

# REMUNERATION REPORT 2020

## 1. INTRODUCTION

In this Remuneration Report, the Supervisory Board (RvT) of the HZ reports on the manner in which its Remuneration Policy was implemented in 2020. This report is prepared in consultation with the Remuneration Committee of the HZ, consisting of Mr. Drs. A.J.G. Poppelaars, Ms. Dr. S.M. Menendez and Mr. eng. J. Kloet.

## 2. FOUNDATIONS OF REMUNERATION POLICY

The RvT gives implementation to and ensures the correct application of the Wet Normering Topinkomens (WNT, Regulation of Top Incomes Act) within the HZ. In particular, the RvT does this with a view to its role as employer of the Executive Board.

## 3. COMPOSITION CVB AND IMPLEMENTATION REMUNERATION POLICY

The Executive Board (CvB) is the competent authority of the HZ. That is to say, the governance of the HZ as a whole is in the hands

of the CvB. In 2020, the composition of the CvB of the HZ and the implementation of the Remuneration Policy (in main lines) was as follows. Since 01-01-2019, Mr. J.L. Dane MSc BA is chairperson and also the only member of the CvB. Mr. Dane was appointed for a period of four years. His remuneration for 2019 was € 164,750.00 per annum. This amount is based on a remuneration of €161,000.00 from 1 January 2020 until 1 August 2020 and €170.000,00 for 1 August 2020 until 1 January 2021.

## 4. CLASSIFICATION WNT AND REMUNERATION 2020

For the calculation of the maximum remuneration of the senior executives of HZ (and thereby the determination of the remuneration classification), the number of complexity points of HZ was determined. The outcome of this calculation is that the remuneration of the CvB chairperson of HZ must conform to class E and therefore a maximum of € 170,000 .

At HZ, Mr. Dane, chairperson of the CvB, is the only senior executive within the meaning of the WNT. He received the following remuneration over 2020 (these details will be recorded in the annual statement for 2020):

Amounts x € 1	J.L. Dane, chairperson CvB
Function details	
Performance of the function in 2020	01/01 – 31/12
Scope of employment (in fte) Former senior executive?	1.0
(Fictitious) Employment?	No
	Yes
<b>Individual applicable maximum for the relevant period</b>	170,000
Remuneration plus taxable compensation for expenses	
	143,934
Taxable compensation for expenses	
	-
Benefits payable in future	
	20,816
Free section	
	-
<b>Subtotal</b>	164,750
-/- Undue payment	
	-

**Total remuneration**

**164,750**

Reason the excess was or was not permitted

N/A

Mr. Dane does not receive compensation for his commissionership at The Workzone BV (100% subsidiary of HZ holding BV, of which the Stichting HZ owns 100% of the shares).

## **5. FUNCTIONING EXECUTIVE BOARD AND OUTLOOK**

### **Assessment Executive Board**

In the RvT it has been agreed that the Remuneration Committee shall annually assess the functioning of the chairperson of the CvB.

In that regard, the following agreements were made in the RvT:

1. The evaluation shall take place in the middle of 2020 (August, September);
2. The agreements made between Mr. Dane and the RvT concerning the performance of the HZ and the contribution to that performance by Mr. Dane as manager will be taken into consideration in the evaluation;
3. In the evaluation, the points of attention derived from the assessment, taken within the framework of the recruitment process undergone by Mr. Dane will also be considered;
4. The members of the Remuneration Committee organise interviews with representatives from the HZ organisation to arrive at a comprehensive image of the functioning of Mr. Dane.

Due to the corona measures, the organising of aforementioned interviews has proven difficult. On 26 August 2020, an evaluation interview took place between the members of the Remuneration Committee and the chairperson of the CvB, Mr. Dane.

During the evaluation interview, the focus was on the personal functioning of Mr. Dane, with the following points of attention: how is he managing the director of operations and the domain directors (including in the area of education), the workload, the type of leadership, and the personal development. In addition, the progress with regard to planning agreements of Mr. Dane as of April 2019 were discussed and updated. The Remuneration Committee has a good all-round impression about the functioning of Mr. Dane and has submitted a report about this to the RvT, containing the following advice:

1. To adopt the positive findings of the Remuneration Committee concerning the function of Mr. Dane; 2. In consequence of this, to determine the full remuneration of Mr. Dane as follows:
  - a. His salary as of 1 August 2020 is €170,000.00 per year for a full-time appointment, in accordance with WNT salary classification E;
  - b. A safety margin of €500.00 per year shall be observed, which means that the actual remuneration is € 500.00 less than the maximum for class E. If the safety margin is not or not entirely used, the unused share shall be paid out as salary.

In the meeting of the RvT of 7 September 2020, the evaluation of Mr. Dane on the above advice was clarified by the members of the Remuneration Committee. After discussion, the RvT has indicated it is satisfied about the functioning and the efforts of Mr. Dane. As a result of that, the RvT has decided to adopt the advice of the Remuneration Committee.

### **Changes WNT 2021 and consequences for the CvB**

For 2021, the total maximum WNT remuneration (education class E) was increased to € 177,000.00. Any possible impact of this increase (of €7,000.00) for the chairperson of the CvB was discussed by the Remuneration Committee on 7 December 2020. In the subsequent RvT - CvB meeting of 7 December, the Remuneration Committee made the recommendation to the RvT that the chairperson of the CvB be awarded a remuneration that equates to aforementioned maximum for class E, being €177,000.00, as of the commencement date of 1 January 2021. The RvT has adopted this recommendation.

### **Looking Ahead**

The chairperson of the CvB has spoken with the Remuneration Committee and the RvT about a possible extension of the appointment as chairperson. Mr. Dane expressed the desire to, after his present appointment, be able to continue to function as chairperson of the CvB at HZ. To this end, a change or a renewal of his current appointment is required. The RvT

has decided that, in principle, it wishes to give its cooperation for this. At the latest on 31 December 2021, the RvT shall decide whether, and if so under what conditions, the appointment of Mr. Dane can be continued as from 1 January 2023.