

## **Schedule 6 Remuneration and Nomination Committee Charter**

### **1 RESPONSIBILITIES AND COMPOSITION OF THE REMUNERATION AND NOMINATION COMMITTEE**

#### **1.1 Responsibilities**

1.1.1 The Remuneration and Nomination Committee prepares the Board's decision-making (including, if applicable, proposals of the Board for the General Meeting) regarding the determination of the remuneration of individual Directors, including severance payments.

1.1.2 The Remuneration and Nomination Committee submits a proposal to the Board (including, if applicable, proposals of the Board for the General Meeting) concerning the remuneration of each Director. The proposal is drawn up according to the remuneration policy that has been established and in any event covers:

- (a) the objectives of the strategy for the implementation of sustainable long-term value creation within the meaning of Best Practice provision 1.1.1 of the Code;
- (b) the scenario analyses carried out in advance;
- (c) the pay ratios within the Company and the Business;
- (d) the development of the market price of the shares;
- (e) an appropriate ratio between the variable and fixed remuneration components. The variable remuneration component is linked to measurable performance criteria determined in advance, which are predominantly long-term in character;
- (f) if shares are being awarded, the terms and conditions governing this. Shares should be held for at least five years after they are awarded; and
- (g) if share options are being awarded, the terms and conditions governing this and the terms and conditions subject to which the share options can be exercised. Share options may not be exercised during the first three years after they have been awarded.

1.1.3 The Remuneration and Nomination Committee also prepares the Board's decision-making (including, if applicable, proposals of the Board for the General Meeting) regarding:

- (a) the drawing up of selection criteria and appointment procedures for Executive Directors and Non-Executive Directors;
- (b) the periodical assessment of the size and composition of the Board, and the making of proposal for a composition profile of the Board;

- (c) the periodical assessment of the performance of individual Executive Directors and Non-Executive Directors and reporting this to the Board;
- (d) the drawing up of a plan for the succession of Executive Directors and Non-Executive Directors;
- (e) the proposal for appointment and reappointment of Executive Directors and Non-Executive Directors;
- (f) the supervision of the policy of the Board regarding the selection criteria and appointment procedures for senior management; and
- (g) the drawing up of the Company's diversity and inclusion policy for the composition of the Board and a category of employees in managerial positions ("senior management") determined by the Board.

## **1.2 Composition**

- 1.2.1 The Board determines the size of the Remuneration and Nomination Committee, but the Remuneration and Nomination Committee must consist of at least three members.
- 1.2.2 The Board appoints the members of the Remuneration and Nomination Committee.
- 1.2.3 More than half of the members of the Remuneration and Nomination Committee must be independent pursuant to Best Practice provision 2.1.8 of the Code.

## **1.3 Chairman**

- 1.3.1 The Board appoints one of its members as chairman of the Remuneration and Nomination Committee.
- 1.3.2 The Chairman or a former Executive Director may not serve as chairman of the Remuneration and Nomination Committee.

## **2 MEETINGS AND DECISION-MAKING**

- 2.1.1 Clause 5 of these Board rules applies equally to the meetings and decision-making of the Remuneration and Nomination Committee.

## **3 REPORT TO THE BOARD**

- 3.1.1 The Remuneration and Nomination Committee reports on its deliberations and findings to the Board. This report includes information on how the duties of the Remuneration and Nomination Committee were carried out in the financial year, and also reports on the composition of the Remuneration and Nomination Committee, the number of meetings of the Remuneration and Nomination Committee and the main items discussed at those meetings.

3.1.2 The Remuneration and Nomination Committee describes, in a transparent manner, in addition to the matters required by law:

- (a) how the remuneration policy has been implemented in the past financial year;
- (b) how the implementation of the remuneration policy contributes to sustainable long-term value creation;
- (c) how scenario analyses have been taken into consideration;
- (d) the pay ratios within the Company and the Business and, if applicable, any changes in these ratios in comparison with at least five previous financial years;
- (e) in the event that a Director receives variable remuneration, how this remuneration contributes to sustainable long-term value creation, the measurable performance criteria determined in advance on which the variable remuneration depends, and the relationship between the remuneration and performance; and
- (f) in the event that a current or former Director receives a severance payment, the reason for this payment.

3.1.3 The main elements of the agreement of an Executive Director with the Company is published on the Company's website in a transparent overview after the agreement has been concluded, and in any event no later than the date of the notice calling the General Meeting where the appointment of the Executive Director will be proposed.