

### **Remuneration policy of Accell Group N.V.**

The Supervisory Board determines the remuneration policy for the Board of Directors of Accell Group N.V. In conformity with the recommendations of the Netherlands Corporate Governance Code (*Tabaksblat Code*), the remuneration policy must be determined by Accell Group N.V.'s general meeting of shareholders. The Supervisory Board determines the remuneration of the individual members of the Board of Directors within the framework of the adopted remuneration policy.

The remuneration policy will be presented to the general meeting of shareholders for adoption on 21 April 2005. The option plan for the Board of Directors will also be presented to this meeting for approval.

### **Remuneration principles.**

The remuneration policy will make it possible to attract qualified persons for the Board of Directors, who have both the necessary management skills and the required background.

The policy must also be challenging. It must safeguard and expand the focus on performance and value increase of the company, stimulate the board members and, in case of good performance, encourage members of the Board of Directors to stay on.

The development of results and the development of the stock exchange price, as well as other developments relevant to the company will all be factors included in the considerations determining the size and composition of the remuneration.

To realise the points of departure mentioned, the policy is geared to ensuring that the remuneration packages are competitive with those for the directors of other large enterprises in the Netherlands. The 'Hay method for job assessment and profiling' is used to accommodate for differences in the size and complexity of the different companies in this market. As a result, Accell N.V.'s remuneration packages will be set near the median level for the remuneration packages for directors with comparable functions.

Due to the very small number of similar (listed) companies, a specific reference market is less appropriate for comparison. Moreover, the remuneration package should make it possible to attract qualified directors from other industries, as well.

### **Remuneration package.**

The total remuneration of the Board of Directors of Accell Group N.V. consists of:

- Annual salary.
- Short-term bonus plan.
- Option plan.
- Pension and other fringe benefits.
- Contract with a severance pay arrangement.

The Supervisory Board will regularly review the remuneration package to ensure that the package meets the remuneration principles mentioned, in terms of both composition and amount.

### **Annual salary:**

The annual salary should conform to the remuneration market described above. The median level for this remuneration market will serve as the benchmark. If an individual board member's salary is below the prevailing norm for the position when his term of employment begins, the Supervisory Board will determine the further development of the

salary; in principle, if the board member performs appropriately, increases can be set in such a way that the person can reach the norm for the annual salary three years after he has been appointed as a member of the Board of Directors.

The annual evaluation and adjustment of the annual salary takes place at the first of January of any year. During this evaluation, the employee's personal performance, the results for the past year, the possible (annual) general adjustment of the salaries at Accell Group N.V. in the Netherlands and the further development if the norm level has not yet been reached are all taken into account.

### **Variable remuneration.**

Every board member qualifies for a bonus if the pre-determined targets that support both Accell Group N.V.'s short-term and long-term objectives have been achieved. The (individual) targets for the board members are formulated and adopted by the Supervisory Board at the start of every year in consultation with the Board of Directors.

#### *Short-term bonus plan and option plan.*

The annual bonus that may be received is a combination of cash and share options. The cash part constitutes a maximum of 50% of the annual salary. The options have an underlying value (number times the share price) equal to a maximum of one year's salary. Seventy per cent of the annual bonus depends on the development of sales and return results compared to the previous year; the remaining 30% of this bonus depends on (measurable) individual targets. After the options have been received, the directors should retain these options for a minimum of three years in order to create an even stronger link between the interests of the Board of Directors and those of the shareholders. When the option rights are exercised the cash-settlement method can be selected, if feasible, if the director decides not to keep the shares.

### **Pension.**

Accell Group N.V.'s board members do not fall under any of the pension schemes that apply to the other employees. The pension has been arranged separately. The pension plan for the Board of Directors involves a defined contribution scheme. Different pension agreements from the past will be maximised at a fixed contribution per year, which can be adjusted annually.

### **Other fringe benefits.**

Accell Group N.V. has a package of fringe benefits for its board members that conforms to the fringe benefits for the other employees. These fringe benefits include an expense allowance, a contribution towards the employee's health insurance premium, accident insurance, disability arrangements, a lease car and D&O liability insurance. Accell Group N.V. does not issue any (new) loans to the board members.

### **Employment contract with severance pay arrangement.**

The specific terms of employment are laid down in an employment contract. In principle, as of 1 January 2005, new board members are appointed for a four-year period. In the event that one of these board member's contracts is terminated prematurely by the company, in principle severance pay is limited to one year's salary. If this maximum severance pay of one year's salary is considered unreasonable at the time of the initial

appointment, the board member may qualify for severance pay of two years' salary at most. The current directors have an employment agreement for an indefinite period of time. If the employment agreement is to be terminated by the company, the company must give the employee 6 months advance notice. If the director wishes to terminate the contract, he must give the company 3 months advance notice. Mr. Takens is an exception. In his case, the company must give 12 months advance notice in case of termination. Mr. Takens must give the company 6 months advance notice. No severance pay arrangement applies for the current directors.