REMUNERATION POLICY BOARD OF MANAGEMENT
ACCELL GROUP N.V.

PROPOSAL AGM 22 APRIL 2020

Considerations

In April 2005 the General Meeting adopted the first remuneration policy (including a share scheme) regarding the remuneration of the Board of Management (*Raad van Bestuur*) of Accell Group N.V. ("**Accell**" or the "**Company**"). A new remuneration policy was adopted at the General Meeting in April 2008 and the share scheme for the Board of Management was also approved at this meeting. During the General Meeting of 22 April 2010 a technical adjustment to the 2008 remuneration policy was adopted; the share scheme for the Board of Management included in this policy was also approved.

Based on new Dutch legislation in line with the revised EU Shareholders' Rights Directive, the Supervisory Board (*Raad van Commissarissen*) and its Selection and Remuneration Committee evaluated the need to update and adjust the current remuneration policy for the Board of Management. The Supervisory Board was supported in this exercise by an external consultant, who conducted an independent benchmarking on compensation levels and best practices regarding remuneration policies, and by Accell's Group HR department.

The Supervisory Board and its Selection and Remuneration Committee thoroughly reviewed the benchmarking results and concluded that Total Direct Compensation ("**TDC**") of the Board of Management is around or slightly above the median of the labor market reference group, whilst the policy is to maintain TDC around the median (from below). The benchmark further showed that the current short-term incentive ("**STI**") plan is broadly in line with the market, while the long-term incentive ("**LTI**") plans deviate somewhat from best market practices, especially the performance criteria (limited to one criterion per LTI plan), and the fact that there are two share-based LTI plans. Also, internal pay ratios are slightly above the median of the labor market reference group.

The results of this benchmark have been reflected in this new policy:

- In view of the policy approach of the Supervisory Board towards remuneration of the Board of Management, it is proposed not to make any changes to the remuneration levels at this stage, except for the adaptation of the maximum STI level for the CEO which is raised from 50% to 65%. However, other changes might become inevitable in the future to be able to attract Board of Management members.
- The fundamentals of the existing policy will not be impacted, and the basic remuneration structure will be maintained, however the following changes will be proposed:

- All short-term variable remuneration criteria allow for rewarding strong performance. The existing STI criteria, which are linked to financial performance and personal goals, will be expanded with targets linked to the growth ambition of the Company;
- LTI will be limited to one plan, the conditional share plan, and the current performance criteria that are 100% linked to financial share value creation will be reduced to 70%; new performance criteria related to planet/environmental, people/societal goals at a level of 30% will be introduced. The current long-term share option plan will be dissolved;
- Introduction of share ownership guidelines for the Board of Management;
- We consider the internal pay ratio to be an outcome of a prudent remuneration policy; external developments such as the competitiveness at labor markets may impact remuneration as well as pay ratios.

Disclosure of targets and realization of STI and LTI: Accell aims for full transparency, within the limits of business sensitive information, and we will give stakeholders retrospective insight into target setting and achievement building on how this was done in the annual remuneration reports.

This policy will be presented to the Annual General Meeting at least every four years, or if and when earlier adaptation is required.

Policy governance
The Supervisory Board has set up a Selection and Remuneration committee from among its members. The Selection and Remuneration committee currently consists of Mr. P.B. Ernsting (chair) and Mr. R. ter Haar. The duties of the Selection and Remuneration committee are, among other matters, to prepare the Supervisory Board's resolutions concerning the adoption of remunerations and other powers granted or delegated to it. The Selection and Remuneration committee assists the Supervisory Board in carrying out its responsibilities and focusses on the making of proposals to the Supervisory Board on the remuneration policy to be pursued and the remuneration (including, among other things, the amount of the fixed remuneration, the variable remuneration, pension rights, severance pay and other conditions) of the members of the Board of Management.

Objectives and Principles
The remuneration policy for the members of the Board of Management should serve to attract, motivate and retain executives of the highest caliber to deliver our ambitious business strategy. The policy aims to fully support the business strategy, further enhancing the link between pay and performance and aligning the interests of the members of the Board of Management with

the shareholders' interests by stimulating share ownership, while taking into account the highest standards of good corporate governance and legal compliance.

The remuneration policy for the Board of Management of Accell is based on the following principles:

- Providing the possibility to attract, motivate and retain highly qualified candidates for the Board of Management, who possess both the necessary management qualities and the required background;
- Acknowledging and taking into account the societal context around remuneration and recognizing and incorporating the (long-term) interests of all Accell's stakeholders and the Company's best interests. This is safeguarded by (amongst other things) regularly assessing the alignment of the remuneration policy and outcomes of this policy with the corporate strategy and the Company's performance. This assessment also takes into account the Company's purpose, its values and its focus on long-term value creation, pay ratios/ pay differentials within Accell, market and corporate governance best practices and the outcomes of regular consultations with relevant stakeholders, including employee representatives, and of periodical remuneration level benchmarks.
- Incentivizing continued focus on the realization of long-term value creation of the company and fulfilment of consumer and customer needs, while taking into account Accell's long term strategy and corporate social responsibility. This is realized for instance by the incentive performance period and measures (e.g. three-year performance period for LTI, Total Shareholder Return and Corporate Social Responsibility measures etc.) and the pay mix with a long-term emphasis.
- Motivating executives and retaining good performers. This is realized by setting market competitive remuneration levels for the Board of Management and other Accell positions, while taking into account, appropriate target setting of performance conditions and continuous performance evaluations and assessment of the needs to manage the Company in line with market developments and Accell's strategy and performance.
- The principles underlying the remuneration policies for the Board of Management and other Accell employees are aligned. This is realized through for instance applying a job framework within the organization, in which our regional structure and roles are defined, as well as the collective labor agreements in various of the countries where we operate. Policy remuneration levels are designed by considering the specific skills and knowledge needed, reflecting the responsibilities, required experience, competencies, and performance of individual jobholders. As part of the policy and when making adjustments, Accell takes also into account internal pay differentials. This assessment is made of the internal pay differentials across (managerial) levels within the overall Accell Group job

framework and these will be harmonized over time; this will remain a dynamic framework, taking into account not only local market practices but also local labor market developments, as well as local Consumer Price Index ("**CPI**") developments.

REMUNERATION ELEMENTS

The Total Direct Compensation (TDC) of the Board of Management of Accell consists of three elements:

1. Fixed remuneration;
2. Short-term variable incentive; and
3. Long-term variable incentive.

In addition to TDC, members of the Board of Management are entitled to other benefits such as a pension scheme.

Labor market reference group

To evaluate market competitiveness of the Board of Management' pay levels, every three years a remuneration benchmark will be conducted against a group of companies, headquartered in the Netherlands, comparable in terms of size, listed on Euronext Amsterdam and included in the Amsterdam Mid or Small Cap index or traded on the local market. Based on this approach, and with the exclusion of financial and real estate companies, the labor market reference group currently consists of:

- Arcadis
- Besi
- Brunel
- Corbion
- ForFarmers
- Fugro
- Heijmans
- Kendrion
- Neways
- Ordina
- Sligro
- Stern
- TomTom.

Within this established labor market reference group, the Supervisory Board aims positioning Accell on average at the median in terms of revenue, market capitalization, assets and number of employees. The Supervisory Board will regularly review the labor market reference group to ensure that its composition is still appropriate[1]. A global reference group based on companies in the same or similar industry group would have been preferred but this could not be realized at this moment.
The remuneration policy aims to position the Total Direct Compensation levels of Accell (the sum of fixed compensation, at target short-term variable remuneration and at target long-term variable remuneration) around the median (approached from below) of the labor market reference group.

1. FIXED COMPENSATION

The fixed remuneration, i.e. the "base salary", is set on a market competitive level taking into account the individual responsibilities, relevant experience and the remuneration principles. Each year, the Supervisory Board reviews and determines the development of the fixed remuneration of the individual members of the Board of Management and decides whether circumstances justify any adjustments. Considerations in the review may include for instance (general) market developments, inflation figures (CPI), internal pay ratios, personal performance and the extent to which the current fixed remuneration deviates from the benchmark.

[1] For the avoidance of doubt, changes to the labor market reference groups may be required from time to time e.g. following mergers or acquisitions in which one or more companies in the reference group are involved.

2. SHORT-TERM VARIABLE REMUNERATION

<u>Overview:</u>	
Vehicle	Cash
Performance period	One year
Performance criteria	80% financial measures, such as: ○ Profit-related measures ○ Working capital improvement ○ Growth-related measure 20% non-financial measures: ○ Individual targets (specific measures annually selected at the discretion of the Supervisory Board to ensure alignment between the STI, corporate strategy and short- to mid-term agenda)
Circuit breaker	Circuit breakers are applicable as a minimum requirement for payout of the individual STI measures. If this minimum is not achieved, the parameters will not lead to a payout. Individual STI measures have a maximum stretch payout and total payout is based on the sum of the individual STI measures with the restriction that the total STI payout cannot exceed said maximum.
Performance incentive zone	The maximum payout is equal to 65% of the annual fixed remuneration for the CEO and 50% for other members of the Board of Management. In case of at-target performance, the short-term incentive will be equal to 80% of the maximum payout. Performance below threshold level is not generating a payout.

Performance criteria

The objective of the short-term incentive is to support Accell's strategy and incentivize Company performance targets in the shorter term. The Supervisory Board sets financial and non-financial target ranges reflecting the strategic aspirations of Accell each year. To ensure the alignment of the STI with Accell's strategy and to have the flexibility and ability to respond adequately to business needs and challenges, the Supervisory Board considers it important to have flexibility with respect to the selection of the yearly criteria and targets. Therefore, at the beginning of each financial year, the Supervisory Board will determine the financial and non-financial STI criteria, their relative weighting and the performance incentive zones (i.e. threshold, target, and maximum).

The three financial performance criteria may typically be selected from the following list:
- EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) growth
- Organic growth of revenue
- Average Trade Working Capital improvement
- Added Value improvement
- Gross Margin improvement
- Fixed Costs improvement
- EBIT (Earnings Before Interest and Taxes) improvement
- PBT (Profit before Taxes) improvement
- Net Profit growth

The non-financial performance criteria that will be selected annually are related to specific actions, projects, process improvements or other attention areas and aimed at accelerating and safeguarding the strategic priorities of Accell.

The Supervisory Board considers specifying in more detail the specific objectives, weighting and performance incentive zones of the individual performance criteria as commercially sensitive information.

After each financial year the Supervisory Board reviews the Company's performance against the set target ranges and determines to what extent the STI targets for the selected objectives have been met. The Supervisory Board, based on the proposal of the Remuneration Committee, subsequently decides the STI payout to be awarded. Each year the Supervisory Board will disclose the actual objectives, the weighting and the overall performance on the financial and non-financial criteria in the remuneration report.

3. LONG-TERM VARIABLE REMUNERATION

<u>Overview</u>:	
Vehicle	Performance shares (conditional rights to Accell Group N.V. shares)
Performance period	Three years
Holding period	Two years
Performance criteria	70%: financial value creation measures 30%: societal value creation measures
Circuit breaker	Circuit breakers are applicable as a minimum requirement for payout of the individual LTI measures. If this minimum is not achieved, the parameters will not lead to a payout. Individual LTI measures have a maximum stretch payout and total payout is based on the sum of the individual LTI measures with the restriction that the total LTI payout cannot exceed said maximum.
Performance incentive zone	○ The initial conditional grant is equal to 100% of the annual fixed remuneration. ○ The maximum opportunity for the LTI (i.e. final and unconditional grant) is 125% of the number of initially granted conditional shares. ○ In case of at-target performance, the LTI will be equal to 80% of the initial conditional grant. ○ Performance below threshold level is not generating any LTI (i.e. the initial grant is not becoming vested, but will lapse).

The long-term variable remuneration serves to align the interests of the members of the Board of Management with long-term interests of the Company and its stakeholders. Members of the Board of Management annually receive conditional performance shares, which will vest after three years, subject to achievement of set performance criteria over three financial calendar years. Performance measures are based on strategy alignment, long-term focus and societal impact.

Size of the award

The LTI award at the initial grant date amounts to 100% of the annual fixed remuneration, with the actual grant of conditional shares being determined by dividing this amount by the applicable Volume Weighted Average Price (VWAP) of ordinary Accell shares of a 5 days trading period prior to the day of the publication of the annual results of the year preceding the grant year.

In case of at-target performance, the long-term incentive aims to reach to 80% of the initial grant at vesting date. The LTI at vesting date shall not exceed 125% of the number of initially granted conditional shares.

Performance below threshold level is not generating a vesting, these conditional shares will lapse.

At the beginning of each financial year, the Supervisory Board will determine the financial and non-financial LTI criteria for that year, their relative weighting and the performance incentive zones (i.e. threshold, target, and maximum).

The Supervisory Board, at its discretion, will be able to adjust such financial and non-financial LTI criteria, their relative weighting and the performance incentive zones during the financial year when justified (for example when the Company re-adjusts its strategic targets). Accell believes that it is necessary to provide the Supervisory Board with such feasible degree of flexibility on goal and target setting to be able to respond in an agile away to changed business needs and/or strategy adjustments in a changing environment.

Possible performance criteria to be selected from

Financial value creation measures:

- Relative Total Shareholder Return ("**RTSR**")
- Return on capital employed ("**ROCE**')
- Average growth of earnings per share ("**EPS**")

Societal value creation measures (corporate social responsibility - CSR):

- Reduction CO2 footprint
- Circular economy contributions
- Diversity / Employee satisfaction

To determine the achievement of these performance criteria:

- The RTSR will be determined on the basis of the shareholder return of Accell ("**TSRA**") compared to the shareholder return of constituents of the Amsterdam Midcap Index of Euronext Amsterdam ("**TSRM**"), including dividends, assuming that dividends are reinvested on the day that the shares go ex-dividend. The position of Accell in the TSRM group, after three years, determines the final score for this criterion. In the event that TSRA is equal or below TSRM no shares will be definitively awarded.
- Two methods will be used to determine whether the ROCE criterion will be met. In method 1 ROCE will be compared to the weighted average cost of capital before tax (WACC) for each individual year in the performance period. The comparison will be expressed in a positive or negative percentage each year. Thereafter an average percentage over the three year period will be determined. Only if ROCE is on average above WACC over the three year period, shares may be definitively awarded. In method 2 the ROCE improvement over the three year performance period will be determined. Only in the event of a ROCE improvement during the performance period, shares may be definitively awarded. The definitive award of shares will be determined by such method (1 or 2) leading to the highest number of shares that may be awarded.
- The average growth of EPS over the three year performance period will determine the number of shares definitively awarded; such number will be proportional to the growth achieved. If the EPS has decreased or has remained the same, no shares will be definitively awarded.
- The reduction of the CO2 footprint over the three year performance period will be determined and compared to the reduction target set for 2025. Only in the event of a CO2 reduction during the performance period, shares will be definitively awarded. The number of shares being definitively awarded will proportional to the extent to which progress was made against the 2025 target.
- Circular economy contribution targets will be set and measured on a project by project basis. Only if progress was made against project targets, shares will be definitively awarded. The number of shares being definitively awarded will proportional to the extent to which progress was made against the prior set targets.
- Employee Satisfaction will be determined by conducting an annual survey amongst employees. Progress will be measured against the year prior to the three year performance period. If employee satisfaction has improved, shares will be definitively awarded. If improvements remain at par or go backwards shares will only be definitively awarded if 40% or more out of the key parameters will be above the industry benchmark as provided by the independent surveying company.

Given that some of the LTI targets are considered to be commercially sensitive, the targets and the achieved performance will be reported in the annual remuneration report, as well as the corresponding calculations of the LTI granted and the achieved performance related to the LTI vested.

It will also be reported if shares were issued or re-purchased to fund the vesting of the shares.

Holding period
After vesting date, shares resulting from the LTI scheme must be held for two more years, while allowing part of the shares vested to be sold to cover for taxes due on the date of vesting, which is in line with (Dutch) market practice. In doing so, Accell will improve the link between the delivery of the results and the corresponding reward achieved.

Share ownership
The Board of Management' members are encouraged to acquire and hold Accell shares up to 200% of the annual fixed remuneration for the CEO and 150% for CFO and CSCO, to be built up over 4 years, which period is in line with the appointment period of members of the Board of Management (i.e. 4 years).

Policy in case of a take over
In the event of a takeover of Accell, the treatment and number of the unvested conditional shares granted to the Board of Management will be determined by the Supervisory Board, upon advice of the Remuneration and Selection Committee, taking into account the share price in the period preceding the announcement of the public offer, as well as other relevant circumstances at that moment. Unvested shares will vest proportionally to the number of months of the vesting period that elapsed since the grant date. Any settlement will take place in cash.

OTHER BENEFITS

Pension and other benefits
The members of the Board of Management participate in the Accell pension scheme (insured via a third party insurance company) up to the maximum set by the tax authorities (currently EUR 105,000); the pension premium is paid by Accell. In addition, the members of the Board of Management participate in a net pension or available contribution scheme. Accell has agreed a certain amount per year with each of the members of the Board of Management as contribution to the net pension scheme.

Additional benefits awarded by Accell to members of the Board of Management are equal to those for other employees. These include an expense allowance, a health insurance premium reduction, accident insurance, disability schemes and a company car. In addition, the company has taken out directors' and officers' liability insurance for the Board of Management.

Accell does not provide loans, or guarantees to members of the Board of Management.

Scenario analyses
The Supervisory Board uses scenario analyses to estimate the possible outcomes of the STI and the LTI performance criteria and decides whether a correct risk incentive is set for the members of the Board of Management in relation to the overall level of pay and pay differentials within the Company.

Discretionary adjustments and claw back
The Supervisory Board has the authority to change the policies set out herein fore or to deviate from them in case it considers this in the best interest of the Company. In accordance with article 2:135 paragraph 6 of the Dutch Civil Code, if a variable incentive component would, in the opinion of the Supervisory Board, produce an unfair result due to extraordinary circumstances during the period in which the predetermined performance criteria have been or should have been achieved, the Supervisory Board has the power to adjust the value downwards or upwards (*ultimum remedium*). The Supervisory Board shall ensure that the total remuneration of the Board of Management remains within the objectives of this remuneration policy and is supportive to delivery against the objectives of the long term strategy of Accell. Furthermore, in accordance with article 2:135 paragraph 8 of the Dutch Civil Code, the Supervisory Board may recover from the member(s) of the Board of Management any short term or long term incentive variable remuneration awarded on the basis of detrimental management decisions, incorrect financial or other data (claw back clause). The Supervisory Board may seek to recover payments of any variable component if the performance results leading to the payment are later subject to a downward adjustment or restatement of financial or non-financial performance. The Supervisory Board believes each situation should be examined on its individual facts in connection with determining when recoupment will be appropriate. These forfeiture provisions are designed to recognize that no two situations will be alike and to provide the Supervisory Board with the discretion necessary to invoke recoupment in a manner that is fair to both the Company and the members of its Board of Management.

Service agreement
Members of the Board of Management have entered into a service agreement (*overeenkomst van opdracht*) with the Company for a fixed period of time that is equal to their period of appointment (usually four years).

The notice period for the Board of Management’ members is equal to three months. A notice period of six months applies in the event of termination by the Company.

Severance payment

In line with the Dutch Corporate Governance Code, the compensation in the event of dismissal should not exceed the annual fixed remuneration (so excluding variable remuneration). Severance pay will not be awarded if the agreement is terminated early at the initiative of the member of the Board of Management, or in the event of seriously culpable or negligent behavior on the part of the Board member.

Non-compete

For Board of Management members appointed after 1 January 2019, non-compete and non-solicitation arrangements are in place, taking into account the severance arrangement included herein.

New Hiring policy

In case of an internal appointment into Board of Management level or an external hire, the Supervisory Board will determine the remuneration in accordance with the remuneration policy.

In addition, and at its sole discretion, the Supervisory Board may consider applying some or all of the following items:

- Concerning STI, the scheme as defined in this policy, and the goals, weighting and targets as set by the Supervisory Board in a given year shall apply. Depending on the date of appointment / hire, the Supervisory Board may in its discretion set the amount over the first (partial) performance year;
- Concerning LTI, the scheme as defined in this policy, and the goals, weighting and targets as set by the Supervisory Board in a given year shall apply. The first LTI grant to be made at the first possible grant date applicable to the Board of Management after appointment as Board of Management member;
- Benefits will be provided in accordance with the policy;
- The following arrangements can be considered by the Supervisory Board:

- Relocation budget, covering actual relocation cost.
- Arrangement to reimburse international schooling and temporary housing.
- Arrangement to set a sign-on award covering (typically equity based) compensation that incoming Board members will lose by leaving previous employers, taking into account the following constraints:
    - The sign-on award shall not exceed the target STI % and target LTI grant level applicable at Accell in a comparable time frame;
    - The sign-on award can be delivered in (preferably) performance shares (subject to respective plan rules, whereas such additional grants shall not vest before shareholding requirements are met) or cash.

- Any new hire award will be reported in the Annual Report.

Transitional clauses
This Remuneration Policy took effect retroactively as per 1 January 2020.

To the extent that this new Policy deviated from any services agreements with individual members of the Board of Management on the date of adoption of this Policy, the necessary changes will be introduced as soon as agreement can be reached, at the latest when the services agreements are renewed or extended (when Board of Management' members are being re-appointed).

The terms and conditions of 2008 remuneration policy, as amended in 2010, remain applicable to the remuneration to which members of the Board of Management became entitled prior to 1 January 2020.

In the 2008 remuneration policy, as amended in 2010, members of the Board of Management received 50% of the LTI in shares, and 50% in options on shares. Under said option plan (which will lapse after this new remuneration policy is adopted) the period between the initial grant of conditional performance options on shares and such grant (possibly) becoming vested was two years. In this Remuneration Policy such period between grant date and vesting date is three years, which is in accordance with the Dutch Corporate Governance code. The members of the Board of Management will be compensated for the LTI gap of 50% over one year resulting from the change of the performance period due to the transfer to one LTI share plan.