

**Group Remuneration Policy**

**Athora Netherlands**

**(amendment in January 2022 due to the transfer of all shares in ACTIAM N.V. by Athora Netherlands N.V. to Cardano Risk Management N.V.)**

(January 1, 2021)

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## 1. INTRODUCTION

Athora Netherlands' ambition is to be the most innovative and inspiring employer. The primary objective of this remuneration policy is to enable Athora Netherlands to recruit, retain and motivate employees and to stimulate high performance. The policy aligns with and strengthens Athora Netherlands' strategy and core values. It is prudent, moderate and sustainable and meets the requirements of Athora Netherlands' risk policy and applicable legislation and regulations.

## 2. SCOPE

This Group Remuneration Policy of Athora Netherlands ("**Group Remuneration Policy**") applies to all staff working under the responsibility of Athora Netherlands N.V. ("**Athora Netherlands**") and all of its subsidiaries and branch offices (other than to the members of the supervisory board of Athora Netherlands (the "**Supervisory Board**")).

The Group Remuneration Policy incorporates the requirements which apply to remuneration as included in the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht* or "**FMSA**"), the Commission Delegated Regulation (EU) 2015/35 ("**Solvency II**") and the Guidelines on System of Governance of the European Insurance and Occupational Pensions Authority ("**EIOPA Guidelines**"), as applied to Athora Netherlands and all of its subsidiaries and branches. Additionally:

- with respect to staff working under the responsibility of Zwitterleven PPI N.V. ("**Zwitterleven PPI**"), Part B of the Annex to the Regulation on Sound Remuneration Policies 2017 (*Regeling Beheerst Beloningsbeleid 2017* or "**RBB 2017**") applies.

Next to the Group Remuneration Policy the following policies (the "**Remuneration Policies**") apply:

1. the Remuneration Policy Executive Board Athora Netherlands applies to the members of the executive board of Athora Netherlands (the "**Executive Board**") (Annex 1);
2. the Remuneration Policy for Above-CLA employees applies to employees of Athora Netherlands and its subsidiaries and branches who do not fall under the scope of a collective labour agreement's salary structure, excluding the members of the Supervisory Board and the members of the Executive Board ("**Above-CLA employees**") (Annex 2); and
3. the Variable Remuneration Policy for Selected Employees Athora Netherlands Identified Staff and Non-Identified Staff applies to selected employees, being employees explicitly assigned in writing by the Executive Board to the investment office department ("**Investment Office**"), and such group of employees: the "**Selected Employees**", (Annex 6).

In case of a conflict between any of these specific policies with this Group Remuneration Policy, the specific policies prevail.

## 3. EFFECTIVE DATE

The Group Remuneration Policy will be effective as per January 1, 2021. The Group Remuneration Policy replaces any preceding remuneration policies applicable to Athora Netherlands (such as, but not limited to the former Groepsbeleid Beloning SNS Reaal 2014 and the VIVAT Group Remuneration Policy 2018) insofar it relates to remuneration as of January 1, 2021.

## 4. GOVERNANCE OF THE GROUP REMUNERATION POLICY

### 4.1 Governance framework

#### Introduction

This paragraph sets out the duties and responsibilities of the corporate bodies within Athora Netherlands with respect to this Group Remuneration Policy.

Regarding the governance for the Executive Board, we refer to the Remuneration Policy Executive Board Athora Netherlands ([Annex 1](#)). The other Remuneration Policies may contain rules on governance applicable to the Supervisory Board as well which, in such case, supersede any of the rules on governance set out in this Group Remuneration Policy.

#### Role of the Supervisory Board

The Supervisory Board, being the internal supervisory body of Athora Netherlands, has the authority to approve this Group Remuneration Policy as proposed by the Executive Board and shall supervise its implementation by the Executive Board. This Group Remuneration Policy was established by the Executive Board and approved by the Supervisory Board after, insofar as applicable, fulfilment of any rights of the works council of Athora Netherlands (the “**Works Council**”).

In the context of its supervisory role relating to this Group Remuneration Policy and the implementation and operation of the Remuneration Policies, the Supervisory Board has a number of specific powers and responsibilities, of which some are summarised below:

- (a) supervise the implementation and evaluation by the Executive Board of the Group Remuneration Policy insofar as it relates to Identified Staff (as defined below);
- (b) being responsible for the implementation and evaluation of the Remuneration Policy Executive Board Athora Netherlands ([Annex 1](#)) as adopted by the general meeting of shareholders of Athora Netherlands;
- (c) monitor compliance with the Group Remuneration Policy periodically and at least once a year conduct a central and independent internal assessment to monitor the implementation of the Group Remuneration Policy on compliance with the Group Remuneration Policy and procedures for the remuneration adopted by the Supervisory Board;
- (d) annually discuss the highest variable remuneration paid within the group and monitor that the Executive Board ensures that variable remuneration are kept in line with the Group Remuneration Policy;
- (e) discuss material retention, exit and welcome arrangements and shall ensure that they are in line with the Group Remuneration Policy and are not excessive; and
- (f) other powers, including the setting of methodologies and criteria for identifying Identified Staff as defined below, as well as the setting and adjustment of any remuneration request.

#### Role of the ReNomCo

The remuneration and nomination committee of the Supervisory Board (the “**ReNomCo**”) is responsible for supporting the Supervisory Board in overseeing the design of the Group Remuneration Policy and remuneration practices, their implementation and operation, and the preparation of

decisions on remuneration, including decisions that may have consequences for the risks and risk control of Athora Netherlands which the Supervisory Board has to take.

As such, in the performance of its tasks referred to above, the Supervisory Board is assisted by the ReNomCo which shall provide advice to the Supervisory Board in relation to remuneration matters.

#### Role of the Executive Board

The Executive Board shall implement and evaluate this Group Remuneration Policy as approved by the Supervisory Board in accordance with the provisions of this Group Remuneration Policy.

#### Role of the WGR

In addition, there is a working group remuneration (“**WGR**”) in place comprising of the directors and/or specialists of the HR, legal, financial risk, non financial risk, financial control and audit departments. The WGR participants may provide and will at request provide input on any decision of the Executive Board and/or the Supervisory Board on the following subjects: (i) the determination of the Identified Staff (as defined below) list, (ii) this Group Remuneration Policy and the other Remuneration Policies, (iii) the setting of Key Performance Indicators (“**KPI’s**”), (iv) the processes around variable remuneration and (v) any other material remuneration matters. Athora Netherlands reserves the right to prepare decisions of the Executive Board and Supervisory Board regarding the above mentioned subjects in another way than through the WGR, provided that the input of the HR, legal, financial risk, non financial risk, financial control and audit departments is taken into account.

#### **4.2 Identified Staff**

The following persons are considered to be identified staff (“**Identified Staff**”):

1. persons (i) who are part of the Executive Board or the Supervisory Board or (ii) who effectively run Athora Netherlands or have other key functions or (iii) who fall under other categories of staff whose professional activities have a material impact on Athora Netherlands’ risk profile, are considered Athora Netherlands Identified Staff under this Group Remuneration Policy (“**Athora Netherlands Identified Staff**”); and
2. persons working under the responsibility of Zwitterleven PPI who effectively manage Zwitterleven PPI and fulfill key functions (*sleutelfuncties*) within the meaning of the RBB 2017, as well as other categories of staff whose professional activities have a material impact on the risk profile of Zwitterleven PPI (“**Zwitterleven PPI Identified Staff**”).

Lists of Identified Staff are kept up-to-date by Athora Netherlands’ HR, and will both be adopted at least once a year by the Executive Board and approved by the Supervisory Board. These lists are determined taking into account the criteria as set out above as well as any other criteria that follow from applicable laws and regulation as established from time to time.

Apart from certain specific requirements applicable to variable remuneration, as specified in this Group Remuneration Policy, the Variable Remuneration Policy Selected Employees Athora Netherlands Identified Staff and Non-Identified Staff ([Annex 6](#)), the provisions of this Group Remuneration Policy and any of the other Remuneration Policies apply equally to Identified Staff and staff not qualifying as Identified Staff.

### 4.3 Control Functions

Control functions are departments that are responsible for the control and supervision of operations as well as the risks arising from those operation, and in doing so operate independently from the organisation. Control functions play an active role in drafting, application and monitoring the Group Remuneration Policy. For this reason, officers in control functions are subject to additional rules aimed at safeguarding their independence, in case they are eligible to receive variable remuneration, as set out in the Remuneration Policies, as applicable.

The following functions are considered to be control functions within Athora Netherlands:

- the risk management function;
- the compliance function;
- the internal audit function; and
- the actuarial function (these functions together: the “**Athora Netherlands Control Functions**”, the “**Control Functions**”).

## 5. GROUP REMUNERATION POLICY

### 5.1 Main objectives

This Group Remuneration Policy is based on the following principles:

- It supports Athora Netherlands’ corporate strategy, and is aligned with the mission, vision and values of Athora Netherlands;
- It is compliant with the applicable legal rules and regulations, as set out above;
- It may not threaten Athora Netherlands’ ability to maintain an adequate capital base;
- It takes into account the interests of all stakeholders of Athora Netherlands: customers, employees, shareholders and society;
- It is transparent, easy to understand and simple to execute;
- It is aligned with Athora Netherlands’ ambition to be a social responsible and number one pension provider in the Netherlands;
- It fits the risk profile of Athora Netherlands and of the relevant employee;
- It supports the attraction and retention of qualified employees that fit the job;
- It supports effective governance of remuneration and supervision thereof, and, where relevant, contains measures to prevent a conflict of interest;
- It encourages high team- and company performance; and

- It is gender and age neutral. Jobs are weighted regardless of gender at Athora Netherlands. Men and women with comparable work experience, achievements and job level are given equal pay.<sup>1</sup>

The objective of this Group Remuneration Policy is to recruit and to retain highly qualified staff and to motivate employees of Athora Netherlands to achieve high performance, to provide appropriate remuneration that contributes to the sustainability of Athora Netherlands to all employees. Athora Netherlands ensures long-term value creation and has chosen to use four Sustainable Development Goals (“SDG”) as a guideline for further development of the Corporate Social Responsibility policy in business operations. Pursuant to the SDGs Athora Netherlands’ HR principles for remuneration are aimed at ensuring high performance of the employees of Athora Netherlands and focusses on personal growth of its employees, enabling the customers of Athora Netherlands to benefit of this growth.

Athora Netherlands operates a careful, controlled and sustainable Group Remuneration Policy which is in line with Athora Netherlands’ business and risk management strategy, its risk profile, objectives, risk management practices and the long-term interests and its performance. The Group Remuneration Policy is in accordance with and contributes to solid and effective risk management and does not encourage risk-taking that is in breach of Athora Netherlands’ policies and risk appetite. The Group Remuneration Policy has been drawn up in compliance with existing legislation and regulation and it takes account of the long-term interests of Athora Netherlands and its stakeholders. Athora Netherlands ensures that the Group Remuneration Policy is enforced within Athora Netherlands, its’ branches and subsidiaries.

Athora Netherlands is aware of its position within the broader society and the crucial role of the financial sector in the Netherlands and the importance of creating trust in this sector within society. As such, Athora Netherlands has a strong governance framework in place to ensure that employees are remunerated in a manner that is aligned with the interests of all stakeholders involved. Within this context, Athora Netherlands’ key focus is on fixed remuneration rather than variable remuneration. In order to be able to recruit and retain sufficiently qualified staff for trading, investment, treasury, or asset management activities, the relevant corporate bodies within Athora Netherlands as well as the Works Council consider it important to offer variable remuneration to some limited categories of staff as further set out below. In order to avoid excessive risk taking and being aware of Athora Netherlands’ position within the financial sector and society, it is a conscious choice not to award variable remuneration to these categories of staff at the highest possible levels resulting in an overall bonus cap of 20% for other qualifying staff even though more than 20% may be permissible under certain circumstances in accordance with applicable legislation. When adopting the Group Remuneration Policy and underlying Remuneration Policies, the relevant corporate bodies involved and especially the Supervisory Board liaised with the Works Council, representatives of staff and the Athora Netherlands shareholder in order to establish a Group Remuneration Policy that is supported by all such stakeholders and society in general. Athora Netherlands will continue these dialogues and elaborate on this in their annual reports.

The Group Remuneration Policy is governed by the following restrictions. It is not permitted to:

- make agreements concerning variable remuneration with individual employees which deviate from this Group Remuneration Policy and its Annexes unless such agreements have been approved in writing by the Executive Board and insofar it relates to Above-CLA employees or Identified Staff, approved by the Supervisory Board; and/or

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<sup>1</sup> The abovementioned objectives apply equally to Zwitterleven PPI.

- for the employees to use personal hedging strategies or insurances linked to remuneration and accountability with a view to undermining the risk management effects of the Group Remuneration Policy; and/or
- allocate or pay variable remuneration by means of instruments or methods which facilitate the circumvention of the requirements stated in applicable legislation and regulation.

## **5.2 Third party benchmark assessment**

Market competitiveness of Athora Netherlands' remuneration packages is assessed by using third party benchmark assessments. Given the nature of the business as well as the desire to take account of the interests of various stakeholders, when conducting such third party benchmark assessments, reference will be made to both financial services companies as well as to the general industry. Remuneration packages under this Group Remuneration Policy are in principle based on the median in the market. However, if our market position requests so, Athora Netherlands offers a competitive remuneration package in particular circumstances with higher salaries and/or allowances, based on the results of the relevant third party benchmark assessments.

## **5.3 Performance management**

Performance management is a core business process, in which (i) KPI's are set to align individual KPI's with the long term strategy of the business of Athora Netherlands and to ensure a sustainable and successful business for all its stakeholders and (ii) competences with respect to the individual behaviour of employees will be measured.

KPI's are used to monitor and track progress towards realisation of our strategic goals. As a result, the proposed KPI's are fully aligned to the strategy and operational plan. Athora Netherlands operates a performance management process linked to remuneration to prevent rewarding for failure and to address the long term impact of the profitability of the organisation within the risk appetite framework approved by the Supervisory Board.

The performance management cycle starts every year with setting the KPI's in the first quarter of a financial year, starting with the Executive Board and Above-CLA employees and subsequently the other employees. These KPI's are in line with the company targets and the company's mission, its long term strategy and the aim to ensure a sustainable and successful business for all stakeholders of Athora Netherlands and shall not encourage risk taking that exceeds the risk tolerance limits. The KPI's do not result in incentivizing and/or rewarding excessive risk taking as well as unwanted behaviours relating to market conduct, reputational risks, conflicts of interest, etc. More than 50% of the KPI's are related to non-financial targets. The KPI's are for example related to maintaining customer advocacy (delighted customer score), sound and controlled organisation, sustainability, employee satisfaction, financial KPI's and one or more individual KPI's. The KPI's are defined on the following levels: organisational-, department- and personal. For the Control Functions, insofar as the KPI's are used to determine any Variable Remuneration, the KPI's used shall be independent from the performance of the operational units and areas that are submitted to their control.

Besides KPI's, also competences will be set, covering behavioural aspects of employees: for example their attitude towards change and collaboration (the "How").

## **5.4 Fixed Remuneration elements**

Remuneration may consist of payments as well as other benefits paid by Athora Netherlands, either directly or indirectly, to employees in return for the work carried out by those employees.



The fixed remuneration reflects the employee's relevant work experience and organisational responsibility which may be set out in a job description. The fixed remuneration concerns that part of the total remuneration that consists of unconditional financial or non-financial benefits as set out in this Group Remuneration Policy.

Functions are scaled at a certain level in the function building. This scale is achieved by consulting an independent party that values the job at a certain level. In principle, employees with the same job are placed in the same job scale with the same upper and lower limits.

However, the Executive Board, at its sole discretion, may determine in exceptional cases that the salary of a specific employee exceeds the applicable collective labour agreement (“**CLA**”) salary scale.

In addition, with respect to Above-CLA employees, taking into account the employee's relevant work experience and organizational responsibility and the third party benchmark assessment as referred to in this Group Remuneration Policy, the Executive Board may propose at its sole discretion to increase the fixed annual gross salary of such Above-CLA employees. This increase should be approved by the Supervisory Board, in case the increase is not in line with the applicable Remuneration Policies. The Executive Board may also propose to follow a general increase of the CLA with respect to the increase of the fixed annual gross salary of Above-CLA employees, which increase should be approved by the Supervisory Board.

#### Regular fixed annual remuneration

The fixed annual remuneration consist of a fixed annual gross salary, including holiday allowance of 8% and a 13<sup>th</sup> month payment of 8.33%.

- For the salary scales for employees bound by the CLA, other than Selected Employees, we refer to the applicable CLA.
- For the salary scales of employees bound by the applicable CLA who are Selected Employees, we refer to the ACTIAM salary scales (to be renamed to Asset Management salary scales).
- For the salary scales of Above-CLA employees, we refer to the Appendix of the Remuneration Policy for Above-CLA employees (Annex 2): Salary scales as of 2018 for Above-CLA employees.

#### Allowances

Employees of Athora Netherlands may be entitled to fixed cash allowances such as role based allowances, market value allowances and allowances for employees fulfilling an interim position. Furthermore, Athora Netherlands reserves the right to pay other allowances to its employees, equal to a maximum of 100% of their regular fixed annual remuneration, in line with applicable legislation and in accordance with the applicable governance framework as included in this Group Remuneration Policy. These allowances may be offered to employees for different reasons but should have the following characteristics. They must be: (i) based on predetermined criteria; (ii) non-discretionary reflecting the level of professional experience and seniority of staff; (c) are transparent with respect to the individual amount awarded to the individual staff member; (d) are permanent, i.e. maintained over a period tied to the specific role and organisational responsibilities; (e) are non-revocable; (f) cannot be reduced, suspended or cancelled by Athora Netherlands; (g) do not provide incentives for risk assumption; and (h) do not depend on performance. In case an employee works part-time or if there is a change in the fte worked by a respective employee, the Allowance will be calculated on a pro-rated basis.

### Compensation for cancellation of variable remuneration

All employees of Athora Netherlands that were previously entitled to variable remuneration based on performance, may, at the discretion of the Executive Board, in case of cancellation or a deduction of such variable remuneration opportunity, be entitled to a fixed annual compensation (the “**Compensation**”) as compensation for the cancellation or deduction of their variable remuneration opportunity. This Compensation will be paid on a monthly basis simultaneously with the regular fixed monthly gross salary payment. The Compensation is not pensionable and is not taken into account for the calculation of any other wage components (except for the calculation of severance payments, including the transition fee (*transitievergoeding*)). In case an employee works part-time or if there is a change in the fte worked by a respective employee, the Compensation will be calculated on a pro-rated basis.

### Pension

All employees participate in the same pension scheme of Athora Netherlands which is applicable at the relevant time. The current scheme is a Collective Defined Contribution (“**CDC**”) pension scheme, which is based on a pension accrual including an employee contribution of 4,5%.

For employees who were employed by Athora Netherlands as per December 31, 2017 and with a salary exceeding the maximum pensionable salary for pension accrual, a compensation for the loss of pension accrual is applied. The compensation will consist of a permanent supplement payment as long as a maximum pensionable salary applies. The annual compensation is 16.35% of the fixed annual gross pensionable salary as mentioned in article 17 § 2.6 of the CLA VIVAT 2017 minus the maximum amount for pension accrual referred to in article 18ga of the Wage Tax Act 1964 (2015: € 100,000 gross). Based on a pension accrual of a maximum of € 112,189 gross (2021) a compensation of 16.35 % of the fixed annual salary gross above the maximum pensionable salary applies. The permanent supplement payment is not pensionable and is not taken into account for the calculation of severance payments, including the transition fee (*transitievergoeding*) or any other wage components or benefits. When the legislator changes the annual maximum amount for pension in article 18ga paragraph 1 of the Wage Tax Act 1964, new agreements will be made.

Athora Netherlands does not award discretionary pension.

## **5.5 Variable remuneration**

As of 2018, Athora Netherlands abolished the performance related bonus in the applicable collective labour agreement and abolished variable remuneration for the Above-CLA employees, for the Executive Board of Athora Netherlands based on their performance.

Due to (i) the transfer of asset management / investment activities of ACTIAM to the Investment Office of Athora Netherlands and (ii) market competitiveness and market practices, variable remuneration will be introduced as of 1 January 2021 for the Selected Employees, under the terms and conditions as set out in the Variable Remuneration Policy for Selected Employees Athora Netherlands Identified Staff and Non-Identified Staff (Annex 6). The level of variable remuneration compared to regular fixed annual remuneration for Selected Employees is maximized on 20% in the event of a stretched performance. Selected Employees who are eligible for an award of Variable Remuneration under this Variable Remuneration Policy for Selected Employees will receive a written offer letter on behalf of Athora Netherlands in which the Executive Board confirms their eligibility to participate in this Variable Remuneration Policy for Selected Employees, which may be subject to any conditions as may be set out in such offer letter.

## 5.6 Severance

Athora Netherlands only pays severance in such a way that failure as well as improper conduct are not rewarded, taking into account performance delivered over time.

In principle, if and insofar a severance payment is due to an employee, such payment will be equal to the transitional fee (*transitievergoeding*) within the meaning of article 7:673 of the Dutch Civil Code unless (i) the relevant employee can benefit from a different arrangement as explicitly agreed upon in an applicable social plan or (ii) otherwise determined at the discretion of the Executive Board or, where it relates to Above-CLA employees, Athora Netherlands Identified Staff, the ReNomCo and approved by the Supervisory Board.

No severance payment is due and payable by Athora Netherlands if any of the following applies:

- i. the employment agreement is terminated at the employee's initiative, unless this termination results from seriously culpable conduct or neglect on the part of Athora Netherlands; or
- ii. seriously culpable conduct or neglect by the employee in the performance of the employee's job; or
- iii. failure of Athora Netherlands and/or Zwitterleven PPI, as applicable, if the employee is considered a day-to-day policymaker (*dagelijks beleidsbepaler*) of such entity within the meaning of the FMSA.

Individuals who are considered day-to-day policymakers within the meaning of the FMSA as well as Above CLA-employees may not receive severance payments by Athora Netherlands in excess of 100% of the fixed annual gross salary (including holiday allowance and 13<sup>th</sup> month), except – with respect to Above CLA-employees not qualifying as a day-to-day policymaker – if this follows from the applicable social plan.

## 5.7 Sign-on bonus

Guaranteed variable remuneration is not permitted, except if (a) such is proposed and approved by the Executive Board and, insofar it relates to Above-CLA employees or Identified Staff, approved by the Supervisory Board under extraordinary circumstances and (b) if (i) it concerns the commencement of work under the responsibility of Athora Netherlands or Zwitterleven PPI, as applicable, (ii) at the moment award, the respective employee has not been working longer than one year under the responsibility of Athora Netherlands or Zwitterleven PPI, as applicable, or any of its affiliates, and (iii) Athora Netherlands and/or Zwitterleven PPI, as applicable, has a sound capital base and/or solvency margin.

## 5.8 Retention bonus

Retention bonuses are not permitted, except if (a) such is determined or proposed and approved by the Executive Board and, insofar it relates to Above-CLA employees Identified Staff, approved by the Supervisory Board and (b):

- i. the retention bonus is necessary because of a sustainable change in the organization of Athora Netherlands; and
- ii. the retention bonus is exclusively intended to retain the respective employee of Athora Netherlands; and

- iii. all conditions for the award of variable remuneration as included in applicable laws and regulations have been met, including, insofar as applicable, requirements applicable to Identified Staff, including the requirement to maintain a sound capital base and any additional requirements that apply to Zwitterleven PPI, as applicable.

Athora Netherlands can only award variable remuneration that exceeds the applicable bonus caps of article 1:121 FMSA if (a) such is proposed or determined by the Executive Board and, insofar it relates to Above-CLA employees, or Identified Staff, approved by the Supervisory Board and (b):

- i. all conditions for a retention bonus as set forth under i. up to and including iii. above have been met; and
- ii. the award of the retention bonus including any other variable remuneration awarded to the respective employee does not exceed 100% of fixed annual gross salary (which may be 200% in case shareholder's approval has been obtained as required by article 1:122(1)(c) FMSA); and
- iii. the relevant supervisory authority, as far as required under the law, has agreed in writing with the award of the retention bonus.

### **5.9 Hold back**

Athora Netherlands is authorised to adjust 100% of the conditional variable remuneration awarded to or previously allocated to a current or former employee of Athora Netherlands, including but not limited to any variable remuneration paid by Athora Netherlands, if any, cash as well as instruments, and also including the severance payments agreed between Athora Netherlands and the employee in question to an appropriate value if payment of the variable remuneration were to be unacceptable with regard to standards of reasonableness and fairness, that is, provided that:

- i. This is justified by the results of the reassessment of the variable remuneration;
- ii. It has proof or a strong suspicion of incorrect conduct, fraudulent actions or material errors (incompetence) on the part of the employee in question, for example conduct that is not in line with the internal code of conduct, compliance, guidelines or core values, or if the person in question was responsible for practices which have led to a substantial worsening of Athora Netherlands' and/or Zwitterleven PPI's, as applicable, financial position;
- iii. There is a significant (expected) decline in financial performance, or a significant breakdown in risk management, within Athora Netherlands and/or Zwitterleven PPI, as applicable, and/or within the unit in which the employee works, which throws a different light on the circumstances as they were assessed at the time when the variable remuneration in question was allocated; or
- iv. There are changes in legislation and regulations which have a significantly negative effect on the financial position of Athora Netherlands and/or Zwitterleven PPI, as applicable.

### **5.10 Claw back**

Athora Netherlands has the power to claw back all or part of any variable remuneration awarded to any current or former employee including but not limited to any variable remuneration paid by Athora Netherlands, paid in cash as well in instruments, if:

1. such variable remuneration was awarded on the basis of incorrect information about the achievement of targets or the occurrence of circumstances that were a precondition for the variable pay to be awarded; or
2. Athora Netherlands has proof or a strong suspicion of incorrect conduct, fraudulent actions or material errors (incompetence) on the part of the employee in question, for example conduct that is not in line with the internal code of conduct, compliance, guidelines or core values, or if the person in question was responsible for practices which have led to a substantial worsening of Athora Netherlands' and/or Zwitterleven PPI's, as applicable, financial position.

This clawback may relate both to the immediately payable portion of the variable remuneration and to the deferred portion. Any tax consequences of the clawback of variable remuneration will be borne by the employee concerned.

#### **5.11 Remuneration external staff**

Athora Netherlands uses external staff ("**External Staff**") at times, for instance to accommodate peak loads and/or to avail itself of their specific expertise.

Athora Netherlands pays External Staff on the basis of an hourly, weekly or monthly rate or of fixed remuneration linked to the project/task in question. Please note that 21% BTW will be added to the rate which cannot be deducted as advanced tax deduction by Athora Netherlands.

External Staff does not qualify for the fringe benefits offered by Athora Netherlands and will not be paid any variable remuneration, sign-on or retention bonuses as referred to in the abovementioned paragraphs.

#### **6. DEVIATIONS**

No deviations from the Group Remuneration Policy are permitted unless explicitly approved by the Executive Board and, insofar it relates to the Above-CLA employees or Identified Staff, by the Supervisory Board in accordance with Athora Netherlands' governance framework.