



ACKERMANS & VAN HAAREN

REMUNERATION
POLICY

YOUR PARTNER
FOR
SUSTAINABLE
GROWTH



1. CONTEXT

By the Act of April 28, 2020 (the Act), listed companies are required:

- (i) to submit a **remuneration policy** for approval to the shareholders every four years, and
- (ii) to provide additional transparency in their **remuneration report** - which forms part of the annual report - on the remuneration of their management.

This should contribute to effective and lasting shareholder engagement, which in turn should help to strengthen the corporate governance of listed companies. The European legislator sought with this greater shareholder engagement also to contribute to the improvement of both the financial and non-financial performance of companies, such as the environmental, social and governance (ESG) factors.

The first version of the remuneration policy and its amended version as of 2022, covered the period 2021-2024 and was evaluated in 2024, which resulted in the current proposed revised version.

The proposed revised **Remuneration Policy 2025** is valid for the financial years 2025 through 2028 and, following Article 7:89/1 of the Code of Companies and Associations (the "BCCA") and the 2020 Belgian Code of Corporate Governance ('2020 Code'), applies to the directors, the persons entrusted with the daily management, i.e. the co-CEOs, and the other persons in charge of the general management of the company, i.e. the other members of the executive committee.

The Remuneration Policy 2025, upon recommendation by the remuneration committee, was approved by the board of directors on March 21, 2025. It was approved by the General Meeting of Shareholders of May 26, 2025, and is applicable as from the financial year starting on January 1, 2025.

The Remuneration Policy 2025 describes AvH's rationale on how it has developed the remuneration policies and practices in line with its long-term strategy, considering relevant market practices and feedback from stakeholders.

In 2024 an in-depth assessment of the Remuneration Policy 2021 was conducted, involving various external stakeholders:

- Willis Towers Watson was asked to benchmark the total remuneration (both from a level as well as from a design perspective) of the members of the executive committee.
- Proxy advisors were surveyed regarding their views.
- Reward experts were asked to challenge the link between our reward design and the strategic ambitions and values of AvH;
- We engaged with our stakeholders to understand why votes would be cast against our remuneration policy, and we have taken the necessary steps to address the concerns of those voting against it and considered adapting the remuneration policy.

Some areas of improvement are addressed in the Remuneration Policy 2025-2028 and will also be addressed in the remuneration report over the financial year 2025. Please see section 3 for more details.



2. PURPOSE AND OBJECTIVES

With its mission 'Your partner for sustainable growth', AvH positions itself as the preferred partner of family businesses and management teams and wishes to invest alongside them in the long term to facilitate the growth of their companies into market leaders, developing sustainable solutions for major global challenges.

Principles	Key Objectives	Focus areas of the remuneration policy
AvH prefers long-term growth over short-term profit maximization	Long-term thinking	- Increased focus on LTI through a stock option plan to align the team with the shareholder in value creation. - Shift in the pay mix to this long-term component.
AvH also focuses on achieving goals as a team and meeting its commitment to sustainable growth for shareholders. The performance targets (both financial and non-financial) are common goals. AvH achieves all this with a team of people who, through their diverse backgrounds and continuous development, seek to add value to the management teams of the portfolio companies.	Supporting the management teams of our portfolio companies as a multidisciplinary team. Attract and retain top executive talent, aligning with market standards	The STI is based on the consolidated net result on which the EC is collectively incentivized.
AvH not only focuses on and rewards financial value creation, but takes also societal value creation into account. AvH implements an ESG framework for the entire group and to guide its own investment decisions based on the UN Sustainable Development Goals, GRI, SASB, and the UN PRI guidelines. AvH promotes sustainable development and growth of the activities of its participations, with respect for people, the environment and society.	Sustainability	- AvH endeavors to incorporate sustainability in its remuneration policy. 20% of the STI is based on ESG criteria and targets for AvH as a company and AvH as a responsible shareholder. The targets and the output are disclosed in the remuneration report, which is included in the annual report.
AvH seeks to create long-term shareholder value by a recurring increase of its consolidated shareholders' equity, supported by steady long-term dividend growth.	Shareholder value	The payout of the STI is based on the consolidated net result. 20% of the payout is further based on the realization of the ESG criteria and 80% of the payout will be subject to the realization of the targeted Return on Equity (on yearly basis and on an average over the last 5 years)

The standards that are used to determine the remuneration policy of the members of the executive committee are also applied to the other staff members with a focus on long-term thinking & value creation, collective sharing success, and attracting and retaining top talent.

3. MAIN CHANGES AS AN OUTCOME OF POLICY REVIEW

The most important amendments to the remuneration policy, resulting from the assessment, are:

- More shift to LTI: an improved balance among the components of the fixed remuneration, STI, and LTI, with a shift towards the LTI. The fixed remuneration represents a sufficiently high proportion of total remuneration and does not encourage excessive risk-taking.
- Introduction of clear and measurable performance targets in STI: in addition to the non-financial targets for STI, financial targets were introduced linked to the growth of our consolidated equity.
- Structure and wording of remuneration policy aligned to best market practice

The table below details how the views/areas of improvement from stakeholders as outlined in the introduction were addressed.

Purpose	Key changes
Long-term thinking & long term shareholder value	• Shift towards more LTI • Performance target based on return on equity
Sustainability	More explicit ESG criteria
Talent retention	Shift towards more LTI
Partnering and team-work	Collective targets

Main Areas of Improvement from Stakeholders	How we have tackled this in the 2025-2028 Remuneration Policy?
STI performance targets	• In line with market practice, we do not provide full disclosure of the performance metrics in our remuneration policy in order to retain sufficient flexibility throughout the years in which the policy is valid. The financial KPIs as well as our ESG metrics will be disclosed in the remuneration report for the year in question. • Indeed, it will be important to assess the remuneration policy and report holistically as they go hand in hand.
LTI award levels and caps	• The current policy includes defined ranges for the annual stock option grants, i.e., 10,000 - 15,000 for the co-CEOs and 7,500 - 9,000 for other members of the executive committee. • Moreover, the current policy also includes a maximum total envelope of options to be granted per year expressed as a % of shares outstanding (limit of 0.5%).
Performance metrics for LTI	• Stock options as a vehicle include an implicit performance criterion as the share price needs to increase in order for any value to be created for the beneficiary (meaning there is an implicit share price performance hurdle). The evolution of the share price determines the realisable value of the LTI, conditioned by continued employment with AvH until options vest (retention). • Aligned with Belgian market practice, where beneficiaries are taxed upfront on stock options, there are no additional performance criteria at vesting.
Authority to award discretionary compensation	• The current policy includes additional disclosure surrounding the use of discretionary awards. It allows for the use of discretionary awards under exceptional circumstances and aligned with shareholder interests. • Further, the current policy includes an overall cap to any such awards and also imposes a minimum retention period of 6 months on any such awards.
Stakeholder engagement	• As detailed in the introduction, we have made considerable efforts to engage with internal and external stakeholders to understand how we can best address any concerns. • The present paragraph was added into the policy to explain how the views from stakeholders were considered.
Structure, readability and overall storytelling	• We have significantly restructured the policy document to create a clearer flow, making it easier for stakeholders (both internal and external) to understand. This has also allowed us to ensure improved overall disclosure. • The narrative now effectively highlights how the remuneration policy aligns with our long-term company strategy and our (remuneration) principles.
Pay-mix	• We provide illustrative insights on our pay-mix (relative weighting of base pay, STI, LTI and benefits), differentiated between the Co-CEOs (on the one hand) and other executive committee members (on the other hand), including underlying assumptions.
Legacy payments	• The current remuneration policy includes additional disclosure around the treatment of legacy payments.

4. REMUNERATION FOR NON-EXECUTIVE DIRECTORS (NEDS)

For the NEDs, acting as one team, long term shareholder value and avoiding excessive risk taking are guiding principles for their remuneration.

The remuneration of non-executive directors is periodically reviewed and benchmarked by the remuneration committee against other BEL20 companies with the purpose of retaining and attracting diverse NEDs

that can support the long-term thinking ambition of AvH. As for the company as a whole AvH aims at a above-median position.

Any modification proposed by the remuneration committee is submitted to the general meeting for approval. The policy levels as well as the actual levels for the year in question will be disclosed in the respective remuneration report.

Element	Purpose	Operation
Board and Committee Fees	Attract and retain NEDs with required range of skills and experience	• The Chair and members receive a fixed basic amount in respect to their Board duties. • An additional amount is paid for director's membership of a specific committee. • In addition, attendance fees are paid for each meeting of the board of directors or of the committees.
Equity Compensation	Compliance with the spirit of principle 7.6 of the 2020 Corporate Governance Code	• NEDs are required to invest part of their remuneration, namely at least ten thousand euros (€ 10,000), in shares of the company, unless they already hold a direct or indirect interest in the company corresponding to that value. Those shares must be retained for at least one year after the non-executive director has left the board of directors, and for at least three years after their acquisition.
Exclusions	NEDs do not receive any variable remuneration.	

5. REMUNERATION FOR THE EXECUTIVE COMMITTEE (EC)

AvH’s remuneration policy is designed to appropriately reward the executive committee (EC) based on their expertise, responsibilities, and team performance. The Policy emphasizes creating long term shareholder value while striving to optimize returns in a sustainable way. It aims to attract and retain top executive talent while aligning with market standards. These guiding principles also shape the remuneration policies and programs extended to AvH’s employees.

The remuneration packages of the EC members, both the level and structure, are periodically benchmarked against a relevant reference group. This group is defined as listed and non-listed investment / pri-

vate equity companies comparable to AvH in terms of size and complexity.

The reference group is mainly constituted of Benelux companies, but where relevant, French and German investment companies are also included.

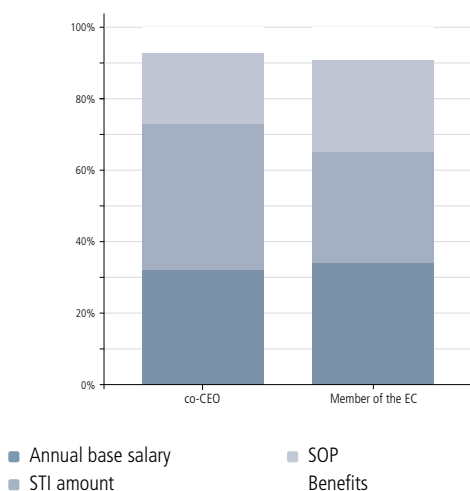
The remuneration paid to the members of the executive committee consists of four components: (a) a base pay, (b) short-term variable pay (STI or short-term incentive), (c) long term variable pay being stock options (LTI or long-term incentive) and, (d) a pension scheme and a risk insurance scheme.

Base pay	Aims to provide market-aligned cash income, positioning above the peer market median, and evolving in line with broader workforce base pay evolution, in order to attract and retain, the diverse and highly talented people needed to drive business performance. On an individual basis base pay evolves according to responsibility, performance and job maturity.
Short-term-variable pay (STI)	The payout is based on a per mille of the consolidated net result, which is further subject to the achieved ROE (for 80% of the per mille) and to the achievement of non-financial criteria (ESG) (for 20% of the per mille) and is capped at 150% of the annual base pay. • Step 1: calculate the consolidated net result and if the floor of 100 million EUR is not achieved, no payout, if yes, step 2 • Step 2: apply a per mille to the consolidated net result. • Step 3: apply 2 performance tests: • Step 3.1: for 80% of the per mille, calculate the ROE of 1 year and the average of the last five years and compare against set targets • Step 3.2: for 20% of the per mille, calculate the outcome of the set ESG targets. • Step 4: in any event, payout is capped <pre> graph TD A[Calculate consolidated net result] --> B{<100 MIO €} A --> C{≥100 MIO €} B --> D[No payout] C --> E[calculate the per mille?] E --> F[80% thereof subject to ROE -target] E --> G[20% thereof subject to ESG metrics] F --> H[Cap on total payout = 150% of base] G --> H </pre>

Long term variable pay (LTI)	The company has a traditional stock option plan, under the Law of 26 March 1999, which is effective since 1999. The purpose of the stock option plan is to remunerate the beneficiaries for their contribution to the company's long-term value creation. The board of directors decides on the grant of stock options to members of the executive committee based on the recommendation of the remuneration committee. In accordance with applicable tax law, the members of the executive committee are taxed on the stock options at the time of grant. The value of this remuneration element is dependent on how the share price evolves. The stock options have the following characteristics: • Offer: once a year. • Exercise price: price determined on the basis of the lowest of (i) the closing price of the share preceding the date of the offer, and (ii) the average closing price of the share during 30 days preceding the date of the offer. • Exercise period: the options may be exercised from the expiration of the third calendar year following the year in which the offer took place, up to the end of the eighth year following the date of the offer. The number of stock options to be granted is reviewed each year by the board of directors, on the recommendation of the remuneration committee. For EC-members and for the co-CEOs a range to grant options will be installed as of 2025, as well as a cap on the maximum number of annually granted options as a % of outstanding shares to AvH workforce as a whole. Ranges of granted stock options 10,000-15,000 for CEO's and 7,500-9,000 for other members of the executive committee. For AVH as a whole the maximum number of annually granted options is maximum 0.5% of number of shares outstanding
Pension scheme and other benefits	The company pays a 'defined contribution' to build up the pension scheme and for other benefits: a death benefit, a disability allowance, an orphan's pension, a hospitalization insurance, and an insurance for outpatient care to the members of the executive committee. AvH also has a mobility & flexibility policy under which electric cars, or a mobility budget are offered, along with bicycles. To promote well-being at work a menu of sports facilities and initiatives is offered and also health screening as of the age of 40 and a preventive health investigation plan.
AvH Shares	Each member of the executive committee must hold at least 1,000 AvH shares that may be acquired, either by exercising options or otherwise, over a period of 5 years.

Relative weighting of each remuneration component

Paymix



The weighting of each remuneration component as included in the graph above is purely illustrative and indicative based on the current situation and therefore subject to annual changes.

The following assumptions were considered:

- Current remuneration levels assumed
- STI determined considering target net consolidated results as well as on-target performance for other KPIs
- Value of stock options is determined based on 12500 options for the co-CEOs and 9,000 options for the other executive committee members granted per level multiplied by current Black & Scholes valuation of one option
- The benefits include annualized values for company cars, representation allowances and retirement and death benefits. For the latter, the current plan is independent of salary.

The pay-mix is shown for co-CEOs on the one hand, and the average of the other executive committee members on the other hand.

If AvH would not comply with the purpose of creating shareholder alignment, thinking sustainable and long-term, the remuneration committee and the board of directors will review the underlying parameters.

6. GOVERNANCE

6.1. Remuneration committee

The remuneration committee advises the board of directors on the remuneration of the members of the board of directors and the executive committee.

More particularly, the remuneration committee:

- makes recommendations to the board of directors about the remuneration policy for the directors and the members of the executive committee and the resulting resolution proposals for the general meeting;
- makes recommendations about the individual remuneration of directors and members of the executive committee (including bonuses, long-term incentive programs such as stock options and other financial instruments, and severance packages) and any resulting resolution proposals for the general meeting;
- appraises the performance of the members of the executive committee, in consultation with the chairpersons of the executive committee, except as regards their own performance;
- evaluates the accomplishment of the corporate strategy by the executive committee based on the agreed performance benchmarks and objectives, including the non-financial objectives;
- prepares the remuneration report which the board of directors incorporates in the Corporate governance statement; and
- explains the remuneration report at the ordinary general meeting.

The remuneration committee determines the frequency of its meetings and meets at least twice a year.

At meetings where the individual remuneration of a member of the remuneration committee is discussed, the person concerned may be present, but may not act as chair of the meeting and must refrain from any feedback concerning themselves.

The remuneration policy is evaluated each year by the remuneration committee and reviewed for compliance with market practices. Any adjustments proposed by the remuneration committee are then submitted to the board of directors for approval.

6.2. Malus and Clawback

The contracts also contain clauses regarding the criteria for granting variable remuneration and entitle the company to claw back variable remuneration that was granted or paid on the basis of incorrect financial information over the five previous financial years.

6.3. Discretion

Discretion should be exercised in exceptional circumstances and only in a manner that is aligned with shareholders' interests.

Such exceptional circumstances are the re-evaluation of the STI payout in cases of unexpected circumstances such as substantial value creation through the sale of the shares in a portfolio company or an exceptional contribution to a strategic initiative.

Any such exceptional STI will be capped to 150% of base salary on an annual basis and contains a retainer period of at least 6 months.

Any such discretion will be documented in the remuneration report of the relevant year.

6.4. Legacy Payments

The board of directors, upon the recommendation of the remuneration committee, may approve remuneration payments that differ to the terms in the Policy where the terms of the payment were agreed before the Policy came into effect or were agreed at a time when the relevant individual was not a member of the executive committee.

6.5. Termination Provisions

The members of the executive committee may unilaterally terminate their contract early subject to a notice period of 6 months. The company may unilaterally terminate the contract of these members subject to a notice period of 18 months. For certain members of the executive committee, this period may increase to a maximum of 24 months depending on the age of the executive committee member concerned at the time of the unilateral termination of the contract by the company.

Members of the executive committee appointed as of 2023, will be subject to a unilateral termination notice of their contract by the company of a maximum of 12 months.

When a member of the executive committee or a senior professional leaves the company on good terms ('good leaver'), regardless of whether the notice is given by the company or the person concerned, the latter is entitled to the average of his or her variable remuneration over the last three financial years, prorated if the departure takes place before the end of the year. Upon recommendation of the remuneration committee, the board of directors may decide that it is justified to deviate from this policy.



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The Dutch version of this document should be considered as the official version.