

# CHARTER

## NOMINATION, SELECTION AND REMUNERATION COMMITTEE

### Article 1. Tasks and Powers

- 1.1 The Nomination, Selection and Remuneration Committee (the “NSR Committee”) advises the Supervisory board on matters relating to:
  - a) Selection and nomination for any (re)appointment of the individual members of the Management Board and Supervisory Board;
  - b) The remuneration policy;
  - c) The level of remuneration of the individual members of the Management Board.
- 1.2 The NSR Committee shall be responsible for advising the Supervisory Board in relation to any of the following responsibilities and proposed resolutions:
  - a) preparing the selection criteria and appointment procedures for members of the Supervisory Board and the Management Board;
  - b) periodically evaluating the size and composition of the Management Board and Supervisory Board, and proposing the Supervisory Board Profile;
  - c) preparation and setting up procedures to secure adequate succession of the Management Board members and Supervisory Board member;
  - d) periodically evaluating the functioning of individual members of the Management Board and Supervisory Board;
  - e) proposing the (re-)appointments of members of the Management Board and Supervisory Board;
  - f) supervising the policy of the Management Board in relation to the selection and appointment criteria for senior management;
  - g) preparing a proposal concerning (any changes of) the Remuneration Policy to be adopted by the General Meeting of Shareholders;
  - h) preparing a proposal concerning the individual remuneration of members of the Management Board, which proposal will in any event include the amount of the fixed (base) salary component, the variable component (annual performance based bonus), long-term component (performance based long term incentive in the form of stock options and performance shares), remuneration structure, pay ratio, pension provisions, severance pay and fringe benefits to be awarded, as well as the performance criteria and the application thereof.
- 1.3 The NSR Committee reports on an annual basis (“the Remuneration report”) to the Supervisory Board on the application of the remuneration policy in the previous year and recommends the remuneration policy for the following year.
- 1.4 The NSR Committee is authorized by the Supervisory Board, pursuant to article 23.8 of the Articles of Association, to exercise all powers of the Supervisory Board created in that article and may inspect all relevant corporate records, interview all officers and employees of the Company in so far as necessary to fulfil its tasks.
- 1.5 The NSR Committee has the authority, pursuant to article 23.7 of the Articles of Association, to obtain advice and assistance from outside compensation consultants, legal counsel or other advisors at the expense of the Company and to incur such other ordinary administrative expenses as deemed appropriate to perform its duties and responsibilities. Any (outside) advisor will be held to absolute secrecy on the topics upon which they advise. The NSR Committee shall inform the Chairman of the Supervisory Board and the Chief Executive Officer of any engagement of outside advisors, except where such notice would be manifestly inappropriate.

The NSR Committee shall review the independence and oversee the performance of any compensation consultant, legal counsel or other advisor engaged by the Committee, and shall approve the fees and any other compensation to be paid to any such advisor. All such advisors shall report to and be accountable to the NSR Committee.

- 1.6 The NSR Committee shall review and reassess the adequacy of this Charter periodically, at least annually, and recommend to the Supervisory Board any necessary amendments as conditions dictate.

**Article 2. Composition**

- 2.1 The NSR Committee shall consist of at least two members.
- 2.2 The following requirements must be observed in composing the NSR Committee:
- a) all members of the NSR Committee shall be "independent" in accordance with the independence criteria as set out in the Supervisory Board Profile;
  - b) none of its members, with the exception of no more than one person, are (simultaneously) member of the management board of any other listed company.
- 2.3 The Chairman of the Supervisory Board shall be one of the members of the NSR Committee, provided that the Chairman satisfies the requirements of article 2.2 above.

**Article 3. Chairman**

- 3.1 The Supervisory Board shall appoint one of the NSR Committee members as chairman. The chairman shall be primarily responsible for the proper functioning of the NSR Committee. He/she shall act as the spokesman of the NSR Committee and shall be the main contact for the Supervisory Board.
- 3.2 The Chairman of the NSR Committee shall not be the chairman of the Supervisory Board or a former Management Board member or a management board member of another listed company.

**Article 4. Meetings**

- 4.1 The NSR Committee will hold regular scheduled meetings and whenever one or more of its members request a meeting. The NSR Committee will agree on an annual schedule of meetings and the principal items to be discussed at the meetings.
- 4.2 The CEO and the Corporate Vice President Global Human Resources may be invited to attend the meetings of the NSR Committee. However, the CEO shall not be present during any discussion of or voting on his or her remuneration.
- 4.3 NSR Committee meetings shall be convened by the member(s) requesting the meeting. Where practical notice of a meeting and the agenda of items to be considered and discussed therein shall be dispatched seven (7) working days before the meeting and sent to each member of the NSR Committee.
- 4.4 Minutes of the meeting are taken by a person designated by the Chairman of the NSR Committee and the outcome will be confirmed in the Supervisory Board (meeting).

**Article 5. Disclosures**

- 5.1 The Remuneration Report shall be included in the Annual Report and shall contain the following information:
- a) an account of the manner in which the Remuneration Policy has been implemented in the past financial year;
  - b) how the implementation of the remuneration policy contributes to long-term value creation;
  - c) that scenario analyses have been taken into consideration;

- d) the pay ratios and any changes in these ratios in comparison with the previous financial year;
- e) in the event that a Management Board member receives variable remuneration, how this remuneration contributes to long-term value creation, the measurable performance criteria determined in advance upon which the variable remuneration depends, and the relationship between the remuneration and performance; and
- f) in the event that a current or former management board member receives a severance payment, the reason for this payment.

**Article 6. Status**

- 6.1 This Charter has been made by the Supervisory Board and can be amended at any time by resolution of the Supervisory Board.
- 6.2 This Charter will be made available on the website.

Approved by the Supervisory Board on July 5, 2018