Remuneration Committee update

2025 AGM debrief and voting results

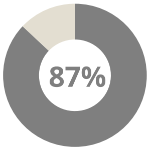
Investor support generally remaining strong, despite more media coverage

From a voting perspective, the 2025 AGM season was generally very smooth – with investor support remaining strong (see below). However, we noticed increased media coverage compared to last year. This mainly resulted from companies with blockholders (such as Universal Music Group, JDE Peet's and Exor) awarding CEO packages that are not in line with local market standards – both from a level and design perspective. Nevertheless, in all cases the share ownership structure ensured sufficient support.

First signs of change visible in Europe?

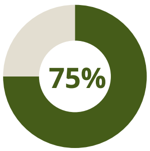
As the compensation gap between the US and Europe is impacting the ability of European companies to compete for talent internationally, an increasing number of companies is aligning levels and structure stronger to US market levels (materially increasing quantum, introducing hybrid LTI plans which combine performance shares and restricted shares).

In addition, after strong adoption of ESG metrics over recent years, we now see European companies having to deal with dispersed stakeholder views on the importance of ESG. Specifically for diversity, equity & inclusion metrics, companies are starting to reframe, remove or change the weight of these metrics.



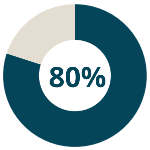
of the Remuneration Reports have received more than 90% support

- Consistent with previous years, shareholder support levels for FY2024 remuneration reports were high. In practice we observe persistent efforts towards transparency and a significant absence of shareholder-controversial decision making. Only one company failed to reach the 50% threshold approval rate.
- Although a considerable number of RemCos have exercised discretion or deviated from policies to modify STI or LTI outcomes and performance measurements, this has not led to noticeable shareholder resistance.



of the EB remuneration policies submitted for approval have received more than 90% support

- Following the relatively busy policy renewal year in 2024, relatively few companies (34%) submitted updated Executive Board remuneration policies for shareholder approval. Most submissions were a continuation of existing policies with (minor) updates to the incentive framework, pay quantum and governance provisions.
- While most companies have refrained from making more drastic policy changes there are some noticeable exceptions often in relation to addressing pay gaps with international competitors. Although front-running in the Dutch environment, this has not led to noticeable shareholder resistance.



of the SB remuneration policies submitted for approval have received more than 90% support

- Approximately 25% of the companies submitted an updated Supervisory Board remuneration policy. Most submissions focused on the increase of annual retainers, committee fee levels and additional efforts to enhance their international competitiveness. Proposals have not triggered noticeable shareholder resistance.

This analysis is based on 54 AEX/AMX/AScX companies with their legal entity and/or HQ in the Netherlands that have published their remuneration report over FY2024 before July 1st, 2025.

Remuneration Committee update

Key observations on 2024 remuneration reports

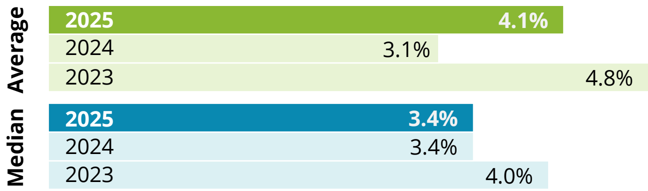
Spotlight on CEO pay developments…

- FY2024 CEO base salary increases were more modest and generally in line with the wider workforce, reflecting a stabilization in inflation levels. Prospective disclosure for FY2025 suggests a similar picture.
- Pay ratios seem to stabilise in general, however year-on-year developments per company can fluctuate significantly. Compared to last year, pay ratios have increased slightly:
  - Average = 41 in 2024; 37 in 2023
  - Median = 24 in 2024; 24 in 2023

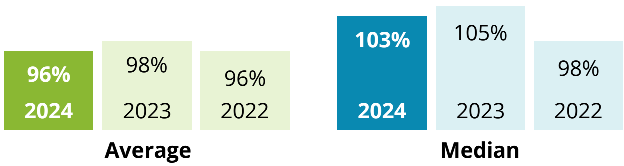
… and Incentive outcomes

- FY2024 STI payout and LTI vesting levels are slightly behind recent years.
- We note less spread in the outcomes, which results in a closer alignment between FY2024 average and median statistics.
- LTI vesting levels for non-financial KPIs remain (significantly) higher than for financial KPIs and there is limited spread in outcomes (75% of outcomes are above target levels).
  - In STI payout we note a similar picture although disparity is smaller.

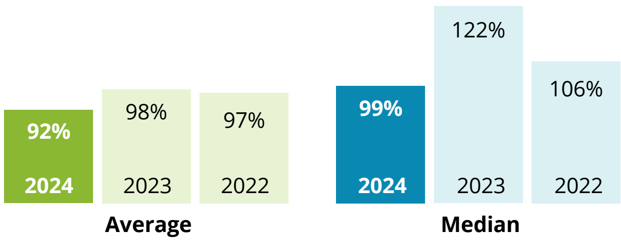
CEO Base salary increases



CEO STI payout (as % of target)



CEO LTI vesting (as % of target)



Looking ahead we will explore three emerging hot topics in our Autumn 2025 market update:

- How to deal with market volatility and uncertainty in target setting and performance measurement
- How to deal with changing sentiment and disparate views on the importance of ESG metrics
- How do we keep the Netherlands attractive for international executive talent

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Remuneration Committee advisory
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