



REMUNERATION POLICY OF TKH GROUP NV FOR SUPERVISORY BOARD MEMBERS

Version 2020

1 ADOPTION, AMENDMENT AND OPERATION

1.1 Adoption

This remuneration policy will be submitted to the General Meeting for adoption, upon proposal of the Supervisory Board on 7 May 2020 and effective per 1 January 2020. The remuneration policy is in line with recent years, which has proven to be successful. As the Company did not yet hold an advisory vote on a remuneration report for the Supervisory Board (as referred to in article 2:135b BW), the Company could not take into account the votes and views of Shareholders on a remuneration policy and remuneration reports yet. The Company will however take into account any such votes and views in the event of any future amendments to the remuneration policy, all in accordance with this article 1.2.

Adoption of this remuneration policy by the General Meeting upon proposal by the Supervisory Board takes place at every change and in any case at least every four years after its adoption. The Remuneration Committee is responsible for the development of the remuneration policy and making a proposal to the Supervisory Board.

1.2 Amendments

This remuneration policy may only be amended by the General Meeting pursuant to a proposal of the Supervisory Board to which the Remuneration Committee has made a proposal.

All amendments of the remuneration policy shall be accompanied by a description and explanation of (i) all significant changes and (ii) how it takes into account the votes and views of Shareholders on the remuneration policy and remuneration reports since the most recent vote on the remuneration policy by the General Meeting. When the General Meeting does not adopt the proposed amendments to the remuneration policy, the Company shall continue to remunerate in accordance with the existing remuneration policy and practice and shall submit a revised policy for adoption at the following General Meeting.

1.3 Operation

The General Meeting, based on a proposal by the Supervisory Board, will have the authority to determine the remuneration of the individual Supervisory Board members within the scope of this remuneration policy as adopted by the General Meeting. In its annual (remuneration) report, the Supervisory Board will communicate clearly and transparently to the Company's stakeholders how this remuneration policy has been pursued.

2 OBJECTIVES AND PRINCIPLES OF THE REMUNERATION POLICY

The policy aims at providing a competitive compensation package to attract, motivate and retain qualified Supervisory Board members for a publicly listed company, while considering the Company's size and unique characteristics.

TKH's strategy is directed towards achieving technological leadership with a strong position in seven vertical growth markets. TKH aims to be an attractive employer and to be a solid investment for its shareholders, whereby a socially responsible way of doing business is placed centrally.

The policy is 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 measured periodically 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 has been designed to promote Supervisory Board members for an adequate performance of their role and is not dependent on the financial results of the Company.

The Supervisory Board acknowledges its responsibility to be aligned with the identity, mission and key values of the Company. In that 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 with respect to the realization of the Company's strategy, the targets, the long-term value creation and sustainability.

3 PEER GROUPS

In order to attract qualified persons for the Supervisory Board and to retain the current members of the Supervisory Board for the long-term, the Company takes into account external reference data when determining adequate remuneration levels. A specific reference group (peer group) for the labor market has been defined for this purpose. The focus is on the AMX companies of Euronext Amsterdam, with particular attention being paid to companies that are more or less comparable to the Company in terms of complexity, size and international scope of their business portfolio.

The Supervisory Board, supported by external experts, regularly reviews this reference group to ensure that the composition is still appropriate. As an additional assessment of developments that are specific to the industry, a reference group is used that consists of (international) industry peers.

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

4 REMUNERATION

The individual remuneration of the members of the Supervisory Board is determined by the General Meeting upon a proposal 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 ability to make an important contribution to the Company's Group's affairs. The remuneration is determined, taking into account the level of responsibility of each Supervisory Board member and remuneration paid by other companies of a 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 is not dependent on the Company's results and reflects the time spent and the responsibilities of the function.

All Supervisory Board members are paid a fixed base remuneration to compensate them for the services they provide as member of the Supervisory Board. The Chairman of the Supervisory Board receives a higher remuneration for his services. Additional remuneration is also payable for committee membership of the Supervisory Board. If circumstances require members of the Supervisory Board to perform substantially more than the normal activities (more than 30 days), they will receive a remuneration of € 1,000 for each part of a day with a maximum of € 2,000 per day.

Supervisory Board members do not receive any performance or equity-related compensation. For information purposes, the current remuneration payable to the members of the Supervisory Board are included in Annex II to this policy.

5 PENSION

Supervisory Board members do not accrue any pension rights with the Company.

6 CONTRACTUAL ARRANGEMENTS

6.1 Appointment

Supervisory Board members are engaged through appointment by the General Meeting on the recommendation of the Supervisory Board. A Supervisory Board member is appointed for a period of four years and may thereafter be reappointed for a period of four years. As per the Code and the articles of association of the Company, a member of the Supervisory Board may thereafter be reappointed for a term of appointment of two years that may subsequently be extended by a maximum of another two years. The time of resignation of members of the Supervisory Board is recorded in a retirement schedule.

6.2 Notice period

There is no notice period applicable.

6.3 Severance arrangement

Supervisory Board members are not entitled to any benefits or severance payments upon the termination of their appointment.

6.4 Change of control

There is no change of control clause applicable

6.5 Non-compete

There is no non-compete clause applicable. A Supervisory Board member informs the Chairman of the Supervisory Board before accepting positions outside the Company

6.6 Personal loans

The Company grants no personal loans or guarantees to Supervisory Board members.

6.7 Miscellaneous

Supervisory Board members benefit from liability insurance coverage, and the reimbursement of expenses.

7 DEVIATION

The General Meeting may, upon recommendation of the Supervisory Board, (temporarily) deviate from the remuneration if exceptional circumstances provide valid reasons to do so. This may concern all aspects of the policy. Deviations shall be aligned with the main objectives of the policy applying a consistent approach. A deviation from this policy shall ultimately be terminated as per the moment that a new remuneration policy is adopted. Exceptional circumstances shall cover only situations in which the derogation from the remuneration policy is necessary to serve the strategy, long-term interests and sustainability of the Company as a whole or to assure its viability.

8 POLICY REVIEW

In establishing this policy, the Supervisory Board has considered the external environment in which the Company operates, legislation and best practice recommendations of the Code, competitive market practice and the guidance issued by organizations representing institutional shareholders. Finally, as explained under paragraph 2 of this policy, the Company is mindful of the social context of remuneration for its Supervisory Board members. This remuneration policy has been designed with these views in mind and the Supervisory Board has received confirmation from its external experts that this remuneration policy, both in approach and results, is generally aligned with the prevailing views about Supervisory Board member compensation of society comprising the major countries in which the Company is operating. The Company has consulted stakeholders about the remuneration policy's.

ANNEX I: DEFINITIONS

The following terms have the meaning as defined below:

BW	Dutch Civil Code (Burgerlijk Wetboek);
Code	Dutch Corporate Governance Code;
Company	TKH Group N.V.;
General Meeting	the corporate body that consists of shareholders and all other persons with meeting rights, or the meeting in which the shareholders and all other persons with meeting rights assemble;
Group	the Company and all entities included in the group (groep, within the meaning of article 2:24b BW) headed by it;
Remuneration Committee	Remuneration Committee of the Supervisory Board;
Shareholder	holders of ordinary shares and/or depository receipts of Shares in the Company;
Shares	a fully paid ordinary share in the capital of the Company with a nominal value of € 0.25 per share; and
Supervisory Board	the Supervisory Board of the Company.

ANNEX II: REMUNERATION SUPERVISORY BOARD

The remuneration of the Supervisory Board is as follows:

• Chairman Supervisory Board	€ 60,000
• Member Supervisory Board	€ 45,000
• Chairman Audit Committee	€ 10,000
• Member Audit Committee	€ 7,000
• Chairman Remuneration Committee / Selection & Appointments Committee	€ 8,000
• Member Remuneration Committee / Selection & Appointments Committee	€ 6,000