

2020 Remuneration policy for the Supervisory Board

Basic principles of the remuneration policy

Heijmans is a company with a healthy ambition. We want to contribute to creating a healthy living environment. Heijmans dares to set the bar high with respect to that, with a clear vision, in-depth knowledge and skill. And with a constant focus on improvement, the drive to make processes smarter and the social responsibility to make operations more sustainable. Our core values - result-orientation, ownership, collaboration - are common themes throughout the development of our business and determine how we fulfil this ambition.

The Supervisory Board of Heijmans exercises supervision on implementation of the strategy that has been determined in dialogue with the Executive Board. This strategy - Better, Smarter, More Sustainable - creates value over the long term for all stakeholders inside and outside the business. And therefore also value for society as a whole. Whether this means sustainable homes, efficient building processes, the energy transition, mobility or vital cities and towns, or a substantial contribution to employment and the economy.

The playing field in which Heijmans finds itself is characterized by divergent stakeholder interests, fierce competition and market conditions that pose substantial risks for construction firms. Realizing the strategy in this context puts significant demands on the quality of the supervision. Attracting and retaining supervisory directors who complement each other and can support the Executive Board with advice and assistance is the key to sound supervision.

Remuneration policy as strategic instrument

The remuneration policy is aimed at being able to attract good supervisory directors. Heijmans seeks supervisory directors who are intrinsically motivated and who feel drawn to the challenges and opportunities Heijmans has to offer.

This remuneration policy contributes to attracting, retaining and motivating these supervisory directors and therefore to the corporate strategy, the long-term interests and sustainability, taking into account the core values identified above. In accordance with best practice 3.3.1 of the Dutch Corporate Governance Code, the remuneration of the supervisory directors shall reflect the time commitment and the responsibilities of the position.

Internal pay ratios are subordinate to this. Precisely given the independent position the Supervisory Board has, the Supervisory Board feels that it is important that its remuneration is determined taking into account all stakeholders involved with the company and not solely by using the remuneration levels within the company as a reference point.

In light of that, in 2018 the Supervisory Board assessed its remuneration with reference to the best practice mentioned and on the basis of a benchmark survey. In follow-up to that, the Supervisory Board determined that the remuneration for the Supervisory Board members required adjustment, and an adjustment proposal made during the Extraordinary General Meeting of Shareholders on 6 December 2018 was unanimously approved.

When evaluating the policy in April 2020, the Supervisory Board ascertained that the remuneration policy satisfies the goals set for it and that Heijmans is able to attract good supervisory directors to fill vacancies on the Supervisory Board. There was no reason found to adjust the remuneration policy, therefore, and the Supervisory Board presents the substantively unchanged policy to the Annual General Meeting of Shareholders for approval.

Remuneration structure

The structure of the remuneration reflects the time commitment and responsibilities of the Supervisory Board members:

- All members receive basic compensation, which is higher for the chair and vice-chair of the Supervisory Board than for ordinary members.
- The members of the various Supervisory Board committees receive compensation for the work they do in those committees, with the committee chair receiving higher compensation than the other committee members.

No result-dependent pay or share-based compensation is granted.

Composition of remuneration package

The remuneration of the Supervisory Board members consists of fixed compensation put together in accordance with the table below.

	Proposed annual remuneration in euros
Chair of the Supervisory Board	60,000
Vice-chair of the Supervisory Board	45,000
Member of the Supervisory Board	40,000
Chair of Audit and Risk Committee	8,000
Member of Audit and Risk Committee	6,000
Chair of Remuneration, Selection and Appointment Committee	7,000
Member of Remuneration, Selection and Appointment Committee	5,000

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

Continuity of policy

This substantively unchanged remuneration policy, approved on 6 December 2018, [will be/was] presented to the AGM for approval on 15 April 2020 and is unchanged with respect to the policy that has applied since 6 December 2018.

Support for the policy

In its evaluation of the remuneration policy pursued and the formulation of the policy proposed as of 2020, the Supervisory Board included the following:

- The input and positive advice from the Works Council;
- The view of depositary receipt holders and their representatives, in particular the Heijmans Share Administration Trust, on the evaluation of the remuneration policy pursued and the proposed policy;
- The provisions of the 2016 Corporate Governance Code and the Guideline to promote long-term shareholder commitment (SRD II) as these apply in the Netherlands from 2019 onwards by way of provisions contained in Book 2 of the Dutch Civil Code.

The Supervisory Board feels that as such, it has adequately taken into account social support for the remuneration policy.

Approval and validity of the policy

This remuneration policy, accompanied by the advice from Heijmans' Works Council, was submitted to the AGM on 15 April 2020, was approved by a majority of [...%] of the votes in attendance at the meeting and was immediately published on the website. The remuneration policy applies from 15 April 2020 therefore.

This policy will be in force for at most four years and a proposal for a successive remuneration policy will be presented to the AGM in 2024 at the latest, where a majority of at least 75% of the votes in attendance at the meeting will be required for its approval.