

Summary of Management Board agreements

In accordance with best practice principle 3.4.2 this overview provides the main elements of the Management Board agreements.

Term

Service agreements with new members of the Management Board are entered into for a period of four years.

Fixed remuneration

The fixed cash remuneration component consists of a base salary including holiday allowance that is set based on the level of responsibility of the Managing Directors. The salaries of the Managing Directors are subject to indexation in accordance with the collective bargaining agreement of the construction industry in the Netherlands. The annual base pay for each Managing Director has been set at EUR 550,000.

Short-term incentive

The variable remuneration component consists of a bonus in the form of a short-term incentive ("STI"). The STI is an annual cash bonus. The objective of the STI is to ensure that the Managing Directors are focused on realising pre-set short-term objectives that are aligned with the Company's strategy and appropriately reflect both quantitative and qualitative criteria. The target and maximum bonus opportunity and the targets pertaining to these are set annually at the discretion of the Supervisory Board (at the proposal of the Remuneration Committee) in accordance with the remuneration policy. As from 2017, the 'at target' short-term incentive is equal to 80% of the annual base pay. The maximum pay-out under the short-term incentive is 100% of the annual base pay.

Management participation plan

Managing Directors are eligible to participate in the Company's long-term management participation plan. Together with a group of over 150 managers, Managing Directors may share in the profits of the Company by holding, through a management investment company, a leveraged profit participating loan, which instrument has been issued by the Company. Participation in the management participation plan is subject to a limited investment by, and the continued employment of the participants with the Company. The management participation plan is intended to drive sustainable performance with due regard of the risk-appetite of the Company and to foster alignment of interests of the participants with shareholders.

The interest on the profit participating loan is dependent on the financial performance of the Company as a whole and is calculated as a percentage of the operational profit before tax. At the end of each performance year, once the financial statements for that year are finalised, the interest payments to the management investment company (and therefore to the participants) are made. At that time, one-third of the entitlement is paid out, whilst the remaining two-thirds is deferred in two equal annual instalments.

Deferred payments can be adjusted downwards, in part or in full, if the Company incurs losses in future years or the management participation plan entitlement over a certain performance year has been based on incorrect data. In addition, good and bad leaver provisions apply. In unforeseen circumstances, the Supervisory Board may adjust or terminate the management participation plan, in whole or in part, without the approval of the participants being required.

Pension and other benefits

Managing Directors are eligible to participate in the Company pension scheme similar to the other employees of the Company in the Netherlands who are not covered by a collective bargaining agreement or industrial pension fund. This includes an additional compensation payment for the pension entitlement relating to the part of the salary that exceeds the amount as established for Dutch tax purposes on which the Company can make a tax deductible contribution to a pension fund, as established from time to time. In addition, Managing Directors are eligible for other pension related benefits, such as old-age and life insurance, as determined by the Supervisory Board from time to time.

Managing Directors are eligible for a range of other emoluments such as the use of a company car, an expense allowance reflective of the position of the Managing Director and a collective health insurance.

Severance

The maximum severance payment applicable to the Managing Directors amounts to one year base pay for the preceding financial year. No severance payment will be awarded if the Managing Director's agreement is terminated early at the initiative of the Managing Director, or in the event of seriously culpable or negligent behaviour on the part of the Managing Director.