



**SUPERVISORY BOARD  
SELECTION AND REMUNERATION COMMITTEE  
REGULATIONS**

**COÖPERATIE ROYAL FLORAHOLLAND U.A.**

Adopted on 28 November 2018

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## **SELECTION AND REMUNERATION COMMITTEE REGULATIONS**

### **Introduction**

In these regulations (the 'Regulations'), the same definitions and concepts are used as those that apply in the regulations of the Supervisory Board of the Coöperatie Royal FloraHolland U.A. ('Supervisory Board Regulations'), with the exception of references to Regulations, where the regulations in question will be referred to.

### **Article 1 – Status and contents of the regulations**

- 1.1. These Regulations have been drawn up on the basis of Article 24 (16) of the Articles of Association and on the basis of Article 23 (4) of the Supervisory Board Regulations and shall complement the regulations and provisions that are applicable (from time to time) to the Supervisory Board on the basis of Dutch law, the Articles of Association or the Supervisory Board Regulations.
- 1.2. These Regulations were adopted by the Supervisory Board on 28 November 2018.
- 1.3. Wherever these Regulations are in conflict with Dutch law, the Articles of Association or the Supervisory Board Regulations, the law or the Articles of Association or the Supervisory Board Regulations will prevail. Wherever these Regulations are compatible with the Articles of Association and the Supervisory Board Regulations, but in conflict with Dutch law, the latter will prevail. If one of the definitions from these Regulations is not or no longer valid, this will not affect the validity of the other definitions. The Supervisory Board will replace the invalid definitions with valid definitions of which the effect, given the content and purpose, is equivalent to those of the invalid definitions as much as possible.

### **Article 2 - Incidental non-compliance, amendment**

- 2.1 The Supervisory Board can occasionally decide not to apply these Regulations.
- 2.2 The Supervisory Board can decide to amend these Regulations, whether or not on the recommendation of the Selection and Remuneration Committee.

### **Article 3 - Establishment and composition of Selection and Remuneration Committee**

- 3.1 The Selection and Remuneration Committee is a permanent committee of the Supervisory Board. The members of the committee are appointed from among the members of the Supervisory Board.
- 3.2 The Selection and Remuneration Committee consists of three members, of which two Supervisory Board members in any case, including the chairman of the Supervisory Board. One of the Supervisory Board members should in any case have gained sufficient knowledge and experience in labor issues and consultation with social partners and employees' organizations.
- 3.3 The chairman of the Selection and Remuneration Committee is appointed by the Supervisory Board. The Supervisory Board can decide to relieve the chairman of the Selection and Remuneration Committee from his/her duty and to appoint another member of the Selection and Remuneration Committee as chairman.
- 3.4 The Supervisory Board can relieve a member of the Selection and Remuneration Committee as such from his duty as member of the Selection and Remuneration Committee.
- 3.5 The membership of the Selection and Remuneration Committee shall end at the moment that the relevant member, for whatever reason, no longer holds the office of

Supervisory Board member.

- 3.6 A member of the Selection and Remuneration Committee can decide to step down as member of the Selection and Remuneration Committee without simultaneously stepping down as member of the Supervisory Board.

#### **Article 4 - Remuneration of Selection and Remuneration Committee**

- 4.1 The Members' Council shall grant the Selection and Remuneration Committee a fixed remuneration. The remuneration of the Supervisory Board is not dependent on the results of the cooperation.
- 4.2 All reasonable costs (such as travel expenses) incurred in connection with the attendance of meetings of the Selection and Remuneration Committee will be reimbursed to the Selection and Remuneration Committee members.
- 4.3 The remuneration and reimbursement of expenses will be determined by the Members' Council and must be confirmed in writing. The explanation of the annual financial statements shall, in any case, be explained by the information about the level and structure of the remuneration as prescribed by the law.

#### **Article 5 - Tasks of the Selection and Remuneration Committee**

- 5.1 The Selection and Remuneration Committee advises the Supervisory Board regarding its duties as described in paragraph 2 of this article and prepares the decision-making of the Supervisory Board concerning that.

- 5.2 The Selection and Remuneration Committee has the following tasks:

##### **Regarding the remuneration of the Management Board:**

- a) to give advice and preparatory decision-making to the Supervisory Board concerning the remuneration policy to be conducted for members of the Management Board;
- b) to give advice and preparatory decision-making with regard to the remuneration of individual members of the Management Board in which in any case is addressed:
  - (i) the remuneration structure; and
  - (ii) the level of the fixed remuneration, the variable components to be awarded, pension rights, severance packages and other remunerations; and the performance criteria and their application, and,
  - (iii) where appropriate, putting forward proposals for the amendment of or supplement to the remuneration of the individual members of the Management Board, with the remuneration and possible amendment and/or supplement being submitted to the Supervisory Board for adoption;
- c) the drafting of the remuneration report about the remuneration policy conducted, which will be adopted by the Supervisory Board. The remuneration policy contains a report of the way in which the remuneration policy was put into practice in the past financial year, and contains an overview of the remuneration policy that is envisaged for the coming financial year and the subsequent years.

##### **Regarding the selection and appointment of prospective members for the Management Board:**

- d) the drawing up of selection criteria and appointment procedures with regard to members of the Management Board;
- e) the periodic assessment of size and composition of the Management Board and putting forward a proposal for a profile and planning of the succession

- of members of the Management Board;
- f) the periodic assessment of performance of members of the Management Board and the reporting on this to the Supervisory Board;
  - g) the proposing of appointments; and
  - h) the monitoring of the policy of the Management Board with regard to selection criteria and appointment procedures and the remuneration policy for higher management of Royal FloraHolland.
- 5.3 The Selection and Remuneration Committee may introduce further details in its tasks. These details shall be added as an appendix to these Regulations.
- 5.4 The tasks and powers of the Selection and Remuneration Committee and possible further details apply only to those powers that the Supervisory Board has attributed or delegated to it and the Selection and Remuneration Committee may never exercise powers that exceed the powers that the Supervisory Board can exercise.
- 5.5 The Selection and Remuneration Committee is authorized, as part of its duties, to have the assistance of one or more internal or external experts designated by it.
- 5.6 If the Selection and Remuneration Committee makes use of the services of a remuneration adviser for the benefit of its tasks, the Selection and Remuneration Committee will make sure that the adviser concerned does not give advice to the members of the Management Board.

#### **Article 6 - The chairman of the Selection and Remuneration Committee**

- 6.1 The chairman has the following responsibilities and is supported in that by the secretary of the committee:
- a. Determining the agenda for the meetings of the Selection and Remuneration Committee;
  - b. Conducting the meetings of the Selection and Remuneration Committee;
  - c. The proper functioning of the Selection and Remuneration Committee;
  - d. Ensuring an adequate feedback by the Selection and Remuneration Committee;
  - e. Acting as spokesperson and point of contact for the Supervisory Board and the Management Board.

#### **Article 7 - Meetings**

- 7.1 The Selection and Remuneration Committee shall meet as often as one or more members or the chairman of the Selection and Remuneration Committee deem necessary. The place of the meeting shall be determined by mutual agreement.
- 7.2 Unless the Selection and Remuneration Committee decides otherwise, the General Director and the HR Manager will attend the meetings of the Selection and Remuneration Committee. The latter will fulfill the role of the secretary. The Selection and Remuneration Committee can invite other persons to attend a meeting of the Selection and Remuneration Committee. Furthermore, the Supervisory Board can determine that one or more members of the Supervisory Board, who are not members of the Selection and Remuneration Committee, shall attend one or more meetings as observer.
- 7.3 Meetings will be called by or on behalf of the chairman of the Selection and Remuneration Committee. If feasible, the announcement and the agenda of the topics to be discussed will be provided to the members of the Selection and Remuneration Committee seven days before the meeting.
- 7.4 Brief minutes of the meetings will be taken by the secretary. The draft minutes must be sent to the members of the Selection and Remuneration Committee no later than fourteen days before the next meeting. In order to keep the Supervisory Board

informed during the period between the meetings of the Selection and Remuneration Committee, the draft minutes will also be sent to the other members of the Supervisory Board.

- 7.5 The Selection and Remuneration Committee will only meet if all members are present. If opinions or viewpoints of the Selection and Remuneration Committee are not unanimously held by its members, this will be reported in the minutes (with the relevant dissenting opinion or the dissenting viewpoint).
- 7.6 The Selection and Remuneration Committee can also issue a recommendation outside the meeting, provided that all members of the Selection and Remuneration Committee agree, both with the way in which this was realized and with the content of the recommendation concerned. The chairman of the Selection and Remuneration Committee ensures that the recommendation, which has thus come into effect, is laid down in writing and signed by the members of the Selection and Remuneration Committee.

#### **Article 8 – Confidentiality**

- 8.1 The deliberations of the Selection and Remuneration Committee are confidential.
- 8.2 Insofar as third parties must be informed of the deliberations, this shall occur through or in consultation with the chairman of the Selection and Remuneration Committee.

#### **Article 9 – Information**

- 9.1 The Selection and Remuneration Committee must inform the Supervisory Board clearly and in a timely fashion about important developments with regard to its tasks and, in the event that it has received delegated powers, about the way in which it has made use of these powers.
- 9.2 If so requested, the chairman of the Selection and Remuneration Committee shall provide further information to the Supervisory Board during meetings of the Supervisory Board about the results of the discussions of the Selection and Remuneration Committee.

#### **Article 10 – Supervisory Board Regulations conformity**

The provisions of the Supervisory Board Regulations apply for relevant subjects not provided for in these Regulations.