

Remuneration report

This Remuneration Report describes the implementation of the Remuneration Policy for the members of the Executive Board and the Supervisory Board.

Letter from the Remuneration Chair

On behalf of the Remuneration Committee, I am pleased to present the 2024 Remuneration Report, which provides a summary of the remuneration policies for the Executive Board and the Supervisory Board and an explanation about how they were applied in 2024. The aim of the Remuneration Policy is to provide remuneration in line with the market in order to attract, motivate, and retain qualified Executive Board members of the publicly listed company, taking into account the Company's size, strategy, and unique characteristics. TKH aims to be an attractive employer and a sound investment for its Shareholders, with a focus on sustainable long-term value creation.

During (part of) 2023 and 2024, the Remuneration Committee conducted a thorough review of the Remuneration Policy for the Executive Board in line with the Dutch law, the Dutch Corporate Governance Code, and other relevant national and international developments. The Remuneration Committee was assisted by an external consultant. This process was guided by the following principles:

- Remuneration focused on the achievement of the Company's strategy.
- A competitive Remuneration Policy to attract and retain the right talent.
- Taking into account stakeholder perspectives and societal developments.

- Adherence to good corporate governance practices.
- Performance criteria that are measurable, transparent, and verifiable.

We have engaged in active dialogue with the Workers Council as well as with governance organizations, proxy advisors and major shareholders on the envisaged changes, all supported by an external advisor. The feedback received has been taken into account in the 2024 Remuneration Policy. The key changes in the 2024 Remuneration Policy compared to the 2020 Remuneration Policy, in addition to general textual improvements, are as follows:

- Updated reference group. The new reference group now includes an equal mix of Dutch publicly listed companies and international (largely European) sector-specific companies that are comparable to the Company in terms of size, complexity, and international scope.
- Addition of a range of 20%-30% sustainability performance criteria as part of the Short-Term Incentive (STI).
- Addition of 20% sustainability performance criteria as part of the Long-Term Incentive (LTI).
- Removal of the minimum guaranteed Long-Term Incentive (LTI) award, allowing for a threshold level of performance for each of the performance criteria. If the actual performance is below the threshold, the award for the relevant performance measure will be 0%. In addition, the minimum guaranteed total LTI award of



- 0.25 has been removed so that if the performance criteria are below the threshold performance level, no LTI will be awarded.
- Inclusion of a minimum share ownership guideline of four times the base salary (total regular income, TRI).

The revised Remuneration Policies were proposed by the Supervisory Board for adoption by the 2024 General Meeting of Shareholders, with effect from January 1, 2024. The Remuneration Policy for the members of the Executive Board and the Supervisory Board were adopted by the AGM with 98.8% and 100.0% respectively.

I would like to thank our shareholders and other stakeholders for their engagement and for sharing their views on the executive remuneration.

A.M.H. Schöningh
Chair of the Remuneration Committee

Remuneration Policy of the Executive Board

The remuneration payable to the members of the Executive Board consist of the following:

Total remuneration	
Basic salary (TRI)	Total regular income. Attracts, engages, and retains Executive Board members to deliver on TKH's strategic objectives.
Short-Term Incentive (STI)	An annual performance bonus. Contributes to TKH's short-term financial and non-financial performance objectives of TKH.
Long-Term incentive (LTI)	Incentive in the form of a share plan aligning the objectives of the Executive Board member with the long-term growth strategy and stakeholders' interests of TKH.
Pension	A pension commitment including the right to benefits in the event of poor health or disability, and a widows' and orphans' pension in the event of death.
Other compensation elements	Business allowances in accordance with what is generally accepted within the TKH organization.

Long-Term incentive (LTI)	
Share Plan	Members of the Executive Board receive shares based on the achievement of targets, on the condition that they personally invest in the same number of shares as they receive under the LTI plan.
Personal Investment	Members of the Executive Board receive shares on the condition that they personally invest in the same number of shares as they receive under the LTI plan. By personally investing in the same number of shares as they are awarded under the LTI, each member of the Executive Board invests a significant amount of money in a way that prudently manages risk but still encourages an entrepreneurial spirit to create long-term value. As a result, the interests of the Executive Board and the shareholders remain aligned.

The Remuneration Policy aims to provide remuneration in line with the market to attract, motivate, and retain qualified executives for the publicly listed company, taking into account the Company's size, strategy, and unique characteristics. TKH aims to be an attractive employer and a sound investment for its Shareholders, with a focus on sustainable long-term value creation. The Remuneration Policy aims to create sustainable long-term value for the Company and the sustainability of the Company as a whole in order to achieve its strategic, financial, and operational objectives. The Remuneration Policy is aligned with the business strategy through the establishment of specific short-term and long-term objectives that link the

remuneration of each Executive Board member to the success of the Company. The size of the LTI (Long-Term Incentive) in the total compensation package and the fact that the members of the Executive Board must invest for their own account in the same number of shares as are granted to them within the framework of the LTI including a holding period of three years are important factors in ensuring the long-term value creation and continuity of the Company. Furthermore, personal objectives under the Short-Term Incentive (STI) are linked to and aligned with the identity, values, and mission of the Company.

The Remuneration Policy was designed in the context of national and international market trends, statutory requirements, corporate governance best practice, the societal context around remuneration, and the interests of the Company's Shareholders and other stakeholders. The compensation package is periodically reviewed against market trends using information provided by external experts. The compensation package is designed to support both the short-term and long-term objectives of the company. Based on the objectives set, the Remuneration Committee performs scenario analyses regarding the Short-Term Incentive (STI) and Long-Term Incentive (LTI) to be awarded. The Company believes it is important to reward the achievement of growth targets, and the remuneration structure is designed to ensure that Executive Board members are not encouraged to take inappropriate risks.

Reference group

To attract qualified individuals to the Executive Board and retain the current members of the Executive Board for the long term, TKH Group takes into account external reference data when determining appropriate levels of remuneration. A specific reference group (peer group) for the employment market has been defined for this purpose. The reference group consists of an equal mix of Dutch publicly listed companies and international (largely European) sector-specific companies that are comparable to the Company in terms of size, complexity, and international scope. The Remuneration Committee, supported by external experts, regularly reviews this reference group to ensure that the composition remains appropriate.

AMX	International sector peers
Aalberts Industries	Barco
Arcadis	Basler
ASM International	Cognex
Basic-Fit	Huber+Suhner
Corbion	Jenoptik
Fugro	Mersen
Royal Vopak	NKT
SBM Offshore	SGL Carbon

Although the external market data provides a reference point, it is ultimately the responsibility of the Remuneration Committee and the Supervisory Board to determine and propose to the General Meeting a remuneration package at an appropriate level that reflects the specific context and requirements of the Company and the skills and capabilities of the individual Executive Board members. As such, external market data will be used to support rather than drive decision-making. The Remuneration Committee evaluates the external market data and recommends adjustments, if necessary, to the Supervisory Board for approval. The reference point is the median of total direct remuneration compared to the peer group.

Targets for STI and LTI

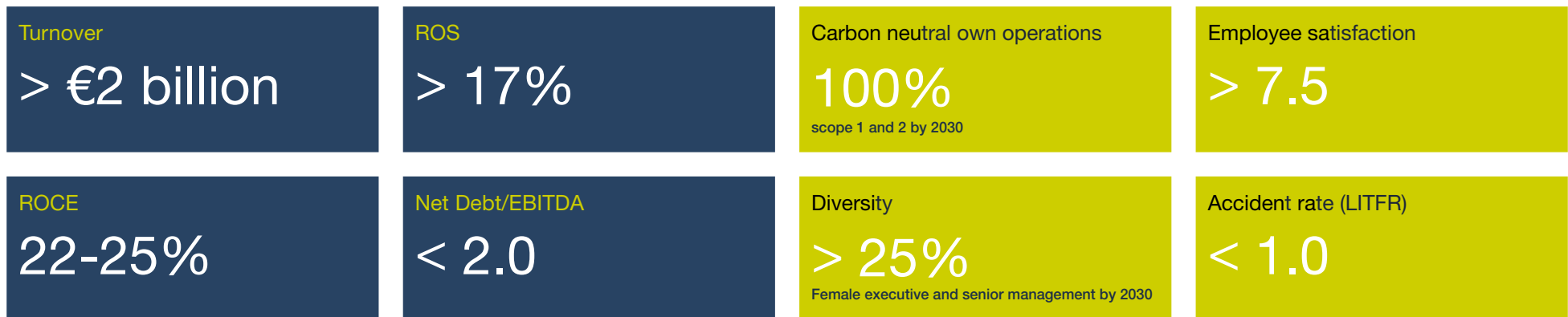
The annual targets for the STI and LTI relate to TKH's business plan as reflected in the financial and non-financial targets of the Accelerate 2025 strategic program.

Each year, the Supervisory Board sets the performance criteria, their respective weightings and specific targets for the year in question in line with the TKH Group's strategy, taking into account both financial and non-financial factors as well as personal objectives. This enables the Supervisory Board to respond in an agile way to changing business needs and/or strategy adjustments in a changing environment. In doing so, the Supervisory Board takes the following into account:

- Performance criteria must be derived from TKH Group's strategy;
- The focus should be on criteria that are essential for creating long-term value creation;
- Past performance, business prospects, and conditions; and
- Stakeholder expectations.

While financial and non-financial objectives focus on the achievement of overall strategic business objectives and sustainability ambitions, personal targets should relate to the individual member's specific role within the Executive Board. The above ensures that the STI contributes to TKH Group's strategy, long-term interests and sustainability. The full Remuneration Policy is available on the TKH website.

Financial and non-financial targets of the Accelerate 2025 strategic program



Application of the Policy in 2024

1 Basic salary (TRI)

The Remuneration Committee regularly reviews the base salaries of the members of the Executive Board. Based on the recommendation of the Remuneration Committee, the Supervisory Board determines the adjustment (if any), taking into account, among other things, the collective labor agreement for the large metal industry (FME) and the development of base salaries within the reference group. As a result, the base salaries have been increased by 3.5% with effect from January 1, 2024.

2 Performance bonus (STI)

Short-term variable pay is an important part of the remuneration package for members of the Executive Board. Each year, the Supervisory Board sets the targets and criteria on which the performance bonus is based in advance. The Supervisory Board, acting on a recommendation from the Remuneration Committee, determines the amount of the performance bonus on the basis of the achievement of the targets and criteria. An 'at target' performance results in a bonus of 40% of base salary (TRI). The performance bonus is capped at 60% of the base salary (TRI). Achievement of threshold will result in a

bonus of 8% of the base salary (TRI). For below threshold performance, the bonus is 0% of the base salary (TRI).

STI performance of the Executive Board in 2024

The performance bonus is based on the following performance criteria:

- 70% financial performance criteria
- 20% sustainability performance criteria
- 10% personal performance criteria

The STI for members of the Executive Board based on achievement of the 2024 targets is presented in the table below. Payment of the variable remuneration to members of the Executive Board is subject to the condition that the targets upon which the performance bonus is based or the circumstances under which the bonus was originally determined, are accurate.

Financial performance (70%)

Turnover (20% weighting) and EBITA (50% weighting) have been defined as financial performance criteria for 2024. The calculated turnover and EBITA are normalized for acquisitions and divestments, for both target and

performance. TKH achieved a normalized turnover of €1,675.3 million and a normalized EBITA of €205.3 million in 2024. The performance, normalized for acquisition and divestments, resulted in a performance pay-out of 7.6% for turnover and 5.3% for EBITA.

Sustainability performance (20%)

For 2024, the following two sustainability targets have been defined:

- LTIFR 0.7 (10% weighting): To make safety demonstrable, emphasis is placed on specific, measurable performance targets for safety measures, including LTIFR (Lost Time Injury Frequency Rate). Further action was taken on health and safety programs at the production facilities. The LTIFR figure for 2024 of 0.7 was at target.
- Employee satisfaction 7.8 (10% weighting): The employee satisfaction score in 2024 of 7.8 was at target and similar to last year's score (7.8). In addition, in 2024 more companies were included in the employee satisfaction survey.

The performance in 2024 against sustainability targets results in an overall performance ratio of 20.0%.

STI 2024	Bandwidth payout level				Targets			Performance					
	Weight	Threshold 0%	On-target 100%	Maximum 150%	Threshold 0%	On-target 100%	Maximum 150%	Performance	Performance payout	Actual payout % of TRI	Threshold	On-target	Maximum
Turnover (in millions)	20%	0%	20%	30%	€ 1,538	€ 1,810	€ 1,900	€ 1,675	7.6%	3.0%			
EBITA (in millions)	50%	0%	50%	75%	€ 199.1	€ 234.0	€ 245.9	€ 205.3	5.3%	2.1%			
Financial performance ¹	70%	0%	70%	105%					12.9%	5.2%			
Sustainability performance	20%	0%	20%	30%	See commentary				20.0%	8.0%			
Personal performance	10%	0%	10%	15%	See commentary				3.3%	1.3%			
Total performance	100%	0%	100%	150%					36.2%	14.5%			

¹ The calculated turnover and EBITA are normalized for acquisitions and divestments, for both target and performance.

Personal performance (10%)

The personal targets defined for 2024 are related to specific business issues and are not disclosed in detail due to (commercially) sensitive information. The achievement of the personal targets in 2024 results in an overall average performance ratio of 3.3%, consisting of the following performance ratios for each member of the Executive Board:

- 10.0% for J.M.A. van der Lof MBA
- 0.0% for E.D.H. de Lange MBA
- 0.0% for H.J. Voortman MSc

Total performance 2024

The performance percentages times 40% generates the actual payout percentage of TRI. This resulted in award payouts in €1,000 (STI) of the following values for:

J.M.A. van der Lof MBA:	$42.8\% \times 40\% \times \text{TRI} = 135$
E.D.H. de Lange MBA:	$32.8\% \times 40\% \times \text{TRI} = 78$
H.J. Voortman MSc:	$32.8\% \times 40\% \times \text{TRI} = 75$

3 Share plan (LTI)

An annual long-term variable compensation plan is in place that provides for share awards linked to long-term targets. This aligns the interests of the members of the Executive Board with those of the Shareholders.

The share plan has two components:

- 1 Acquisition of shares based on the achievement of long-term targets;
- 2 Purchase of shares by members of the Executive Board, for their own account, for an amount equal to the number of shares received free of charge (1).

Subject to the determination of the Remuneration Committee and approval of the Supervisory Board, the share plan enables members of the Executive Board to acquire shares free of charge in return for which the members of the Executive Board are required to invest for their own account in the same number of shares for the

price quoted on the stock exchange at that moment. It is also important that the interests of the Executive Board of TKH Group are aligned with those of long-term Shareholders. As members of the Executive Board are required to purchase the same number of shares under the LTI as they have been granted free shares, each member of the Executive Board invests a substantial amount in TKH Group shares. This ensures that risks are carefully managed and that the entrepreneurial spirit for long-term value creation is maintained. The shares in question are to be held as a long-term investment and may not be transferred for a period of three years after their respective allocation. This applies both to shares purchased for no consideration and to shares purchased by members of the Executive Board. The Supervisory Board has adopted share ownership guidelines that specify the minimum ownership requirements for members of the Executive Board. The share ownership requirement is at least four times the base salary (TRI). Newly appointed members of the Executive Board are subject to a “phase-in” rule, whereby the minimum share ownership is reached after a maximum of eight years.

The Long-Term Incentive is based on the following targets:

- 40% Financial targets (multiplier A)
- 20% Sustainability targets (multiplier B)
- 40% Share price performance (multiplier C)

The financial targets (40%) are set annually and are based on long-term strategic objectives such as ROS (Return on Sales) and ROCE (Return On Capital Employed) and other relevant financial objectives. The sustainability targets (20%) are also set annually and are based on strategic sustainability targets. The performance of the share price (40%) over the last three years compared to the AMX index, which is relevant for the company, may lead to an allocation of shares.

The amount of the long-term bonus is based on the achievement of targets and is determined by a system of multipliers:

- Multiplier A (40%): The applicable performance range for the financial targets is 0.5 to 1.5, with an “at target” level of 1.0.
- Multiplier B (20%): The applicable performance range for the sustainability targets is 0.5 to 1.5, with an “at target” level of 1.0.
- Multiplier C (40%): The performance of the share price (40%) over the last three years compared to the AMX index relevant to the Company results in an index with a performance range of 0.75 to 1.5 with an “at target” level of 1.0. This index is converted into a multiplier ranging from 0.5 to 1.8, with an 'at target' level of 1.0.

The amount of the long-term bonus is calculated by multiplying the multipliers (multiplier A*B*C). The total of the multipliers multiplied by the standard award of 50% results in the net LTI award. A threshold performance level is used for each of the multipliers. If the actual performance for a KPI falls below this threshold, the relevant multiplier and therefore the portion of the LTI based on the weighting of the relevant multiplier is forfeited. For example, if the achievement of the financial targets (multiplier A) is below the threshold performance, 40% of the LTI award is forfeited and the remaining LTI award is calculated using the multiplier B*C. There is no minimum (total) multiplier; if performance is below threshold for all of the multipliers, the LTI will be 0%. The share scheme is capped at a total multiplier factor of 2.7 of base salary (TVI). After the publication of the audited annual figures, the number of shares awarded is determined based on the average closing price over the three trading days following the publication of the annual figures. The shares vest shortly thereafter.

Targets and performance 2024

TKH Group's strategy is to increase the ROS and ROCE through growth in activities related to high-end technologies where relatively high margins can be achieved. The ROS and ROCE are important criteria for monitoring TKH Group's differentiation power based on the group's technology base and the ongoing transformation towards achieving the ROS and ROCE targets. In addition, the development of TKH Group's share price against the AMX index of Euronext Amsterdam is an important confirmation of the Shareholders' appreciation of the strategy. The sustainability objectives focus on the achievement of sustainability ambitions as part of the Accelerate 2025 strategic program with targets on carbon footprint reduction and diversity in terms of percentage of females in executive and senior management positions.

The following multipliers were achieved for each KPI based on actual overall performance against the performance ranges.

- TKH achieved a ROS of 12.3% in 2024, resulting in a multiplier for ROS (A) of 0.78. The calculated ROS is

normalized for acquisitions and divestments, for both target and performance.

- The ROCE in 2024 was 15.0%, and below the threshold. The calculated ROCE is normalized for acquisitions and divestments, for both target and performance. The relevant multiplier and therefore the portion of the LTI based on the weighting of the relevant multiplier is forfeited (20%).
 - In 2024, a further reduction in the CO₂e footprint was achieved, resulting in a CO₂e footprint reduction of 70.3% compared to the reference year 2019 (2023: 64.3%), and is well on track towards the target of 100% carbon neutrality for scope 1 and 2 by 2030. The share of women in executive and senior management teams increased in 2024 from 19.2% to 21.6% and is well on track to meet the target of 25% by 2030. The performance on sustainability targets resulted in a multiplier of 1.50.
 - The multiplier for the relative stock price developments (C) was 0.56 based on the stock price development of TKH shares compared to the AMX index of Euronext Amsterdam over the last three years (index of 78%).
- These multipliers for each KPI resulted in a total multiplier

for the LTI of 0.65 (A*B*C), based on a weight of 80%, which meant that 0.65 x 80% x the standard award of 50% was granted.

This resulted in award payouts in €1,000 of the following net values for:

J.M.A. van der Lof MBA: 0.65 x 80% x 50% x TRI = 206
 E.D.H. de Lange MBA: 0.65 x 80% x 50% x TRI = 155
 H.J. Voortman MSc: 0.65 x 80% x 50% x TRI = 149

The corresponding gross values are listed in the table showing "total remuneration" in section 6 of this Remuneration Report. The number of certificates of shares associated with the net award will be calculated based on the average closing price over the three trading days following the time of publication of the annual figures. The awarded shares as well as the individually purchased shares in accordance with the LTI plan are included in the Executive Board share ownership table.

Members of the Executive Board receive shares on the condition that they personally invest in the same number of shares as they receive under the LTI plan.

LTI 2024	Bandwidth payout level				Targets			Performance						
	KPI	Weight	Threshold multiplier	On-target multiplier	Maximum multiplier	Threshold 0%	On-target 100%	Maximum 150%	Performance	Weight	Multiplier/payout %	Threshold	On-target	Maximum
A Financial ¹	40%	0.50	1.00	1.50						20%	0.78			
ROS	20%				11.7%	12.7%	13.7%	12.3%	20%	0.78				
ROCE	20%				17.4%	18.4%	19.4%	15.0%	0%	0.00				
B Sustainability	20%	0.50	1.00	1.50					20%	1.50				
CO ₂ footprint reduction	10%				64.3%	67.3%	70.3%	70.3%	10%	1.50				
Diversity	10%				19.2%	20.0%	20.8%	21.6%	10%	1.50				
C Relative stock price development	40%	0.50	1.00	1.80	0.50	1.00	1.80	index 0.78	40%	0.56				
Overall performance ratio	100%	Performance multiplier: A*B*C							80%	0.65				
Actual payout % of TRI										26%				

¹ The calculated ROS and ROCE are normalized for acquisitions and divestments, for both target and performance.

Executive Board share ownership

	Balance at 1/1	Awarded shares	Individually purchased shares	Disposal (at least 3 years in portfolio)	Balance at 31/12
J.M.A. van der Lof MBA					
2023 ¹	118,147	6,547	6,547	-18,594	112,647
2024 ¹	112,647	17,388	17,388	-17,388	130,035
E.D.H. de Lange MBA					
2023 ¹	85,009	4,910	4,910	-14,730	80,099
2024 ¹	80,099	13,053	13,053	-26,106	80,099
H.J. Voortman MSc					
2023 ¹	35,935	4,456	4,456	-4,456	40,391
2024 ¹	40,391	12,575	12,575	-11,915	53,626

¹ Achieved in the previous financial year and paid out in the following financial year.

4 Pensions

The Remuneration Committee ensures that the pensions of Executive Board members are in line with generally accepted standards and ensures that they are consistent with the pension plans offered for similar positions. In addition, the pension provisions include a right to benefits in case of ill health or disability and a widow's and orphan's pension in case of death on terms similar to those applicable to members of the collective pension fund. The associated costs, up to the maximum allowed under tax law, are included in pension costs. The pension compensation refers to any portion exceeding the maximum allowed under tax law (2024: €137,800).

5 Other employee benefits

The members of the Executive Board are entitled to certain business allowances in accordance with what is generally customary and accepted within the TKH organization, which are limited to an expense allowance, car, (mobile) phone, and insurance. Additional governance-related activities are not subject to any additional conditions or remuneration. No option rights are awarded to members of the Executive Board.

6 Total remuneration

The table below lists the various gross remuneration components and relative percentages of fixed and variable remuneration of the members of the Executive Board.

7 Pay ratio

In formulating the Remuneration Policy for the Executive Board, one of the factors the Supervisory Board takes into account is the organization's pay ratio. The Supervisory Board believes that there should always be a reasonable balance between the remuneration of the members of the Executive Board and the remuneration of the other employees. The internal pay ratio is understood to mean the ratio between the total annual remuneration of the CEO on the one hand, and, on the other hand, the average annual remuneration of the employees of the company and group companies whose financial data are consolidated by the company, where:

- The total annual remuneration of the CEO includes all the remuneration components (such as fixed remuneration, variable cash remuneration (bonus), the share-based part of the remuneration, social contributions, pension, expense allowance, etc.) included in the consolidated annual accounts on an IFRS basis.
- The average annual remuneration of the employees is determined by dividing the total wage costs for the financial year (as included in the consolidated annual accounts on an IFRS basis) by the average number of FTEs during the financial year. The labor mix had an important impact on the average total remuneration of employees in 2024, in addition to inflation effects.
- The value of the share-based component of the remuneration is determined at the grant date in accordance with the applicable rules under IFRS.

Total remuneration Executive Board

(in €1,000 unless stated otherwise)	Basic salary (TRI)		Variable income (STI) ¹		Share plan (LTI) ¹		Pension		Pension compensation		Total		Variable share in the total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
J.M.A. van der Lof MBA	789	763	135	317	353	1,135	57	50	251	222	1,585	2,487	30.8%	58.4%
E.D.H. de Lange MBA	593	573	78	238	265	852	27	23	80	79	1,043	1,764	32.9%	61.8%
H.J. Voortman MSc	571	552	75	230	256	821	27	23	77	75	1,006	1,700	32.9%	61.8%
Total remuneration	1,953	1,887	288	785	874	2,808	111	95	408	376	3,634	5,951	32.0%	60.4%

¹ Achieved in the previous financial year and paid out in the following financial year.

The pay ratio for 2020 is significantly lower due to the lower value of STI and LTI as part of the remuneration. This led to a significant reduction in remuneration in 2020 and, consequently, to a relatively low pay ratio for 2020. The pay ratio for 2022 is lower compared to 2021 due to the lower value of LTI, mainly as a result of a lower multiplier for the relative stock price development. The pay ratio for 2024 is 26.6 and significantly lower compared to 2023, due to the lower value of STI and LTI as part of the remuneration.

8 Comparative information on remuneration and company performance

The table below shows a five-year comparison of the changes in the remuneration of the Executive Board and the company's performance.

9 Personal loans

No loans, advances, or guarantees are granted to members of the Executive Board.

10 Change of control

There is no "change of control" clause in the employment contracts of the members of the Executive Board. This will be decided by the Supervisory Board taking into account customary practices for this type of situation as well as applicable laws and corporate governance requirements.

11 Severance pay

The maximum severance payment in the event of dismissal is one year's salary (TRI), including the notice period. No severance payment shall be made if the employment contract is terminated prematurely at the initiative of the member of the Executive Board or if the member is guilty of gross misconduct or negligence.

12 Claw-back

The Supervisory Board has the discretionary authority to claw back variable remuneration awarded to members of the Executive Board if it is based on inaccurate (financial) data. In line with claw-back legislation, the payment of variable remuneration to the members of the Executive Board is made on the condition that the relevant (financial) data are correct. For 2024, there was no full or partial recovery of a bonus.

Comparative information on Remuneration and Company performance					
(in €1,000 unless stated otherwise)	2024	2023	2022	2021	2020
Remuneration Executive Board ¹					
J.M.A. van der Lof MBA	1,278	2,215	1,658	2,237	902
E.D.H. de Lange MBA	936	1,663	1,244	1,678	676
H.J. Voortman MSc	902	1,603	1,127	1,523	614
Company performance					
ROS	12.7%	12.8%	12.9%	12.4%	10.5%
EBITA	204	237	235	190	129
CO ² e reduction (vs. 2019)	70.3%	64.3%	42.7%	29.8%	
CO ² e reduction (vs. 2015)					5.8%
Illness rate of employees	3.97%	3.85%	4.04%	3.56%	3.51%
Average remuneration per FTE	60	58	57	55	50
CEO pay ratio	26.6	43.0	33.7	45.3	22.4

¹ Based on TRI, STI, and LTI.

Remuneration Policy of the Supervisory Board

The policy aims to provide a competitive compensation package to attract, motivate, and retain qualified Supervisory Board members for a publicly listed company, taking into account the Company's size, strategy, and unique characteristics. The policy was designed in the context of national and international market trends, statutory requirements, corporate governance best practice, the societal context around remuneration, and the interests of the Company's Shareholders and other stakeholders. The compensation package is periodically reviewed against market trends using information provided by external experts.

The overriding principle of the Company's Remuneration Policy is to ensure fairness and transparency. The remuneration structure is designed to encourage Supervisory Board members to perform their role adequately and does not depend on the financial results of the Company. The Supervisory Board acknowledges its responsibility to be aligned with the identity, mission, and core values of the Company. In this context, it has been decided to have only a fixed remuneration income and no variable remuneration to be able to have an independent and objective role regarding the implementation of the Company's strategy, targets, long-term value creation, and sustainability.

In order to attract qualified persons to the Supervisory Board and retain current members of the Supervisory Board over the long term, the Company takes into account external reference data when determining appropriate levels of remuneration. A specific reference group (peer group) for the labor market has been defined for this purpose. The reference group consists of an equal mix of

Dutch publicly listed companies and international (largely European) sector-specific companies that are comparable to the Company in terms of size, complexity, and international scope. The Remuneration Committee, supported by external experts, regularly reviews this reference group to ensure that its composition remains appropriate.

Although the external market data provides a useful reference point, it is ultimately the responsibility of the Remuneration Committee and the Supervisory Board to determine and propose to the Annual General Meeting a remuneration package at an appropriate level that reflects the specific context and requirements of the Company and the skills and capabilities of the individual Supervisory Board members. As such, external market data will be used to support rather than drive decision-making. The Remuneration Committee evaluates the external market data and recommends adjustments, if necessary, to the Supervisory Board for approval.

The General Meeting of Shareholders adopted the remuneration of the Supervisory Board in 2024 with 100.0%, with effect from January 1, 2024. The full Remuneration Policy is available on the TKH website.

Application of the Policy in 2024

1 Remuneration

The individual remuneration of the members of the Supervisory Board is determined by the General Meeting on a recommendation by the Supervisory Board. The remuneration for the members of the Supervisory Board is set at a level which is considered appropriate to attract individuals with the necessary international experience and the ability to make an important contribution to the Company's affairs. The remuneration is determined taking into account the level of responsibility of each Supervisory Board member and the remuneration paid by other companies of similar size and complexity. Indexation of the remuneration for the Supervisory Board takes place annually.

The remuneration of Supervisory Board members needs to be at a reasonable level compared to the terms of employment and average income of the employees in the company, as well as in relation to the pay ratios that apply within the company. The compensation of a member of the Supervisory Board does not depend on the Company's results and reflects the time spent and the responsibilities of the position. All Supervisory Board members receive a fixed base remuneration to compensate them for the services they provide as members of the Supervisory Board. The Chairman of the Supervisory Board receives a higher remuneration for his services. Additional remuneration is also paid for membership of Supervisory Board committees. If circumstances require members of the Supervisory Board to perform substantially more than their normal activities, they will receive a remuneration of €1,000 for each part of a day, up to a maximum of €2,000 per day.

Supervisory Board members do not receive any performance or equity-related compensation. Supervisory Board members do not accrue any pension rights with the Company.

The 2024 remuneration of the Supervisory Board is based on the following amounts:

Chairman of the Supervisory Board	€67,481
Member of the Supervisory Board	€50,611
Chairman of the Audit Committee	€11,247
Member of the Audit Committee	€7,873
Chairman of the Remuneration Committee / Selection and Appointment Committee	€8,998
Member of the Remuneration Committee / Selection and Appointment Committee	€6,748

2 Total remuneration

The table on the right lists the total remuneration paid to individual members of the Supervisory Board.

3 Share ownership of the Supervisory Board

The current members of the Supervisory Board do not own any (depository receipts for) shares in TKH.

4 Comparative information on remuneration

The table on the right shows a five-year comparison of the changes in the remuneration of members of the Supervisory Board.

Total remuneration Supervisory Board				
(x €1,000)	Regular remuneration	Remuneration membership committees	Total 2024	Total 2023
P.W.B. Oosterveer, chairman	67	21	88	62
J.M. Kroon	51	14	65	63
C.W. Gorter	51	19	70	68
A.M.H. Schöningh	51	7	58	56
W.A.A. Peek ¹	34	3	37	
R.L. van Iperen ²	17		17	75
Total remuneration	270	65	335	324

¹ As of May 2024.

² Up to and including May 2024.

As amounts are expressed in thousands of euros, totals may not add up precisely due to rounding.

Comparative information on remuneration					
(x €1,000)	2024	2023	2022	2021	2020
P.W.B. Oosterveer, chairman ¹	88	62	36		
J.M. Kroon MBA	65	63	60	58	58
C.W. Gorter	70	68	64	60	58
A.M.H. Schöningh ²	58	56	52	51	34
W.A.A. Peek ³	37				
R.L. van Iperen ⁴	17	75	69	53	53
A.J.P. De Proft ⁵			23	68	68
P.P.F.C. Houben ⁶				23	55
Total remuneration	335	324	304	313	326

¹ As of May 2022.

² As of May 2020.

³ As of May 2024.

⁴ Up to and including May 2024.

⁵ Up to and including May 2022.

⁶ Up to and including May 2021.