

Eneco Groep

SUPERVISORY BOARD REGULATIONS

**Adopted by the Supervisory Board on 10
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CONTENTS

Chapter	Page
1. Supervisory Board profile, size, expertise and independence	3
2. (Re)appointment; term of office; retirement	4
3. Chairman and Deputy Chairman	5
4. Secretary of the Company	6
5. Committees.....	6
6. General tasks and powers, interaction with the Board of Management	7
7. Tasks concerning the activities of the Board of Management.....	8
8. Tasks concerning the members and operation of the Board of Management and the Supervisory Board.....	9
9. Certain other tasks of the Supervisory Board	10
10. Supervision of financial reporting.....	10
11. Tasks in respect of the appointment and assessment of the external auditor.....	11
12. Remuneration of the members of the Board of Management.....	12
13. Interaction with the shareholders	13
14. Interaction with the works council	13
15. Frequency, convening, agenda and place of meetings.....	13
16. Presence and access to meetings.....	14
17. Chairman of the meeting; report	14
18. Decision-making within the Supervisory Board	15
19. Conflicts of interest members of the Supervisory Board	15
20. Remuneration members of the Supervisory Board.....	16
21. Introduction programme, training and education	17
22. Other positions	17
23. Confidentiality	17
24. Miscellaneous	18

Annex

	Pag
e	
1. Glossary	20
2. Supervisory Board profile	22
3. Supervisory Board retirement schedule	24
4. Threshold amounts in connection with article 17 of the Articles of Association ...	25
5. Information to be included in the Supervisory Board report.....	27
6. Policy with respect to the independence of the external auditor.....	28
7. Information to be included in the Remuneration Report	30

Introduction

- 0.1 These Regulations are an addition to the provisions pertaining to the Supervisory Board as laid down in applicable legislation and regulations, the Articles of Association and the rules concerning the relationship between the Supervisory Board and the Board of Management as laid down in the Board of Management Regulations, which were approved by the Supervisory Board, and in addition to the applicable covenant as agreed with the Shareholders' Committee within the context of the division of Eneco Holding N.V. (the **Shareholders' Covenant**).
- 0.2 The meaning of several terms, whether or not capitalised, that are used in these Regulations are listed in the Glossary that is included in **Annex 1**.

CHAPTER I COMPOSITION SUPERVISORY BOARD; POSITIONS; COMMITTEES

1. Supervisory Board profile, size, expertise and independence

See also article 18 of the Articles of Association

- 1.1 The Supervisory Board draws up a profile concerning its size and composition, taking into account the nature of the Company's business and its subsidiaries and the desired expertise and background of the members of the Supervisory Board (the **Supervisory Board Profile**). The current Supervisory Board Profile is included in **Annex 2**. The Supervisory Board Profile is available upon written request to the Company (for the attention of the secretary of the Company).
- 1.2 The Supervisory Board will endeavour, within the boundaries of its powers, to ensure that the Supervisory Board is always composed in such a manner that:
 - (a) the members are able to function independently and critically of each other, the Board of Management or any other partial interest;
 - (b) each member of the Supervisory Board is able to assess the general features of the overall policy;
 - (c) each member of the Supervisory Board has the specific expertise required for the performance of his duties that are part of his role within the context of the Supervisory Board Profile;
 - (d) the Supervisory Board as a whole complies with the Supervisory Board Profile and the composition of the Supervisory Board is such that it is able to carry out its tasks properly. The Supervisory Board strives for a mixed composition, inter alia with respect to gender and age;
 - (e) at least one member of the Supervisory Board is a financial expert, which means that this person has gained relevant knowledge and experience in the area of financial administration/accounting at listed companies or at other large legal entities;

- (f) all members of the Supervisory Board, with the exception of at most one person, are independent within the meaning of article 1.3;
- (g) the members of the Supervisory Board comply with the restrictions with respect to the nature and number of their other positions, as determined in article 22.1.

1.3 A member of the Supervisory Board is considered to be independent if the dependency criteria listed below do not apply to him. The abovementioned dependency criteria mean that the relevant member of the Supervisory Board, or his spouse, registered partner or other life partner:

- (a) was an employee or managing director of the Company or a company affiliated with it in the five years preceding the appointment of the relevant person as member of the Supervisory Board;
- (b) receives personal financial compensation from the Company or from a company affiliated with it other than the remuneration that is received for the activities performed as member of the Supervisory Board and to the extent this is not in line with the normal conduct of a business;
- (c) has had an important personal business relationship with the Company or a company affiliated with it in the year prior to the appointment;
- (d) is a member of the board of management of a company in which a member of the Board of Management is a supervisory director;
- (e) holds at least ten percent of the shares in the capital of the Company (including shares that are held by natural persons or legal entities who work together with the person involved on the basis of an explicit or implicit, oral or written agreement);
- (f) is a managing director or supervisory director or who is otherwise a representative of a legal entity that holds at least ten percent of the shares in the Company, unless it concerns group companies; or
- (g) temporarily performed the management of the Company in the absence or inability to act of (members of) the Board of Management during the previous twelve months.

2. (Re)appointment; term of office; retirement

See also article 18 of the Articles of Association

2.1 A nomination or recommendation by the Supervisory Board for appointment or reappointment of a member of the Supervisory Board must be in accordance with article 1, including the Supervisory Board Profile. When a member is reappointed account is taken of the manner in which the candidate has performed his task as a supervisory director in the past period. A member of the Supervisory Board is only reappointed after careful consideration.

- 2.2 Members of the Supervisory Board can be appointed for at most three terms of four years.
- 2.3** Members of the Supervisory Board retire on a regular basis in accordance with the retirement schedule drawn up by the Supervisory Board in order to prevent a large number of members of the Supervisory Board from retiring at the same time as much as possible. The current retirement schedule has been included in **Annex 3**.
- 3.** The Supervisory Board has the right to change the retirement schedule at all times. However, a change to the schedule cannot entail that a current member of the Supervisory Board remains in office for a term that exceeds the term for which he was appointed or that he retires before that term has ended. The retirement schedule is available upon a written request to the Company (for the attention of the secretary of the Company).
- 2.4 A member of the Supervisory Board retires prematurely in case of unsatisfactory performance, structural incompatibility of interests or if this is necessary for other reasons according to the Supervisory Board.
- 2.5 A member of the Supervisory Board who temporarily performs the management of the Company in the absence or inability to act of (members of) the Board of Management retires from the Supervisory Board in order to assume the management task.

3. Chairman and Deputy Chairman

- 3.1 The Supervisory Board appoints a Chairman and Deputy Chairman from its midst. The Chairman must not be a former member of the Board of Management.
- 3.2 The Deputy Chairman replaces the Chairman in his absence and assumes his duties and powers in such cases. The Deputy Chairman acts as a point of contact for the individual members of the Supervisory Board and Board of Management concerning the Chairman's functioning.
- 3.3 The Chairman is primarily responsible for the functioning of the Supervisory Board and its Committees. The Chairman acts as spokesperson of the Supervisory Board and is the principal point of contact for the CEO and the Board of Management as a whole. The CEO and the Chairman consult on a regular basis. AGMs are chaired by the Chairman in principle.
- 3.4 Without prejudice to the general purport of article 3.3, the Chairman ensures that:
- (a) members of the Supervisory Board follow an introduction programme after their first appointment and, thereafter, follow educational or training programmes as needed;
 - (b) the members of the Supervisory Board receive on time all information that is necessary for the proper performance of their task;
 - (c) there is sufficient time for deliberation and decision-making by the Supervisory Board;
 - (d) the Committees function properly;

- (e) the performance of the members of the Board of Management and Supervisory Board is assessed at least once per year;
- (f) the Supervisory Board elects a Deputy Chairman; and
- (g) contact between the Supervisory Board and the Board of Management and the works council takes place properly.

3.5 In addition, the Chairman has primary responsibility for:

- (a) ensuring the tasks of the Supervisory Board are carried out correctly;
- (b) determining the agenda of Supervisory Board meetings and chairing such meetings;
- (c) conducting consultation with external advisors appointed by the Supervisory Board;
- (d) resolving problems relating to the performance of the individual members of the Supervisory Board; and
- (e) resolving internal disputes and situations that involve a conflict of interest concerning individual members of the Supervisory Board and any retirement of members of the Supervisory Board that may result therefrom.

4. Secretary of the Company

4.1 The Supervisory Board is supported by the secretary of the Company.

4.2 All members of the Supervisory Board have access to the advice and services provided by the secretary of the Company.

4.3 The secretary of the Company ensures that the right procedures are followed and that acts are performed in accordance with the Supervisory Board's obligations provided for in law and the Articles of Association. The secretary of the Company supports the Chairman in the organisation of matters concerning the Supervisory Board (information, placing items on the agenda, reporting on meetings, evaluation, training programme etc.). The secretary of the Company as such is also the secretary of the Supervisory Board.

4.4 The secretary of the Company has the right to delegate his tasks pursuant to these Regulations or parts thereof to a deputy appointed by him in consultation with the Chairman.

4.5 The secretary of the Company also performs activities for the Board of Management as provided for in the Board of Management Regulations.

5. Committees

5.1 The Supervisory Board may appoint permanent and/or ad hoc Committees from its midst and charge these with tasks described further by the Supervisory Board. The composition of a Committee is determined by the Supervisory Board. The Supervisory Board has in any event an audit committee and a remuneration/selection and nomination committee.

5.2 The Supervisory Board as a whole remains responsible for resolutions prepared by

Committees from its midst. Committees can only exercise those powers expressly conferred on it or delegated to it by the Supervisory Board and it can never exercise powers that go beyond the scope of the powers that can be exercised by the Supervisory Board as a whole.

- 5.3 Every Committee is required to notify the Supervisory Board clearly and on time concerning the manner in which it has exercised delegated powers and the important developments in the area that comes under its responsibility. All members of the Supervisory Board have free access to all meetings and information of the Committees. Each Committee provides the Supervisory Board with a report of the deliberations and findings within the term set in the regulations of the relevant Committee (if applicable).
- 5.4 The Supervisory Board draws up regulations for each Committee and may change these at any time. The regulations indicate the role and responsibility of the relevant Committee, its composition and the manner in which it carries out its tasks. The regulations of a particular Committee may include further rules concerning the composition of the relevant Committee.

CHAPTER II TASKS AND POWERS

6. General tasks and powers, interaction with the Board of Management

See also article 19 of the Articles of Association

- 6.1 The Supervisory Board is charged with the supervision of the policy of the Board of Management and the general course of affairs within the Company and its business. The Supervisory Board assists the Board of Management with advice. Responsibility for the performance of its tasks lies with the Supervisory Board collectively.
- 6.2 When performing its tasks, the Supervisory Board is guided by the interest of the Company and its business and in this connection considers the relevant interests of the parties involved in the Company. The Supervisory Board also takes account of the social aspects of doing business that are relevant to the Company. Members of the Supervisory Board perform their tasks without mandate and independent of the partial interests involved in the Company. They do not support a particular interest without losing sight of other interests involved.
- 6.3 The Supervisory Board is responsible for the quality of its own performance.
- 6.4 Members of the Supervisory Board take similar stands in public as regards important matters, matters of principle and matters of general importance in matters that concern the business, with due observance of the responsibility of the individual members of the Supervisory Board.
- 6.5 The Board of Management provides information at its own initiative and on time to the Supervisory Board and its members and the Committees which they need to be able to perform adequately and to be able to carry out their tasks properly. This information is provided in writing as much as possible.

- 6.6 The Supervisory Board and its individual members have an own responsibility to demand from the Board of Management and the external auditor information that is needed by the Supervisory Board in order to be able to carry out its task as a supervisory body properly. The Supervisory Board has the right to obtain information from officers and external advisors of the Company if it considers this necessary. The Company makes the resources required for this purpose available. The Supervisory Board may demand that certain officers and external advisors attend meetings.
- 6.7 Every member of the Supervisory Board has access to the books, data and offices of the Company to the extent this is necessary or useful for the proper performance of their task. Members of the Supervisory Board exercise this right in consultation with the Chairman and the secretary of the Company unless otherwise follows from applicable Committee regulations.
- 6.8 The Supervisory Board may also have itself assisted or informed in the performance of its tasks by one or more experts to be appointed by it against a fee agreed with the Supervisory Board, which fee will be for the Company's account. The Supervisory Board will inform the Board of Management on time of its intention to approach an external advisor and will also provide a cost estimate.

7. Tasks concerning the activities of the Board of Management

See also articles 17 and 19 of the Articles of Association

- 7.1 The Supervisory Board's supervision of the Board of Management concerns among other things: (a) the realisation of the Company's objectives; (b) the strategy and risks related to the business activities; (c) the structure and operation of the internal risk management and control systems; (d) the financial reporting process; (e) compliance with legislation and regulations; (f) the relationship with the Company's shareholders and (g) the social aspects of doing business that are relevant to the Company.
- 7.2 The Supervisory Board supervises financial reporting in accordance with article 10.
- 7.3 At least once a year the Supervisory Board discusses the strategy and main risks attached to the business and the translation thereof into the annual plan for the next year; the outcome of this meeting will be processed in the strategic plan and the annual plan (as referred to in the Shareholders' Covenant). The Supervisory Board also discusses at least once per year the outcome of the Board of Management's assessment of the structure and operation of the internal risk management and control systems as well as any significant changes thereto.
- 7.4 The resolutions of the Board of Management as referred to in article 17 of the Articles of Association and the investment decisions that must be submitted to the SHC pursuant to the Shareholders' Covenant, taking account of the threshold values included in **Annex 4**, require the approval of the Supervisory Board in any event.
- 7.5 The Board of Management always provides the Supervisory Board with the following information on time:

- a report including detailed information concerning, inter alia, mergers and acquisitions, substantial investments, important organisational matters, relevant developments in the area of regulations and other important matters;
- a report including detailed information regarding the financial situation and developments concerning the Company and its subsidiaries; and
- such information as the Supervisory Board may deem necessary from time to time,

which information is compiled in accordance with models agreed between the Board of Management and the Supervisory Board from time to time (if applicable).

8. Tasks concerning the members and operation of the Board of Management and the Supervisory Board

8.1 The tasks of the Supervisory Board concerning the members of the Board of Management mainly comprise:

- (a) selecting and nominating members of the Board of Management, making proposals for the remuneration policy pertaining to members of the Board of Management to the AGM, adopting the remuneration (in accordance with the conditions of adopted remuneration policy) and the contractual terms of employment of members of the Board of Management;
- (b) determining the number of members of the Board of Management, designating the CEO, approving (or proposing, where useful) material changes to the division of duties within the Board of Management or the Board of Management Regulations and assessing the performance of the Board of Management and its individual members; approving ancillary positions of members of the Board of Management to the extent required by the Board of Management Regulations; and
- (c) handling cases that involve a conflict of interest between the Company and members of the Board of Management.

8.2 The tasks of the Supervisory Board concerning the members of the Supervisory Board mainly comprise:

- (a) selecting and nominating members of the Supervisory Board (appointment is performed by the AGM) and making proposals for the remuneration of members of the Supervisory Board to the AGM;
- (b) determining the number of members of the Supervisory Board, appointing a Chairman and Deputy Chairman, setting up Committees and determining their role, evaluating the performance of the Supervisory Board, its Committees and the individual members of the Supervisory Board (including the evaluation of the Supervisory Board Profile and the introduction and educational and training programmes); approving other positions held by members of the Supervisory Board to the extent required pursuant to article 22; and
- (c) handling cases that involve a conflict of interest between the Company and members of the Supervisory Board.

- 8.3 At least once per year, the Supervisory Board discusses, without the presence of the Board of Management, its own performance, the performance of its Committees and the performance of the individual members of the Supervisory Board and the conclusions that should be drawn on the basis thereof.

The desired profile, composition and competence of the Supervisory Board is discussed as well. The Supervisory Board furthermore discusses at least once per year, without the presence of the Board of Management, the performance of the Board of Management as a whole and the performance of the individual members of the Board of Management and the conclusions that should be drawn on the basis thereof.

9. Certain other tasks of the Supervisory Board

- 9.1 The other tasks of the Supervisory Board comprise:

- (a) tasks concerning the external auditor as described in article 11 and the audit committee regulations;
- (b) handling complaints with respect to alleged irregularities that concern the performance of members of the Board of Management;
- (c) implementing measures to manage the Company on a temporary basis in the absence or inability to act of the members of the Board of Management;
- (d) other tasks charged to the Supervisory Board pursuant to the law, the Articles of Association, these Regulations, the regulations of a Committee or the Board of Management Regulations.

- 9.2 The Supervisory Board draws up a report that forms part of the Company's annual report and accounts in which the Supervisory Board reports on its activities in the relevant financial year and also includes specific lists and statements as listed in **Annex 5**.

10. Supervision of financial reporting

- 10.1 The Supervisory Board supervises compliance with the internal procedures set up by the Board of Management for drawing up and publishing the management report, the financial statements, the quarterly and/or interim figures and ad hoc financial information. The Supervisory Board furthermore supervises the implementation and enforcement of internal control mechanisms for external financial reporting as described in article 7.1 of the Board of Management Regulations.

- 10.2 The audit committee provides the Supervisory Board on a regular basis and each time as soon as possible with a report of the preliminary discussion and with advice concerning the financial statements and the interim and quarterly reports, which will then be discussed at a Supervisory Board meeting. The financial statements and the management report concerning the past financial year are discussed at a meeting with the Board of Management within four months after the end of the year. The Company's interim figures and quarterly figures are discussed within two months after the end of the relevant period at a meeting of the Supervisory Board with the Board of Management. These meetings are prepared by the audit committee.

- 10.3 The external auditor attends at least that part of the Supervisory Board meeting

in which the report of the external auditor concerning the audit of the financial statements is discussed and in which a resolution concerning the approval of the financial statements is made. The external auditor receives the financial information that forms the basis for the adoption of the quarter and/or interim figures and the other interim financial reports and is afforded the opportunity to respond to all information. The external auditor reports his findings as regards the audit of the financial statements to the Board of Management and the Supervisory Board simultaneously.

- 10.4 In principle, contact between the Supervisory Board and the external auditor takes place via the chairman of the audit committee. The audit committee is the first point of contact of the external auditor if he identifies irregularities in the content of the financial reports.
- 10.5 The Supervisory Board ensures that the recommendations made by the external auditor are considered carefully by the Board of Management and the Supervisory Board and, in the event they are accepted, that they are actually implemented by the Board of Management, which supervision may be delegated to the audit committee.

11. Tasks in respect of the appointment and assessment of the external auditor

- 11.1 The external auditor is appointed by the AGM. The Supervisory Board nominates a candidate for the appointment to the AGM and may recommend that the external auditor be replaced, with both the audit committee and the Board of Management issuing their advice to the Supervisory Board.
- 11.2 The remuneration of the external accountant and the issue of an instruction to the external auditor to perform non-audit activities in excess of an agreed threshold value (currently EUR 50,000) are approved by the Supervisory Board upon recommendation by the audit committee and following consultation with the Board of Management.
- 11.3 The Board of Management and the audit committee report to the Supervisory Board concerning developments in the relationship with the external auditor, including in particular its independence (including the desirability of rotation of responsible partners within the office of the audit organisation and the desirability of having the external auditor who is charged with performing the audit also performing non-audit activities for the Company). The Supervisory Board bases its recommendation to the AGM for the appointment of an external auditor also on these reports.
- 11.4 The Board of Management and the audit committee assess the performance of the external auditor at the various entities and in the various capacities in which the external auditor operates at least once every four years. The main conclusions thereof are communicated to the AGM.
- 11.5 As regards the independence of the external auditor and any (potential) conflicts of interest between the external auditor and the Company, action will take place in accordance with relevant policy as laid down in **Annex 6** or, to the extent not regulated therein, in a manner to be determined by the Supervisory Board upon recommendation by the audit committee. Members of the Board of Management and the Supervisory Board and the external auditor are required to inform the chairman of the audit committee of matters that could be contrary to the required independence of the external auditor or that could result in a (potential) conflict

of interest between the external auditor and the Company, as soon as they become aware of such matters.

- 11.6 The external auditor is requested upon appointment to declare expressly towards the Company to have taken note of (a) the Company's policy as included in article 11.5 and Annex 6; and (b) the other provisions of the Board of Management Regulations, the present Regulations and the audit committee regulations, and to agree thereto and to cooperate fully in the implementation thereof.

12. Remuneration of the members of the Board of Management

See also article 14 of the Articles of Association

- 12.1 The remuneration/selection and nomination committee draws up a Remuneration Report each year on behalf of the Supervisory Board, which includes a report concerning the manner in which the remuneration policy was put into practice during the past financial year as well as an overview of the remuneration policy for members of the Board of Management as envisaged by the Supervisory Board for the coming financial year and subsequent years. This overview includes at least the information laid down in **Annex 7**.
- 12.2 The remuneration policy represented in the Remuneration Report that is envisaged for the coming financial year and subsequent years is submitted to the AGM for adoption. All changes to the remuneration policy are also submitted to the AGM for adoption. Regulations that reward members of the Board of Management in shares or rights to subscribe for shares and important changes to these regulations are submitted to the AGM for approval.
- 12.3 The Supervisory Board determines the remuneration of the individual members of the Board of Management upon recommendation by the remuneration/selection and nomination committee, such within the boundaries of the remuneration policy adopted by the AGM.
- 12.4 The main elements of the contract of a member of the Board of Management with the Company are published after it is concluded, at the latest in the notice convening the AGM at which the appointment of the relevant member of the Board of Management is to be proposed. These elements concern in any event the amount of the fixed salary, the accrual and amount of the variable part of the remuneration, any agreed severance package and/or severance payment, the possible conditions of a change of control clause in the contract with the relevant member of the Board of Management and other allowances and pension agreements promised to the relevant member of the Board of Management and the performance criteria to be applied.
- 12.5 In event a severance payment or another special payment is made to a (former) member of the Board of Management during a financial year, the Remuneration Report will include an account and an explanation concerning this remuneration or compensation. The Remuneration Report includes in any event an account and explanation of the compensation paid or promised to a member of the Board of Management by way of a severance payment.

13. Interaction with the shareholders

See also article 21 of the Articles of Association

- 13.1 The Supervisory Board is familiar with the Shareholders' Covenant and ensures that the content thereof is brought to the attention of its new members.
- 13.2 The Board of Management and the Supervisory Board provide the AGM on time with all information requested by it, unless an important interest of the Company dictates otherwise. If the Board of Management and the Supervisory Board invoke an important interest, such invocation will be explained in a substantiated manner.
- 13.3 If the law or the Company's Articles of Association grant the AGM a right of approval (significant decisions as referred in Article 2:107a of the Dutch Civil Code or the Board of Management or the Supervisory Board requests delegation of powers (such as the issue of shares, authorisation to buy back shares)), the Board of Management and the Supervisory Board inform the AGM by means of a 'shareholders' circular' of all facts that are relevant for the approval, delegation or authorisation to be granted. The Board of Management and the Supervisory Board ensure compliance with the applicable legislation and regulations pertaining to the rights of the AGM and the related rights of individual shareholders.
- 13.4 The members of the Supervisory Board attend the AGM unless they are prevented from doing so due to special circumstances.
- 13.5 A resolution adopted by the AGM can be shown externally by means of a statement from the Chairman or the secretary of the Company.
- 13.6 The Supervisory Board ensures that the responsible partner (certifying auditor) of the external auditor's firm attends the AGM at which the financial statements are discussed and is able to address this meeting. The AGM may ask questions of the external auditor about his fairness opinion concerning the financial statements.

14. Interaction with the works council

The Supervisory Board maintains contact with the works council in accordance with the relevant provisions of the Works Councils Act as well as the further agreements made in that connection with the works council by means of a covenant.

CHAPTER III SUPERVISORY BOARD MEETINGS; DECISION-MAKING

15. Frequency, convening, agenda and place of meetings

See also article 19 of the Articles of Association

- 15.1 The Supervisory Board meets as often as necessary for the proper performance of the Supervisory Board. Meetings are scheduled a year in advance as much as possible. The Supervisory Board furthermore meets in the interim if the Chairman of the Supervisory Board considers such necessary or other members of the Supervisory Board or two members of the Board of Management consider this necessary.

- 15.2 In principle, Supervisory Board meetings are convened by the secretary of the Company in consultation with the Chairman.
- 15.3 With the exception of urgent cases, such to be decided by the Chairman, the agenda for the meeting is sent to the members of the Supervisory Board at least seven calendar days before the meeting. A written explanation and relevant documents are enclosed as much possible for each agenda item. The Chairman consults in principle with the secretary and the chairman of the Board of Management before the meeting is convened.
- 15.4 Every member of the Supervisory Board, the chairman of the Board of Management as well as the Board of Management as a whole has the right to demand that a subject is placed on the agenda of the Supervisory Board meeting.
- 15.5 Supervisory Board meetings are generally held at the Company's offices, but may also be held elsewhere. Supervisory Board meetings may also be held by means of a conference call, video conference or other means of communication, provided the participants are able to communicate with each other at the same time.

16. Presence and access to meetings

- 16.1 Members of the Board of Management are expected to attend Supervisory Board meetings as much as possible to the extent the Supervisory Board does not indicate that it wishes to meet without this presence.
- 16.2 If a member of the Supervisory Board is regularly absent from Supervisory Board meetings, he will be called to account by the Chairman.
- 16.3 The members of the Supervisory Board present and represented at the meeting decide by a majority of the votes on the admission to meetings of persons other than members of the Supervisory Board, the secretary of the Company and - if invited - members of the Board of Management.

17. Chairman of the meeting; report

See also article 19 of the Articles of Association

- 17.1 Supervisory Board meetings are chaired by the Chairman or, in his absence, the Deputy Chairman. If both are absent, the meeting will be chaired by one of the other members of the Supervisory Board designated for this purpose by the members of the Supervisory Board present and represented at the meeting by a majority of the votes.
- 17.2 A report of the proceedings at a meeting of the Supervisory Board is drawn up by the secretary of the Company or another person designated for this purpose by the chairman of the meeting. The report provides insight into the decision-making at the meeting. The report is adopted by the Supervisory Board at the same or the next meeting.

18. Decision-making within the Supervisory Board

- 18.1 Members of the Supervisory Board promote as much as possible that resolutions are adopted unanimously.
- 18.2 Each member of the Supervisory Board has one vote.
- 18.3 If unanimity proves impossible and the law, the Articles of Association or these Regulations do not prescribe a larger majority, Supervisory Board resolutions are adopted by the majority of the votes cast.
- 18.4 If the votes are tied, the Chairman's vote will be decisive if more than two members of the Supervisory Board are present or represented. The Supervisory Board can only adopt resolutions if a majority of the members of the Supervisory Board in office are present or represented at a meeting.
- 18.5 The Supervisory Board has the right to mandate certain resolutions to a delegation of members of the Supervisory Board; the resolution adopted on the basis of this mandate applies as a resolution adopted by the full Supervisory Board.
- 18.6 In principle, Supervisory Board resolutions are adopted at a Supervisory Board meeting.
- 18.7 Supervisory Board resolutions can also be adopted in writing, provided the relevant proposal has been presented to all members of the Supervisory Board in office and none of them has opposed this manner of adopting resolutions. Written adoption of resolutions takes place by means of written statements from all members of the Supervisory Board. A statement from a member of the Supervisory Board who wishes to abstain from voting with respect to a resolution to be adopted in writing must include that he does not oppose this manner of adopting resolutions.
- 18.8 The Supervisory Board has the right to deviate from the provisions of articles 18.3 (final sentence), 18.4 and 18.5, if the Chairman considers this necessary in view of the urgent nature or other circumstances of the case, provided all members of the Supervisory Board are enabled to participate in the adoption of resolutions. The Chairman and the secretary of the Company draw up a report of resolutions thus adopted, which is added to the documents for the next meeting of the Supervisory Board.
- 18.9 A resolution adopted by the Supervisory Board can be shown externally by means of a statement from the Chairman or the secretary of the Company.

CHAPTER IV OTHER PROVISIONS

19. Conflicts of interest members of the Supervisory Board

See also article 19.11 of the Articles of Association

- 19.1 A member of the Supervisory Board immediately reports a (potential) conflict of interest that is of material importance to the Company and/or the person involved to the Chairman and provides all relevant information in this connection, including the relevant information concerning his spouse, registered partner or other life partner. The Supervisory Board decides whether a conflict of interest exists outside the presence of the relevant member of the Supervisory Board.
- 19.2 A conflict of interest exists if a member of the Supervisory Board has a direct or indirect personal interest that is in conflict with the interest of the Company and its business, and in any event when the Company intends to perform a transaction with a legal entity
- (a) in which a member of the Supervisory Board personally holds a material financial interest;
 - (b) a director of which has a family-law relationship with a member of the Supervisory Board; or
 - (c) where a member of the Supervisory Board holds a management or supervisory position.
- 19.3 A member of the Supervisory Board does not participate in the deliberations and decision-making concerning a subject or transaction in respect of which he has a conflict of interest with the Company.
- 19.4 A member of the Supervisory Board who does not carry out the tasks or exercise the powers that would vest in him as a member of the Supervisory Board in connection with a (potential) conflict of interest is considered to be a member of the Supervisory Board who is prevented from acting in this connection.
- 19.5 All transactions that involve conflicts of interests of members of the Supervisory Board are agreed subject to conditions that are customary for transactions on market terms in the industry in which the Company and its subsidiaries are active. Resolutions to perform transactions that involve conflicts of interests for such persons that are of material importance to the Company and/or the relevant members of the Supervisory Board require the approval of the Supervisory Board.

20. Remuneration of the members of the Supervisory Board

- 20.1 The remuneration of the members of the Supervisory Board is adopted by the AGM. The Supervisory Board submits proposals to the AGM to this effect from time to time. Any VAT to be paid by a member of the Supervisory Board on his income is for the Company's account.
- 20.2 The remuneration of the members of the Supervisory Board does not depend on the operating results of the Company. Members of the Supervisory Board are not granted shares and/or rights to shares in the capital of the Company by way of remuneration.
- 20.3 In addition to the remuneration, all reasonable costs of the members of the Supervisory Board incurred in connection with their presence at meetings are reimbursed; the reasonableness of the costs incurred is to be assessed by the Chairman (the Deputy Chairman if it concerns the Chairman). Other costs are only reimbursed in whole or in part with the approval of the Chairman or on his behalf of the secretary of the Company (the Deputy Chairman or, on his behalf, the secretary of the Company if it concerns the Chairman).

20.4 The Company and its subsidiaries do not provide personal loans, guarantees and the like to the members of the Supervisory Board, unless such occurs within the context of the normal course of business and following approval of the Supervisory Board. Loans are not remitted.

21. Introduction programme, training and education

21.1 All members of the Supervisory Board follow an introduction programme after their first appointment, which programme devotes attention in any event to the strategy, general financial, social and legal affairs, financial reporting by the Company, the specific aspects inherent in the Company and its business activities, and the responsibilities of a member of the Supervisory Board.

21.2 The Supervisory Board assesses annually in which areas members of the Supervisory Board require further training or education during the term of appointment.

21.3 The Company plays a facilitating role in respect of the aforementioned introduction programmes, training and education and it bears the costs thereof.

22. Other positions

22.1 Members of the Supervisory Board limit the number and nature of their other positions to such an extent that the proper performance of their duties is guaranteed. The number of supervisory positions that may be held by a member of the Supervisory Board with large Dutch companies or large foundations is no more than five, with presidency counting double. The members of the Supervisory Board are personally responsible for ensuring that they do not exceed the maximum determined in the previous sentence.

22.2 Members of the Supervisory Board are required to inform the Chairman and the chairman of the Board of Management (on time) concerning their other (intended) positions. Holding this position together with being a member of the Supervisory Board may be forbidden if the Chairman and the chairman of the Board of Management are of the opinion that there is a risk of a conflict of interest.

22.3 Members of the Board of Management are required to inform the Chairman and the secretary of the Company concerning their other positions. If the Chairman is of the opinion that there is a risk of a conflict of interest, the matter will be discussed by the Supervisory Board in accordance with article 19. The secretary of the Company maintains a list of the relevant other positions of every member of the Board of Management and the Supervisory Board.

23. Confidentiality

Every member of the Supervisory Board commits that both during his membership of the Supervisory Board and thereafter he will not make any statement in any way to anyone concerning information that is confidential in nature with respect to the business of the Company and/or companies in which it has an interest, which came to the attention of the member of the Supervisory Board within the context of the performance of his activities for the Company and which he knows or should know to be confidential, unless he is obliged to do so by law. Members of the Supervisory Board are allowed to disclose the information as referred to above to

members of the Board of Management, the Supervisory Board, as well as members of staff of the Company and the companies in which the Company holds an interest who, in view of their activities for the Company and the companies in which the Company holds an interest, must be notified of the relevant information. Supervisory Board members are not allowed to use the information described above for their own benefit in any way.

24. Miscellaneous

- 24.1 **Acceptance by members of the Supervisory Board.** Every person appointed as a member of the Supervisory Board, declares in writing to the Company when accepting the position that he accepts the content of these Regulations and consents thereto and commits towards the Company that he will comply with the provisions of these Regulations.

Furthermore, every person who is appointed as a member of the Supervisory Board declares to be personally responsible for the correct compliance with all legislation and regulations that apply to them.

- 24.2 **Compliance with the code of conduct.** Every Supervisory Board member is obliged to comply with the Eneco code of conduct.
- 24.3 **Occasional non-compliance.** The Supervisory Board may occasionally decide not to comply with these Regulations, with due observance of the applicable legislation and regulations. The reason for doing so will be set out in the decision.
- 24.4 **Amendment.** These Regulations may be amended by the Supervisory Board from time to time without prior notification. Consultation with the Board of Management in this connection takes place before the amendment becomes effective.
- 24.5 **Interpretation.** The opinion of the Chairman is decisive in case of uncertainties or a difference of opinion concerning the meaning of any provision from these Regulations.
- 24.6 **Applicable law and jurisdiction.** These Regulations are governed by Dutch law. The Dutch courts have exclusive jurisdiction to settle disputes resulting from or in connection with these Regulations (including disputes concerning the existence, the validity or the termination of these Regulations).
- 24.7 **Complementarity with Dutch law and the Articles of Association.** These Regulations comprise an addition to the provisions relating to the Supervisory Board as laid down in Dutch law, other applicable Dutch or EU law and the Articles of Association. Where these Regulations are not in accordance with Dutch law, other applicable Dutch or EU regulations or the Articles of Association, the latter will prevail. Where these Regulations are in accordance with the Articles of Association, but are not in accordance with Dutch law or other applicable Dutch or EU regulations, the latter will prevail.
- 24.8 **Partial nullity.** In the event one or more provisions of these Regulations are or will become invalid, such will not affect the validity of the remaining provisions. The Supervisory Board has the right to replace the invalid provisions with valid provisions whose

consequences correspond as much as possible with the invalid provisions given the content and objective of these Regulations.

* * * * *

ANNEX 1

GLOSSARY

1. In these Supervisory Board Regulations the terms below have the meaning stated next to them:

audit committee means the Supervisory Board audit committee.

AGM means the general meeting of shareholders of the Company.

management report means the report drawn up by the Board of Management of the Company as referred to in Article 2:101 of the Dutch Civil Code.

CEO means the chief executive officer who is also the chairman of the Company's Board of Management.

CFO means the chief financial officer of the Company.

Committee means any Supervisory Board committee.

subsidiary has the meaning assigned to this term in Article 2:24a of the Dutch Civil Code.

external auditor means the audit firm that is charged with auditing the financial statements of the Company in accordance with Article 2:393 of the Dutch Civil Code.

affiliated company has the meaning assigned to this term in Section 5:48 of the Financial Supervision Act (Wft).

group company has the meaning assigned to this term in Article 2:24b of the Dutch Civil Code.

financial statements means the financial statements of the Company as referred to in Article 2:101 of the Dutch Civil Code.

works council means the Company's central works council.

Supervisory Board Profile means the profile for the size and composition of the Supervisory Board as indicated as such in article 1.1 of the Supervisory Board Regulations.

Regulations means either the Board of Management Regulations or the Supervisory Board Regulations depending on the context, including the related annexes.

Remuneration Report means the Supervisory Board remuneration report concerning the Company's remuneration policy as drawn up by the remuneration/selection and nomination committee of the Supervisory Board.

remuneration/selection and nomination committee means the combined remuneration and selection and nomination committee of the Supervisory Board.

Board of Management means the Company's board of management.

Supervisory Board means the Company's supervisory board.

in writing/written means by letter, fax or by e-mail, or by message that is transmitted via another customary means of communication and that can be received in writing.

Articles of Association means the Company's articles of association.

Company means Eneco Groep N.V. and, where appropriate, the subsidiaries and any other group companies of the Company whose financial data are included in the Company's consolidated financial statements.

Deputy Chairman means the deputy chairman of the Supervisory Board.

Chairman means the chairman of the Supervisory Board.

2. Unless ensuing otherwise from the context, in these Regulations:
 - (a) a reference to an article or annex applies as a reference to an article or annex to these Regulations, unless it is expressly evident that this was not intended;
 - (b) terms and expressions indicated in the singular form apply also to the plural and vice versa;
 - (c) words and terms indicated in the male form also apply to the feminine form; and
 - (d) reference to a statutory provision applies as a reference to such a statutory provision with due observance of all amendments, expansions and replacement regulations thereof that will apply from time to time.
3. Headers of articles and other headers in these Regulations have been included exclusively for the sake of clarity and do not form part of these Regulations for purposes of interpretation.

ANNEX 2
SUPERVISORY
BOARD PROFILE

Eneco is a Public Limited Company with a full two-tier board structure.

The Supervisory Board exercises full supervision of the policy of the Board of Management as well as the general course of affairs within the company. The Supervisory Board acts as a sounding board and assists the Board of Management with its advice. Both boards and the individual supervisors are guided by the interests of the company when performing their duties. Such in accordance with the principles of responsible entrepreneurship aimed at the continuity of the business.

The Supervisory Board assesses whether the Board of Management makes a balanced consideration of the interests of all parties affiliated with the company when formulating policy and performing its management duties.

The Eneco Supervisory Board supervises and issues advice to the Board of Management concerning various subjects:

- Supervision of Eneco's transformation process
- Realisation of the company's objectives;
- Strategy and risks related to the business activities;
- Structure and operation of the internal risk management and control systems;
- Financial reporting process;
- Compliance with legislation and regulations;
- Required expertise and experience.

The Supervisory Board shall consist of five to seven members in view of the size and complexity of the organisation. The General Meeting of Shareholders appoints, suspends and dismisses the members of the Supervisory Board.

Two committees are formed:

The **remuneration, selection and nomination committee** issues advice with respect to the remuneration of members of the Supervisory Board and arranges for the selection and appointment of members of the Supervisory Board.

The **audit committee** supervises important financial matters. This committee meets to discuss such matters every quarter and consults with the external auditor at least twice per year. The Supervisory Board submits the financial statements to the General Meeting of Shareholders for adoption.

Composition of the Supervisory Board - general

The Supervisory Board must be composed in such a manner that the combination of the experience, expertise, quality, social commitment and independence of its members enables it to carry out its tasks properly (effectively and responsibly).

In addition, the Supervisory Board strives for sufficient complementarity, pluralism and diversity as regards age, gender and background. Each supervisory director must be able to assess the general features of the overall policy. Each supervisory director has the specific expertise required for the performance of his duties.

The following experience and competences are important for the Supervisory Board as a whole (several elements can be united in 1 individual supervisory director):

- Administrative experience, CEO experience in the business community
- Ample experience with public stakeholders including public shareholders
- Experience in the world of energy, including the energy transition that is taking place and with technology
- Experience with a consumer-driven business
- Experience in setting up and managing alliances, joint ventures and with Mergers & Acquisitions
- Experience with digitisation and big data
- Experience with new and significantly changing revenue models
- Broad financial and accounting experience, preferably CFO experience
- Experience in the area of HR
- International experience and experience with international expansion

ANNEX 3

**SUPERVISORY BOARD RETIREMENT
SCHEDULE**

Name	Title	First appointment	End of current term of office
ir. E.H.M. (Edo) van den Assem	Chairman	1 February 2017	AGM 2020
ir. M.E. (Marika) van Lier Lels	Member	1 February 2017	AGM 2017
ir. H.G. (Henk) Dijkgraaf	Member	1 February 2017	AGM 2018
mr. Marco Keim RA	Member	1 February 2017	AGM 2018
drs. M. (Mirjam) Sijmons	Member	1 February 2017	AGM 2019
drs. R. (Rob) Zandbergen	Member	1 February 2017	AGM 2019
mr. drs. A. (Atzo) Nicolai	Member	1 February	AGM 2019

ANNEX 4

THRESHOLD AMOUNTS IN CONNECTION WITH ARTICLE 17 OF THE ARTICLES OF ASSOCIATION

Article 17 of the Articles of Association of Eneco Groep N.V. lists the resolutions of the Board of Management that are subject to the approval of the Supervisory Board. The various amounts that apply in this connection were determined at the Supervisory Board meeting held on 17 March 2008 and the revision security approval threshold in respect thereof was adopted by the Supervisory Board on 12 December 2016

The following amounts apply now (as from 1 February 2017, as determined by the Supervisory Board on 12 December 2016) with respect to board resolutions pursuant to article 17 paragraph 1:

1. **under h**: acquiring a participating interest in the capital of another company amounting at least to one fourth of the amount of the issued capital including the reserves according to the balance sheet with notes of the company or a lower amount as may be determined by the Supervisory Board, as well as a significant expansion or reduction of such a participating interest: **€ 25 million**;
2. **under l**; making investment decisions not included in the investment plan referred to under k. or in the annual investment budget and that exceed an amount per investment determined by the Supervisory Board: **€ 25 million, provided the investment complies with the investment criteria**;
3. **under m**; taking out and providing loans, which exceed an amount per loan to be determined by the Supervisory Board: **€ 25 million**
4. **under n**; alienating or encumbering property subject to public registration whose value exceeds an amount per transaction determined by the Supervisory Board: **€ 25 million**
5. **under o**; concluding agreements that involve an amount that exceeds an amount per agreement or series of agreements determined by the supervisory board that form an inextricable part of the relevant transaction, to the extent these agreements do not arise from the provisions above under k and with the exception of the conclusion of contracts for the purchase and sale of gas, electricity, heat, cold and gasses: **€ 25 million**
6. **under p**; concluding surety agreements or otherwise guaranteeing the obligations of third parties (not being a subsidiary or participating interest) that involve an amount that exceeds the amount per agreement determined by the supervisory board: **€ 25 million**
7. **under t**; conducting legal proceedings, as a claimant or as a defendant, including arbitral proceedings, applications for binding advice and the conclusion of settlements, if the interest of the case exceeds an amount determined by the supervisory board; however, no prior approval is required for implementing prejudgment measures and other measures for the purpose of preventing the loss of rights as well as conducting

preliminary relief proceedings or fast-track arbitration and collection proceedings in the first instance; **€ 25 million**

The Board of Management also has the right to issue additional statements on behalf of Eneco Groep N.V. within the context of 403 statements - in accordance with standing practice - in particular for the benefit of Eneco Energy Trade B.V. (= declaration / letter of awareness).

ANNEX 5

INFORMATION TO BE INCLUDED IN THE SUPERVISORY BOARD REPORT

The annual Supervisory Board report will include in any event the following information:

- (a) reference to the discussions conducted during the past year of the strategy and the main risks related to the business and the outcome of the Board of Management's assessment of the structure and operation of the internal risk management and control systems as well as any significant changes thereto;
- (b) a specification of the members of the Supervisory Board that were frequently absent from Supervisory Board meetings;
- (c) a statement that the Supervisory Board considers that article 1.3(f) of the Regulations was satisfied and which member of the Supervisory Board, if present, should not be considered to be independent;
- (d) a reference to the manner in which the evaluation of the Supervisory Board, the Committees and the individual members of the Supervisory Board as described in article 8.3 of the Regulations took place;
- (e) the Supervisory Board profile
- (f) a reference to the resolutions of the Supervisory Board pursuant to articles 25.2 and 25.3 of the Regulations, to the extent they are of material importance;
- (g) as regards every Committee: report concerning the performance of its brief; details of its existence, composition, number of meetings held and the main subjects that were discussed;
- (h) the following information concerning each member of the Supervisory Board: (i) gender, (ii) age ; (iii) profession; (iv) primary function; (v) nationality; (vi) ancillary positions to the extent these are relevant for the performance of the duties as member of the Supervisory Board; (vii) moment of the first appointment and current term for which the relevant member of the Supervisory Board was appointed; (viii) securities held in the Company; (ix) details of agreements pursuant to which a benefit is enjoyed upon termination of the Supervisory Board or any other position with the Company;
- (i) the general features of the Remuneration Report concerning the Company's remuneration policy as drawn up by the remuneration/selection and nomination committee. Account is rendered in a transparent manner in these documents concerning the policy conducted and insight in the policy to be conducted is provided;
- (j) account with respect to the diversity objectives.

ANNEX 6

POLICY WITH RESPECT TO THE INDEPENDENCE OF THE EXTERNAL AUDITOR

1. Policy

The Company and its subsidiaries use the services of the external auditor to the extent such does not preclude the independence of the external auditor.

2. Basic principles

The external auditor must be independent within the meaning of Dutch law, including the Audit Firms (Supervision) Act (Wta) and the Regulation regarding the Independence of Accountants in the case of Assurance Engagements (ViO), as well as the applicable regulations of supervisory authorities in the domestic and foreign stock exchanges, such as the SEC regulations, which require that the external auditor must be independent with respect to assurance clients.

The Audit Firms (Supervision) Act (Wta) and the Regulation regarding the Independence of Accountants in the case of Assurance Engagements of the Netherlands Institute of Chartered Accountants (the **NBA Regulations**) include inter alia restrictions with respect to the services the external auditor may offer to the audit client. The external auditor will discuss these conditions and/or any restrictions with the Board of Management in relevant cases and request the Board of Management to place the matter of independence on the agenda of the annual meeting with the Supervisory Board.

The Company expects the external auditor to ensure a sound balance between effectiveness and efficiency, such as audit costs, risk management, independence, quality and reliability.

The audit committee ensures that the external auditor complies with the relevant provisions of the NBA Regulations and the above basic principles towards the Company and, if so desired, requests the external auditor in this connection to provide a further explanation and written statements that the relevant provisions are being complied with.

3. Approval of the activities

All audit activities (including remuneration and conditions) that are performed for the Company by the external auditor must be approved in advance by the Supervisory Board upon recommendation by the audit committee.

4. Activities

A. Audit activities (assurance services)

Audit activities comprise the audit of the annual financial reporting of the Company, the assessment of the interim financial reports to be published, services that are customarily performed by the external auditor in connection with filings and obligations pursuant to legislation and regulations as well as services that can only be provided by an external auditor as such.

5. Rotation of the members of the audit team

The audit committee is charged with the supervision of the dependence risks with respect to the members of the Company's audit team who are involved in the audit on a long-term basis. The audit committee will consult regularly in this connection with the responsible partner of the audit organisation concerning (any) measures that have been implemented by the audit organisation to ensure that the performance of an assurance assignment takes place independently.

6. Appointment of the external auditor

The appointment of the external auditor takes place in accordance with the provisions of article 11 of the Supervisory Board Regulations. If it is decided to engage a different external auditor, such will take place via a tender procedure approved by the audit committee.

7. Regulation concerning the transfer of personnel

The Company will agree policy with the external auditor to limit the transfer of personnel from the Company and its group to the organisation of the external auditor and vice versa, with all relevant legislation and regulations being observed in any event. This policy is subject to the approval of the Supervisory Board.

ANNEX 7

INFORMATION TO BE INCLUDED IN THE REMUNERATION REPORT

The Remuneration Report includes a report concerning the manner in which the remuneration policy was put into practice during the past financial year as well as an overview of the remuneration policy as envisaged by the Supervisory Board for the coming financial year and subsequent years. The Remuneration Report states how the remuneration policy contributes to the Company's long-term objectives. The Remuneration Report presents the overall remuneration of the individual members of the Board of Management distinguished by the various components in a clear manner.

This overview includes in any event the following information:

- (a) a schematic overview of the costs incurred by the Company in the financial year with respect to the remuneration of the members of the Board of Management. The overview distinguishes between the fixed salary, the cash annual bonus, shares allocated (if applicable), options and pension rights and other emoluments. The valuation of the allocated shares (if applicable), options and pension rights takes place in accordance with the standards that apply for annual reporting;
- (b) a statement that the scenario analyses referred to in the Dutch Corporate Governance Code were performed;
- (c) if applicable, for each member of the Board of Management the bandwidth within which the upper and lower limit of the number of conditional shares allocated during the financial year or other remuneration components based on shares can lie at the moment the relevant member of the Board of Management acquires them following realisation of the required performances;
- (d) if applicable, a table that shows for the members of the Board of Management in office as from the end of the financial year for each year in which shares, options and/or other remuneration components based on shares were allocated and that were not yet fully available to the relevant Board of Management member at the start of the financial year: (i) the value and the number of the shares, options and/or other remuneration components based on shares at the moment of allocation; (ii) the current status of the allocated shares, options and/or other remuneration components based on shares: conditional or unconditional and the year in which the vesting period and/or lock-up period ends; (iii) the value and number of the conditional shares, options and other remuneration components based on shares allocated under (i) at the moment the relevant member of the Board of Management acquires ownership thereof (end of the vesting period); and (iv) the value and number of the shares, options and other remuneration components based on shares allocated under (i) at the moment these became freely available to the relevant member of the Board of Management (end of the lock-up period);

- (e) if applicable: the composition of the group of companies whose remuneration policy partly determines the amount and composition of the remuneration of the members of the Board of Management (peer group);
- (f) a description of the performance criteria on which the part of the variable remuneration that is linked to the performance criteria depends, to the extent such is not precluded by sensitivity to competition considerations and a description of the part of the variable remuneration that can be determined by the Supervisory Board on a discretionary basis;
- (g) a summary and account of the methods that will be applied in order to determine whether the performance criteria were satisfied;
- (h) an account of the relationship between the performance criteria that were selected and the strategy objectives that were applied and of the relationship between remuneration and performance both ex ante as ex post;
- (i) applicable pension schemes and the related financing costs; and
- (j) agreed early retirement arrangements for members of the Board of Management.