



# **Remuneration policy managementboard Vion Holding N.V.**

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## **1 INTRODUCTION**

The remuneration policy for the management board of Vion Holding N.V. (Vion) has been established by the supervisory board on 20 January 2017 and was approved by the general meeting of shareholders on 13 February 2017.

The remuneration policy is aligned with the strategy and core values of Vion, and takes into consideration the interests of shareholders, customers, employees as well as the 'wider environment'.

The supervisory board has verified that the remuneration structure within the company has been considered during the design and implementation of the remuneration policy and that possible outcomes of the variable remuneration elements for total remuneration of individual managers have been analyzed and have been determined on the basis of scenario analyses.

Furthermore, during the determination of the level and structure of the remuneration, the financial and non-financial performance of the company have, among others, been considered including the risks to the company.

The remuneration policy can be found on the company website Vion ([www.vionfood.com](http://www.vionfood.com)).



## **2 LABOUR MARKET REFERENCE GROUP**

The level and composition of the remuneration package is determined on the basis of the Dutch labour market. Point of reference for the policy level of the remuneration package is the median of the labour market peer group. The points of reference in the market and the choice of the median are purely a policy reference; these are not an automatic link.

The total remuneration is periodically checked against a reference group consisting of a combination of European competitors and larger Dutch cooperatives, supplemented with European enterprises which are comparable in terms of size and/or complexity. This reference group consists of, among others, Arla Foods, Tönnies Fleischwerk, Cranswick, Danish Crown, Friesland Campina, Westfleisch and AVEBE.



### 3 REMUNERATION COMPONENTS

The table below provides an overview of the remuneration components for members of the management board (including, among others, payment levels and - if applicable - performance criteria).

#### Remuneration components members of the management board

Type of remuneration	Remuneration element	Performance period and criteria	Paymentlevel
Fixed	1. Base salary	Period: 09 2018	CEO: € 800.000 CFO: € 500.000
	2. Pension arrangement		- Employer contribution of pension premium in accordance with company pension scheme (6% of the pensionable salary); - Supplementary pension allowance equal to 20% of the part of the base annual salary exceeding the maximum pensionable salary.
Variable	3. Short-term incentive	Period: 1 year Performance criteria: - Financial objectives - Individual objectives	On target: 50% of the base salary Maximum: 67.5% of the base salary

#### 3.1.1 Base salary

The level of the base salary is determined in accordance with the remuneration policy on the basis of the labour market peer group, periodically checked against market data obtained with the help of an external advisor.

#### 3.1.2 Pension scheme

The members of the management board are included in the pension scheme of Vion N.V. The pension accrual takes place on the basis of an available premium scheme on the base annual salary up to the maximum pensionable salary<sup>1</sup>. The pensionable age is 68.

Apart from that, the members of the management board annually receive a gross supplementary pension allowance equal to 20% of the part of the base annual salary exceeding the maximum pensionable salary.

<sup>1</sup> 2018: EUR 105.075,-



### *3.1.3 Short term incentive*

Regarding the target performance, the supervisory board defines financial and non-financial objectives which must be achieved before the variable short-term incentive can be paid out.

Regarding the individual objectives, a quantitative and/or qualitative assessment is made (depending on the specific objective), while the determination of the financial objectives is done entirely quantitatively. The external auditor is involved in the final determination of the variable short-term incentive and ensures that the procedures drawn up for this are correctly carried out. The objectives regarding the individual performance are directly derived from Vion's strategic agenda and are in line with the objectives which have been defined for the company as a whole.

The supervisory board ascertains that the short-term incentive is structured in such a manner that improper risk taking is not supported. The supervisory board has the authority to adjust the payment level if extraordinary circumstances occurred during the performance period. The supervisory board also has the authority to reclaim the short-term incentive if it has been granted on the basis of incorrect (financial) data ('claw back clause').



#### 4 OTHER CONDITIONS

The table below gives a summary of the duration of the employment contracts, the appointment period and the severance payments of the members of the management board.

<b>Member of the management board</b>	<b>Duration of contract</b>	<b>Duration of appointment</b>	<b>Notice period Vion</b>	<b>Severance payment</b>
R. Lotgerink	Indefinite	Indefinite	6 months	1 year
J. Sliepenbeek	Indefinite	Indefinite	6 months	1 year

Regarding secondary employment conditions, a package in line with market practice is offered (including telephone, car, reimbursement of expenses).

No loans, advances or guarantees are granted to members of the management board.

Additional functions must explicitly be approved by the chairman of the supervisory board prior to acceptance.