneration					248.557
	3 Long-term variable remuneration					-64.484
	5 Severance payment					404.563
	6 Pension costs					72.822
	7 Other					34.304
	Total	0	0	0	0	1.027.171
Total	1 Gross fixed remuneration	815.625	925.000	925.000	925.000	1.089.625
	2 Short-term variable remuneration	466.477	601.775	448.090	462.500	594.425
	3 Long-term variable remuneration	470.982	307.813	474.063	650.000	-166.534
	4 Signing bonus	16.667	0	0	0	0
	5 Severance payment	0	0	0	0	404.563
	6 Pension costs	250.474	291.086	290.052	289.141	328.503
	7 Other	148.934	150.832	149.154	106.053	111.110
	Total	2.169.159	2.276.506	2.286.359	2.432.694	2.361.692

1. Fixed agreed-upon annual salary.
2. Short-term variable annual remuneration in accordance with the remuneration policy as described in Section 1 of this report.
3. Long-term variable 3-year remuneration in accordance with the remuneration policy as described in Section 1 of this report.
6. See Section 3.2 of this report for an explanation of pension costs.
7. Expense allowances including car costs, social security contributions, anniversary reservation and share matching plan costs.

See Section 3.4 of this report for an explanation of the Share Matching Plan.

Pay Ratio

In follow-up to best practice 3.4.1, part iv, the pay ratios between the Executive Board and other employees within the company have been calculated. The fixed agreed-upon remuneration including holiday allowance serves as the starting point, with 30 November 2021 as the reference date. The average fixed agreed-upon remuneration of the Executive Board members in office as of the reference date was compared to the reference group, which consists of all employees who have an employment contract with the company (Heijmans N.V.) or one of its subsidiaries in the Netherlands on the reference date. The average fixed remuneration of Executive Board members amounted to €487,500 on the reference date (2020: €462,500) compared to average fixed remuneration of €60,055 (2020: €58,034) for the reference group. Based on the above, the pay ratio can be expressed as 1:8.1 (2020: 1:8).

The Remuneration Committee takes the pay ratios into account in the proposals it puts to the Supervisory Board in relation to the individual pay packages for Executive Board members.

4. Main points of the remuneration policy for the Supervisory Board of Heijmans N.V.

The remuneration policy for the Supervisory Board as it applied during the 2020 financial year was adopted by the AGM on 15 April 2020. The policy is aimed at being able to attract experienced and expert supervisory directors. That requires a competitive pay package. In accordance with best practice 3.3.1 of the Dutch Corporate Governance Code, the remuneration of supervisory directors must furthermore reflect the time commitment and responsibilities of the position. With the supervisory directors' independent position in mind, their remuneration does not depend on the company's results and the internal pay ratio is less relevant.

In order to attune the remuneration to the time commitment and responsibilities:

- the chair and vice-chair of the Supervisory Board receive higher fixed base compensation than (ordinary) members,
- supervisory directors receive compensation for the work they do in committees on which they serve, in addition to the base compensation that all members receive,
- committee chairs receive higher committee compensation than ordinary committee members.

In accordance with the remuneration policy adopted on 15 April 2020, the following amounts apply with effect from 2021 (incl indexation as at 1 January 2021):

	Per year in Euro
Chair of Supervisory Board	62,360
Vice-chair of Supervisory Board	46,770
Member of Supervisory Board	41,574
Chair of Audit and Risk Committee	8,315
Member of Audit and Risk Committee	6,236
Chair of Remuneration and Appointments Committee	7,275
Member of Remuneration and Appointments Committee	5,197

This compensation is adjusted annually as of 1 January on the basis of the Statistics Netherlands (CBS) all-items consumer price index.

For the Remuneration Policy of the Supervisory Board, also see: <https://www.heijmans.nl/nl/over-heijmans/corporate-governance/codes-statuten-en-reglementen/>

5. Implementation of remuneration policy for the Supervisory Board in 2021

During the 2021 financial year, the Supervisory Board members received a fee in accordance with the policy set out in Section 4 of this report. The allocation of duties was as follows in 2021:

- Sjoerd Vollebregt, Chair
- Ron Icke, Vice-chair of the Supervisory Board and Chair of the Audit and Risk Committee
- Ms Martika Jonk, member of the Supervisory Board and member of the Audit and Risk Committee. Chair of the Remuneration and Appointments Committee
- Ms Ans Knape-Vosmer, member of the Remuneration and Appointments Committee
- Gerrit Witzel: member of the Supervisory Board and member of the Audit and Risk Committee until 12 November 2021.
- Arnout Traas, appointed on 14 April 2021, and from that date forward member of the Supervisory Board and member of the Audit and Risk Committee.

From 2017 to 2021, the members of the Supervisory Board were compensated as follows:

Note	in €	2021	2020	2019	2018	2017
1	Sj.S. Vollebregt, Chair	62.360	60.000	60.000	60.000	47.723
2	P.G. Boumeester		14.064	46.750	46.000	37.723
3	R. van Gelder BA		15.860	52.750	52.000	42.723
4	R. Icke RA	55.085	54.378	53.000	53.000	37.723
5	M.M. Jonk LLM	55.085	54.078	49.000	3.333	
6	S. van Keulen			13.500	54.000	42.723
7	J.W.M. Knape-Vosmer MBA	49.226	45.571			
8	G.A. Witzel	44.344	33.630			
9	A.E. Traas	47.810				
	Total	313.910	277.581	275.000	268.333	208.615

1. Supervisory Director from 15 April 2015, Chair from 13 April 2016
2. Supervisory Director from 28 April 2010 to 15 April 2020
3. Supervisory Director from 1 July 2010 to 15 April 2020
4. Supervisory Director from 9 April 2008
5. Supervisory Director from 6 December 2018
6. Supervisory Director from 18 April 2007 to 10 April 2019
7. Supervisory Director from 15 April 2020; the amount stated in 2020 includes compensation in the amount of €11,029 for the introductory period January to mid-April 2020
8. Supervisory Director from 15 April 2020 to 12 November 2021
9. Supervisory Director from 14 April 2021; the amount stated in 2021 includes compensation in the amount of €11,953 for the introductory period January to mid-April 2021

6. Evaluation of remuneration policy and intentions for 2022

The Remuneration and Appointments Committee evaluated the remuneration policy for the Executive Board and Supervisory Board approved by the AGM in April 2020 and found its operation to be effective and balanced. The Supervisory Board has adopted the advice to leave the policy unchanged in 2022. In accordance with Article 2:135a Dutch Civil Code, a new policy will be submitted for approval no later than at the AGM in 2024.

The committee also evaluated the level of remuneration of the Executive Board. The remuneration of the Supervisory Board is adjusted in accordance with policy on the basis of the CBS all-items consumer price index..

The Remuneration and Appointments Committee, within the choices offered by the remuneration policy for the Executive Board, has submitted a proposal for the performance criteria for the short-term and long-term variable remuneration for 2022 and 2022-2024 for the Executive Board. Short-term financial objectives for 2022 are underlying EBITDA and average net debt. The qualitative objectives are derived from the Better,

Smarter, and more Sustainable strategy. The financial long-term objective concerns the EPS. The qualitative objective concerns a number of specific objectives relating to industrial production and CO₂ reduction.

The performance levels determined by the Supervisory Board for each of these objectives are considered to be competition-sensitive and will be accounted for retrospectively in the event of unconditional allocation.

7. Advisory vote Annual General Meeting of Shareholders report previous financial year

The 2020 remuneration report was presented to the AGM for an advisory vote on 14 April 2021, in accordance with the provisions of Article 2:135b Dutch Civil Code, with the proposal to adopt the 2020 remuneration report. The AGM subsequently adopted the 2020 remuneration report with 99.6%. In accordance with Article 135b paragraph 2 Dutch Civil Code, the company has taken this result into account in the preparation of this remuneration report in the sense that it has deduced from the result that the report is satisfactory and that it has established that no questions were raised, or comments made, in response to the remuneration report during the AGM.

Rosmalen, 25 February 2022