

# REMUNERATION POLICY FOR THE MANAGEMENT BOARD OF TREASURY N.V.

*Effective as of* \_\_\_\_\_

## Contents

Clause	Page
1	INTRODUCTION .....3
1.1	Definitions and terms.....3
1.2	Status of this Management Board Remuneration Policy.....3
1.3	Governance; adoption and amendments .....3
1.4	Derogation.....3
2	REMUNERATION OBJECTIVES .....4
3	DETERMINING MANAGING DIRECTOR REMUNERATION AND BENEFITS .....4
4	MANAGING DIRECTOR REMUNERATION .....4
4.1	General .....4
4.2	Base fee .....5
4.3	Annual variable remuneration.....5
4.4	Long-term variable remuneration .....6
4.5	Adjustment and recovery of variable remuneration .....6
4.6	Terms of engagement .....6
4.7	Other benefits and clawback .....7
4.8	Severance payment.....8

## **1 INTRODUCTION**

### **1.1 Definitions and terms**

1.1.1 In this Management Board Remuneration Policy, unless the context requires otherwise, the definitions of Schedule 1 (*Definitions*) will apply.

1.1.2 Terms that are defined in the singular have a corresponding meaning in the plural.

1.1.3 Words denoting a gender include each other gender.

### **1.2 Status of this Management Board Remuneration Policy**

1.2.1 This Management Board Remuneration Policy was adopted by the General Meeting on [●] and became effective as per [●].

1.2.2 This Management Board Remuneration Policy has been prepared with due observance of the requirements of Dutch law, the Code and the Articles of Association.

1.2.3 This Management Board Remuneration Policy is posted on the Company's website.

1.2.4 This Management Board Remuneration Policy applies to the Managing Director(s), and governs the remuneration and benefits that may be awarded to them.

### **1.3 Governance; adoption and amendments**

1.3.1 Any amendments to this Management Board Remuneration Policy are adopted by the General Meeting at the proposal of the Supervisory Board.

1.3.2 The Supervisory Board will evaluate the objectives and structure of this Management Board Remuneration Policy at regular intervals. The Supervisory Board will prepare any proposal to the General Meeting in respect of this Management Board Remuneration Policy with due observance of the requirements of Dutch law, the Code and the Articles of Association (as in effect from time to time).

### **1.4 Derogation**

1.4.1 In the event of exceptional circumstances, the Supervisory Board may resolve to temporarily derogate from any elements of this Management Board Remuneration Policy.

1.4.2 Exceptional circumstances exist only if the derogation is necessary to serve either the Company's long-term interests and sustainability or to ensure the Company's viability.

1.4.3 Derogations will be disclosed in the Company's annual remuneration report.

## **2 REMUNERATION OBJECTIVES**

- 2.1.1 The objective of this Management Board Remuneration Policy is to establish a competitive remuneration and benefits framework that enables the Company to attract, retain, and motivate Managing Directors who possess the essential leadership qualities, skills, and experience to drive exceptional business performance and promote the sustainable success of the Company.
- 2.1.2 This Management Board Remuneration Policy promotes the achievement of the Company's strategic short and long-term performance objectives contributing to the achievement of the Company's sustainable long-term value creation.
- 2.1.3 This Management Board Remuneration Policy establishes a fair, responsible, and transparent remuneration framework, consistent with the Company's identity, mission, and corporate values.
- 2.1.4 This Management Board Remuneration Policy establishes a remuneration framework that discourages Managing Directors from acting in their personal interest or engaging in risk-taking that is inconsistent with the Company's strategic objectives and corresponding risk appetite.

## **3 DETERMINING MANAGING DIRECTOR REMUNERATION AND BENEFITS**

- 3.1.1 The amount and structure of the remuneration and benefits that may be awarded to each Managing Director will be determined by the Supervisory Board, in accordance with this Management Board Remuneration Policy and the Articles of Association.
- 3.1.2 When determining the remuneration of Managing Directors, the Supervisory Board will, to the extent applicable, address the remuneration structure, the amount of fixed and variable remuneration components, the relevant performance targets for such variable remuneration components, the scenario analyses that have been conducted, and the relevant pay ratios within the Group.
- 3.1.3 Before determining the individual Managing Directors' remuneration and benefits, the Supervisory Board will invite each relevant Managing Director to express their views on the amount and structure of their own remuneration, as well as the aspects referred to in best practice provision 3.1.2 of the Code, as in effect from time to time.

## **4 MANAGING DIRECTOR REMUNERATION**

### **4.1 General**

Generally, it is expected that the Managing Director's remuneration will include a fixed base fee, variable components comprised of short-term incentives and long-term (equity) incentives and other benefits. The aim is to achieve an appropriate ratio between fixed and variable remuneration components. In addition, a Managing Director

may also receive certain perquisites and retirement and health benefits, as well as severance arrangements and / or change of control protections.

## **4.2 Base fee**

- 4.2.1 The base fee is a cash-based remuneration set for the entire fiscal year. The base fee is set at a level that contributes to the remuneration objectives of this Management Board Remuneration Policy.
- 4.2.2 The amount of base fee may vary depending on the Managing Director's role and responsibilities on the Management Board, as well as their skills, expertise and professional background.
- 4.2.3 The base fee is paid out in twelve equal installments.
- 4.2.4 The Supervisory Board will periodically review base fee levels to ensure base fee levels still reflect the remuneration objectives of this Management Board Remuneration Policy.

## **4.3 Annual variable remuneration**

- 4.3.1 Managing Directors may be eligible for a Short Term Incentive in the form of an annual variable cash remuneration.
- 4.3.2 The Short Term Incentive comprises remuneration that is linked to the attainment of predetermined performance targets aligned with the remuneration objectives of this Management Board Remuneration Policy. The Short Term Incentive targets promote the achievement of the Company's strategic short-term performance objectives that contribute to the Company's sustainable long-term value creation.
- 4.3.3 Managing Directors may be eligible to receive a 100% on-target Short Term Incentive value equal to 100% of their annual base fee, with a maximum pay-out opportunity of up to 200% of the on-target Short Term Incentive value.
- 4.3.4 The Short Term Incentive performance targets and their relative weighting are determined by the Supervisory Board. The Managing Director's individual performance targets will comprise an appropriate and balanced combination of financial and non-financial performance targets. Non-financial performance targets will be set annually by the Supervisory Board. In determining the targets, the Supervisory Board will consider several factors, including market practice within the Company's industry, the delivery of the Company's long-term strategy, and scenario analyses of possible financial outcomes based on achieving target levels and maximum performance levels. Additionally, they will assess how these targets might affect the level and structure of the total remuneration of the Managing Directors and the market price of the Company's shares.

#### **4.4 Long-term variable remuneration**

- 4.4.1 Managing Directors may be eligible for long-term variable remuneration in the form of Performance Share Units and/or Restricted Share Units under the Long-Term Incentive Plan.
- 4.4.2 The Performance Share Units comprise performance-based remuneration based on a combination of (i) performance targets and (ii) service requirements to ensure alignment between the interests of the Managing Directors, the Company and the Company's stakeholders. Based on the Long-Term Incentive Plan, the Supervisory Board may accelerate the vesting of awards.
- 4.4.3 The Restricted Share Units will vest on three equal installments upon each anniversary of the Restricted Share Unit grant.
- 4.4.4 The variable remuneration comprised of Performance Share Units and Restricted Share Units aligns with the remuneration objectives of this Management Board Remuneration Policy.
- 4.4.5 Performance Share Units and Restricted Share Units are granted under the Long-Term Incentive Plan, setting out, together with any grant documentation, the terms and conditions governing the respective Performance Share Units or Restricted Share Units.
- 4.4.6 By adopting this Management Board Remuneration Policy, the General Meeting also granted the approval referred to in article 2:135(5) of the Dutch Civil Code.

#### **4.5 Adjustment and recovery of variable remuneration**

- 4.5.1 The Supervisory Board has the authority to adjust the amount of variable remuneration as referred to in Clauses 4.3 and 4.4 if payment thereof would be considered unacceptable according to standards of reasonableness and fairness (*naar maatstaven van redelijkheid en billijkheid onaanvaardbaar*).
- 4.5.2 The Supervisory Board has the authority to recover, in whole or in part, the variable remuneration as referred to in Clauses 4.3 and 4.4. The variable remuneration can be recovered if the payment thereof was based on incorrect information about: (i) the achievement of the financial or non-financial objectives underlying the variable remuneration; or (ii) the circumstances on which the variable remuneration was contingent.

#### **4.6 Terms of engagement**

- 4.6.1 Managing Directors render their services to the Company on the basis of a Services Agreement.

- 4.6.2 A Services Agreement is entered into for the duration of the Managing Directors appointment and will terminate automatically by operation of law at the end of the term of appointment, without prior notice being required.
- 4.6.3 If the General Meeting resolves to reappoint a Managing Director as statutory director of the Company, the Services Agreement will be automatically extended for the duration of that reappointment. Consequently, the Services Agreement will terminate automatically by operation of law at the end of the term of reappointment, without prior notice being required.
- 4.6.4 Each Services Agreement will include a notice period of six months for both the Company and the Managing Director.
- 4.6.5 The Supervisory Board has the authority to negotiate and agree upon contractual terms and notice periods deviating from Clauses 4.6.1 to 4.6.4, provided that such terms are consistent with the other terms of this Management Board Remuneration Policy. Additionally, the Supervisory Board may resolve that the remuneration of a Managing Director is made payable via a third party.

#### **4.7 Other benefits and clawback**

- 4.7.1 Managing Directors are eligible for reimbursement of expenses and costs reasonably incurred in connection with the performance of their duties and responsibilities.
- 4.7.2 Managing Directors are eligible to receive customary fringe benefits as part of their overall remuneration and benefits package. These fringe benefits may include, but are not limited to, liability insurance, indemnification, collective health and benefit plans, retirement and pension plans, travel allowances, a company car, and other benefits that the Supervisory Board considers appropriate. The provision of fringe benefits aims to enhance the attractiveness of the Company's remuneration and benefits and aligns with industry standards and best practices.
- 4.7.3 The Supervisory Board may resolve at its discretion to recover on behalf of the Company any variable pay awarded on the basis of incorrect financial data or other data, irrespective of whether the Managing Director has been responsible for the incorrect financial data or other data or was aware or should have been aware of this incorrectness, provided that such recovery decision shall be made in good faith.
- 4.7.4 The Company will procure to have in place an appropriate liability insurance for the benefit of each Managing Director. The liability insurance will be obtained from a reputable insurance provider and will provide adequate coverage limits and scope of protection in line with industry standards. Additionally, Managing Directors will be entitled to indemnification by the Company.

- 4.7.5 In case of external appointments, the Supervisory Board, may decide to grant sign-on awards in cash and/or Performance Share Units or Restricted Share Units to compensate for the loss of remuneration or other expenses as a result of the transfer to the Company. When establishing such an award, a holistic assessment will be applied on the design considerations of the arrangements forfeited.
- 4.7.6 The Company will not grant any loans, guarantees or similar benefits to Managing Directors, other than in accordance with the indemnification provided for in the Articles of Association from time to time.

#### **4.8 Severance payment**

- 4.8.1 Managing Directors may be eligible to receive a severance payment of up to one year's base fee, subject to the relevant agreement with the respective Managing Director providing for such entitlement.
- 4.8.2 Managing Directors will not be eligible for a severance payment in the event of early termination of their respective agreement at their own initiative, termination for cause, or due to seriously culpable or negligent behavior on the part of the Managing Director.

\* \* \*



## Schedule 1 Definitions

"**Articles of Association**" means the Company's articles of association;

"**Clause**" means a clause of this Management Board Remuneration Policy;

"**Code**" means the Dutch corporate governance code;

"**Company**" means Treasury N.V.;

"**General Meeting**" means the Company's general meeting;

"**Group**" means the Company and its subsidiaries;

"**Long-Term Incentive Plan**" means Company's long-term incentive plan;

"**Management Board**" means the Company's management board;

"**Management Board Remuneration Policy**" means this remuneration policy for the Managing Directors;

"**Managing Director**" means a member of the Management Board;

"**Performance Share Units**" means the performance share units that may be issued in the context of the Long-Term Incentive Plan;

"**Restricted Share Units**" means the restricted share units that may be issued in the context of the Long-Term Incentive Plan;

"**Services Agreement**" means the contractual arrangement on the basis of which a Managing Director provides their services to the Company, provided, however, that an agreement between the Company and a Managing Director cannot qualify as an employment agreement as referred to in article 7:610 of the Dutch Civil Code;

"**Short Term Incentive**" means the performance-based variable cash remuneration that may be granted to Managing Directors, which is linked to the attainment of predetermined performance targets; and

"**Supervisory Board**" means the Company's supervisory board.