

*The Supervisory Board set up will perform its duties in accordance with the articles of association and these regulations.*

## **SUPERVISORY BOARD REGULATIONS Coöperatie PricewaterhouseCoopers Nederland U.A.**

THESE REGULATIONS have been adopted by the General Meeting of the Cooperative at the recommendation of the Supervisory Board of Coöperatie PricewaterhouseCoopers Nederland U.A.

### **Article 1.**

#### **Status and content of the rules**

- 1.1 The capitalised terms in these Regulations have the meaning assigned to them in the glossary included in these Regulations.
- 1.2 These Regulations have been drawn up on the basis of Article 20.14 of the Cooperative's articles of association, and serve as an addition to the rules and provisions that apply from time to time to the Supervisory Board on the basis of applicable Dutch law, the Cooperative's articles of association and the quality standards applicable within the network of PwC member firms.
- 1.3 In the event that these Regulations are contrary to the aforementioned rules or the Cooperative's articles of association, the latter will prevail. The rules will prevail in the event these Regulations are compatible with the articles of association but contrary to the aforementioned rules.

If one of the provisions of these Regulations is not or is no longer valid, such invalidity will not affect the validity of the other provisions. The General Meeting, on the proposal of the Supervisory Board, will replace the invalid provisions with valid provisions whose effect, given the content and purport thereof, is as similar as possible to that of the invalid provisions.

- 1.4 The following annexes form part of these Regulations:  
**Annex A:** the glossary.  
**Annex B:** the profile of the size and composition of the Supervisory Board.  
**Annex C:** the retirement schedule for members.  
**Annex D:** the Audit Committee Regulations.  
**Annex E:** the Remuneration Committee Regulations.  
**Annex F:** the Selection and Appointment Committee Regulations.  
**Annex G:** the Public Interest Committee Regulations.
- 1.5 These Regulations contain the division of duties and the procedure of the Supervisory Board and have been drawn up while also taking account of the regulations for the Supervisory Board that apply to the Dutch network organisations within which an audit firm operates, which holds a licence for the performance of audits of public interest entities.
- 1.6 These Regulations have been published on, and can be downloaded from, the Cooperative's website: <https://www.pwc.nl/nl/onze-organisatie/raad-van-commissarissen.html>.

### **Article 2.**

#### **Task of the Supervisory Board.**

- 2.1 The task of the Supervisory Board is to supervise the policy of the Management Board and the general course of affairs concerning the Cooperative and business affiliated with it. Pursuant to Article 22a Wta and the explanatory memorandum thereto, this expressly also includes the Audit Firm. In addition, the Supervisory Board issues advice to the Management Board.
  - 2.1.1 When performing its supervisory task, the Supervisory Board acts in the interest of the Cooperative and group of parties connected with its business, as well as in the public

interest. This supervision also covers the policy and the course of affairs in legal entities in the group, of which the Cooperative is the head, which legal entities inter alia provide services in the field of accountancy, tax and legal advice and consultancy; in this connection the Supervisory Board takes into account the interests of the parties involved in the Cooperative (including the members of the Cooperative).

- 2.1.2 The Supervisory Board also takes into account the social aspects of doing business that are relevant to the business, including the system of quality control of the Audit Firm and independence. When doing so, it ensures that the adverse effects of a conflict of interest (both corporate and private) within the Cooperative and its business are sufficiently limited and conflicts of interests are prevented as much as possible.
  - 2.1.3 When performing its supervisory task, the Supervisory Board devotes special attention to organisation-wide aspects that are of influence on the quality of the audit, the independence, the integrity and the interests of external stakeholders in the audit.
- 2.2 The task of the Supervisory Board furthermore includes:

*General*

- a. Supervising, controlling (in advance or otherwise), and advising the Management Board regarding:
  - (i) the realisation of the objects of the Cooperative,
  - (ii) the development of a vision for the long-term value creation of the Cooperative and the enterprise affiliated with it, as well as the enterprises of the legal entities that are connected with the Cooperative in a group of which the Cooperative is the head,
  - (iii) the formulation and implementation of a strategy for the realization of that vision, taking into account the principal risks associated with the business activities, activities of the aforementioned enterprises;
  - (iv) the design and operation of the internal risk management and control systems of the Cooperative and the integrity and quality of the financial reporting,
  - (v) the financial reporting process, including the process with respect to the drawing up and adopting of business plans, annual plans and budgets for the Cooperative,
  - (vi) the sale or liquidation of the material equity interests, participations or business units held by the Cooperative,
  - (vii) the social aspects of doing business that are relevant to the business, including in particular the guaranteeing of the public interest with respect to the audits,
  - (viii) the relationship with members,
  - (ix) compliance with laws and legislation.

*Annual accounts and accountant*

- b. Co-signing the annual accounts, and monitoring the timely provision for inspection of the annual accounts and the annual report, as well as approving the annual budget and important capital investments made by the Cooperative.
- c. With due consideration of the advice issued by the Audit Committee, selecting and recommending for appointment the external auditor of the Cooperative to the General Meeting, and approving – upon recommendation by the Audit Committee – the fee and the assignment to perform the activities by the Cooperative's external auditor. When the Supervisory Board grants this assignment, attention is paid to the scope of the audit, the materiality to be handled and the fee of the audit.
- d. Maintaining regular contacts with the external auditor, as well as supervising the external auditor and informing the external auditor about the reports about his/her functioning.

*Selection and appointment policy and appointment*

- e. The Supervisory Board sets up a diversity policy for the composition of the Management Board and the Supervisory Board. The policy addresses the concrete objectives with regard to diversity and the aspects of diversity relevant to the Cooperative, such as nationality, age, gender and background regarding education and professional and/or occupational experience.
- f. The Supervisory Board approves the selection and appointment policy to be adopted by the General Meeting within the boundaries set out below, and monitors the correct implementation thereof.  
This also comprises:
- g. *Supervisory Board*  
Selecting and recommending for appointment - on the advice of the Selection and Appointment Committee - the members of the Supervisory Board (see Articles 3, 4 and 5 of these Regulations).
- h. *Compliance Officer*  
Approving the appointment, assessment, suspension and/or dismissal of the Compliance Officer (see also Article 12.2 of these Regulations).
- i. *Management Board*  
Selecting candidates for appointment to the Management Board on the basis of the profile created by the Supervisory Board, and making a binding recommendation to the General Meeting to appoint the member or members of the Management Board, which appointment will not take place until after the AFM has determined and confirmed that the relevant persons are suited and reliable.

The Supervisory Board furthermore has the right at all times to suspend and dismiss each director.

At least annually, ancillary positions of the members of the Management Board are discussed at the meeting of the Supervisory Board. The acceptance of a position in the supervisory board by a director requires the approval of the Supervisory Board pursuant to Article 2.4.2 of the Code.

- j. *Persons who act as external auditor*  
Approving the selection of those who work or will work as external auditor within the Audit Firm.
- As regards its deliberations, the Supervisory Board takes into account:
    - the results of regular measurements regarding the culture and the conduct;
    - actions in connection therewith further approved or to be approved by the Supervisory Board;
    - the outcome at the individual level of the relevant candidate;
    - relevant quality aspects (for example the curriculum that has been followed) within the promotion policy for employees of the audit practice.

Substantiated resolutions of the Management Board concerning the suspension and/or dismissal of an external accountant working for the Audit Firm, or the suspension of or termination of the Partner Agreement with the Partner who works as external auditor within the Audit Firm are also subject to the approval of the Supervisory Board.

The Supervisory Board also approves the maintenance or cancellation of the authority to sign of a Partner that works as external auditor within the Audit Firm, in respect of which a need for a quality improvement has been identified at any time and that has drawn up an improvement plan in consultation with the Compliance Officer and the management board member who is responsible for quality.

*Remuneration policy and remuneration*

- k. The Supervisory Board approves or makes a proposal for the remuneration policy to be adopted by the General Meeting, and monitors the correct implementation thereof.

This also comprises:

- l. *Supervisory Board*  
Submitting a motion to the General Meeting concerning the remuneration of the members and chairperson of the Supervisory Board (see Article 7 of these Regulations).
- m. *Management Board*
- Making a proposal for the remuneration policy for the Management Board to be adopted by the General Meeting.
  - Determining the remuneration of the members of the Management Board pursuant to Principle 3.2 of the Code.  
This also includes that the members of the Management Board receive a remuneration
    - that does not directly relate to the profitability of the Cooperative in the relevant financial year and
    - which consists of at most 20% of a variable part that is based on realising the long-term objectives determined by the Supervisory Board, which are in line with the social function of the PwC NL organisation (including the quality of the audit) and the specific responsibility in this connection of the relevant member of the Management Board;
  - formulating starting points for the manner in which members of the Management Board spend their time on management duties and other responsibilities, and monitoring the compliance therewith. The Supervisory Board renders account in respect thereof in its report (see also Article 2.3 of these Regulations).
- n. *Board of Directors of Audit Firm*  
Making a proposal for the remuneration policy of the board of directors of the Audit Firm and determining the remuneration of the board of directors of the Audit Firm.<sup>1</sup>
- o. *Partners*  
Approving the remuneration policy for those who conduct their profession on the basis of a Partner Agreement (Partners), which policy is to be adopted by the General Meeting.
- As regards the remuneration of the Partners who act as external accountant within the Audit Firm, the Supervisory Board expressly takes into consideration
- weighing the quality and the manner in which part of the remuneration that the Partners receive pursuant to their connection with PwC NL is paid to improve quality,
  - including any withholding from the remuneration (including the claw back scheme) and
  - the expenditure of those payments on measures to improve quality.
- p. *Employees*  
Approving the remuneration policy for those with an employment contract (employees), which policy is to be adopted by the Management Board.

*Other duties concerning quality*

- q. Approving the quality control system and monitoring compliance with that system.

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<sup>1</sup> Article 34<sup>e</sup> paragraphs 1 and 2 Bta

This system also includes the work plan to be drawn up by the internal auditor and to be approved in advance by the Management Board. In that, the Supervisory Board also takes note of the most important discussion points between the external auditor and the management board in connection with the draft management letter or the draft audit report.

- r. Maintaining contact with external supervisors, including the AFM. This contact takes place via the chairperson of the Supervisory Board. A meeting between the Supervisory Board and the AFM takes place once a year, which meeting is not attended by the Management Board. The content of this meeting focuses on the Audit Firm.
- s. Approving the investment policy that applies to Partners in their private capacity, within the boundaries of the Code of Conduct.
- t. Performing the annual evaluation with the Management Board and the Compliance Officer with a view to (the improvement of) quality,
  - o to establish if there are sufficient guarantees to prevent cases such as those that were submitted to the Accountancy Division during the previous period,
  - o to establish whether measures are required pursuant to the information received during that year concerning the performance of accountants, the lessons learned from public proceedings and the findings of the AFM, the Accountancy Division, the Peer Review Board, the research institute and other parties, and
  - o to establish, in the event that measures are required pursuant to the lessons learned, what those measures are/should be.
- u. Annually evaluating and assessing - outside of the presence of the Management Board - the performance of the Management Board and of its individual members, and the conclusions that should be attached thereto.
- v. Evaluating and assessing the performance of the Supervisory Board and of its individual members (including an assessment of the desired profile, composition and expertise of the Supervisory Board, its committees and the effectiveness of the introduction, education and training programme) and the conclusions that should be attached thereto, as well as evaluating and assessing issues that happened in practice from which lessons can be drawn. If required, the Supervisory Board can engage an (external) expert for this evaluation and assessment.
- w. Handling, consulting on and rendering a decision as regards (potential) direct conflicts of interest between the Cooperative and its affiliated Cooperative reported to the Supervisory Board, on the one hand, and the members of the Management Board, the Supervisory Board and (groups of) Partners, on the other hand.
- x. Discussing, considering and deciding on complaints or reports of a (possible) suspicion of corporate abuse regarding the Management Board or its members.

Supervising the operation of the reporting procedure of (suspected) misconduct and irregularities, appropriate and independent investigation into signs of misconduct and irregularities and, if any misconduct or irregularity has been detected, an adequate follow-up on any recommendations for remedial actions;  
and

initiating an independent investigation into signals of misconduct and irregularities, in cases in which the Management Board itself is involved, and coordinating that investigation.
- y. Discussing, at least once a year, the complaint and reporting procedure and the performance thereof, as well as the subjects referred to in this Article 2.2 of the Regulations under a(iii), a(iv), a(vii) and under u and v.
- z. Approving such board resolutions as determined by the Supervisory Board in specifically described resolutions and notified to the Management Board.

### *Supervisory Board report*

- 23 Each year, after the financial year has ended, the Supervisory Board will draw up a report concerning the performance and activities of the Supervisory Board and its committees during the relevant financial year.

The report includes in any event:

- 2.3.1 an account of how the Supervisory Board carried out its role on the basis of each of the duties and responsibilities of Supervisory Board, the procedures that were followed, the main substantive findings, the debates and the decision-making of the Supervisory Board;
- 2.3.2 the manner in which the evaluation of the Supervisory Board, the separate committees and the individual supervisory board members was performed, as referred to in Article 2.2(v) and how the evaluation of the Management Board and its individual members took place, as stated in Article 2.2 sub u. and how follow-up has been or will be given to the conclusions of the evaluation.
- 2.3.3 The composition of the committees of the Supervisory Board formed on the basis of Article 6 of these Regulations, the number of meetings of the relevant committees, and the main subjects that were handled by those committees.
- 2.3.4 The attendance rate of the individual members of the Supervisory Board at meetings of the Supervisory Board.

also including

- 2.3.5 the information referred to in Article 2.2. (m), Article 2.2(y) concerning Article 2.2 (a)(iii), (iv), and (v), Article 3.3, Article 3.6, Article 3.9, Article 9.2, Article 11, Article 10.3 and Article 16.1 of these Regulations.

This Supervisory Board report is included in the Cooperative's annual report and the Audit Firm's transparency report.

### **Article 3.**

#### **Composition, expertise and independence of the Supervisory Board**

- 3.1 The Supervisory Board consists of at least five natural persons who, with the exception of at most one person, are independent from the Cooperative, from the persons who determine the daily policy of the Cooperative and from the persons who have voting rights in the Cooperative.
- 3.2 The Supervisory Board creates a profile of its composition, taking into account the nature, scope and complexity of the business. In this connection, it also takes account of its activities, the desired expertise, experience and independence of its members. The profile also deals with aspects of diversity in the composition of the Supervisory Board, which aspects are relevant to the Cooperative. This concerns, inter alia, diversity with respect to gender and age, and with reference to the specific objective pursued by the Supervisory Board as regards diversity. The Supervisory Board evaluates the profile each year. The current profile of the Supervisory Board is shown in **Annex B** to these Regulations and will be placed on the website <https://www.pwc.nl/nl/onze-organisatie/raad-van-commissarissen.html>
- 3.3 If the profile of the Supervisory Board deviates from the desired profile, the Supervisory Board will render account in respect thereof in the Supervisory Board report and it will also indicate in what term it expects to be able to comply with the profile.
- 3.4 The composition of the Supervisory Board will be such that the combination of the experience, expertise, diversity and independence of its members complies with the profile set out in **Annex B** and best enables the Supervisory Board to comply with its various obligations

towards the Cooperative and the parties involved in the Cooperative, in accordance with the applicable legislation and regulations, with familiarity with the socio-economic and political culture and social environment of the markets on which the business operates, and with due consideration of the relevant social aspects of doing business, including the quality of audits and independence.

The mutual division of duties between the members of the Supervisory Board follows from the profile set out in **Annex B**.

- 3.5 Pursuant to Principle 2.1 of the Code, the following requirements must be complied with when composing the Supervisory Board so that it can perform its duties properly:
- a. Each member must be able to assess the main features of the overall policy of the Cooperative and its business and be able to form a well-considered and independent opinion concerning the risks that are run in that connection, and each member must have adequate knowledge of the social functions of the business and the interests of all parties involved in the business;
  - b. Each of its members must comply with the profile set out in **Annex B** and, by means of his/her participation in the Supervisory Board (in the case of (re)appointment and thereafter), the Supervisory Board as a whole must be composed in accordance with Article 3.4;
  - c. Each of its members - with the exception of the one member from the network of the PwC member firms - must be independent as referred to in Article 3.6;
  - d. each of its members has at least basic knowledge of the products, services and markets on which the Dutch network of the Audit Firm operates, including the most important independence rules for the audit firms;
  - e. Each of its members must be sufficiently available and accessible to properly perform his/her duties within the Supervisory Board and/or the Committees on which he/she has a seat.
- 3.6 A member of the Supervisory Board will not be considered to be independent if he/she, or his/her spouse, registered partner or other life partner, stepchild or relation by blood or affinity, to the second degree:
- a. in the five years before the appointment was an employee or a member of the Management Board or director within the group of the Cooperative, or who has been granted the title "partner" within the group of the Cooperative;
  - b. in the five years before the appointment as member of the Supervisory Board receives a personal financial compensation from the Cooperative or from a group Cooperative of the Cooperative, other than by way of a compensation for activities performed as supervisory board member, and to the extent it is not in line with the normal conduct of the business;
  - c. during the year prior to the appointment as supervisory board member had an important business relation with the Cooperative or a Cooperative affiliated with it. This includes in any event cases in which a supervisory board member or a firm of which he/she is a shareholder, partner, employee or advisor, has acted as advisor to PwC NL (consultant, external auditor, civil-law notary or lawyer) and cases in which the supervisory board member is a director or employee of a banking institution with which the Cooperative maintains a sustained and significant relationship;
  - d. is a management board member of a Cooperative at which a member of the Management Board of the Cooperative is a supervisory board member (interconnections);
  - e. is a director or supervisory board member or otherwise represents a legal entity that holds at least ten percent of the voting rights in the Cooperative, unless it concerns group companies;
  - f. was temporarily charged with the management of the Cooperative in the absence or inability to act of the members of the Management Board during the previous twelve months;
  - g. has direct or close family or other relations with a Partner.
  - h. is the supervisory board member, director or supervising authority at an assurance client and/or has a position at an assurance client in which meaningful influence can be exerted on the assurance object;
  - i. does not meet the other provisions of PwC NL's independence policy for supervisory board members.

The provisions hereinabove under a. and b. do not apply to any one member coming from the network of PwC member firms.

- 3.7 The Supervisory Board will declare in the Supervisory Board report that it is of the opinion that the provisions of Article 3.5(c) have been complied with. The Supervisory Board will also indicate therein what supervisory board members it may consider to be not independent.
- 3.8 Furthermore, each member of the Supervisory Board will comply with the applicable rules on independence, which includes in any event the Dutch ViO (Regulation regarding independence of auditors involved in assurance assignments) as well as the applicable foreign rules on independence, such as the SEC auditor independence requirements and PwC's internal rules on independence. The NL Compliance & Independence Office will check this against the conditions for each (future) supervisory board member, in the manner described in the Profile set out in **Annex B**.
- 3.9 Each member of the Supervisory Board is obliged to provide the chairperson of the Supervisory Board with the information required to determine and, if applicable, to keep a record of his/her:
- a. gender;
  - b. age;
  - c. profession;
  - d. principal position;
  - e. nationality;
  - f. ancillary positions insofar as these are relevant for the performance of the duties as a member of the Supervisory Board.
  - g. the time of the first appointment;
  - h. the current term for which he/she has been appointed.

The chairperson ensures that this information is published in the Supervisory Board report.

- 3.10 As regards point f as referred to in Article 3.9, members of the Supervisory Board are obliged to inform the chairperson of the Supervisory Board prior to their acceptance of an (ancillary) position, with a copy to the chairperson of the Management Board for verification against the applicable independence requirements. The chairperson of the Management Board will request the NL Compliance & Independence Office to check these matters against the applicable internal and external regulations and to issue advice to the chairperson of the Supervisory Board and the chairperson of the Management Board with a view to forming an opinion as to whether the interests of PwC (NL) and/or the PwC network are or could be prejudiced by acceptance of the ancillary position (inter alia in connection with the public nature, publicity, time requirement and/or relevance thereof). PwC will generally consider this to be the case if it concerns an ancillary position with an organisation with which PwC has a continuous client-contractor relationship, including but not limited to an audit engagement. If there are changes as regards the (ancillary) position, the relevant member will inform the chairperson of the Supervisory Board and the chairperson of the Management Board thereof without delay.

At least annually the additional positions of the members of the Supervisory Board are discussed at the meeting of the Supervisory Board.

#### **Article 4.**

##### **Appointment or reappointment, term of office, and retirement.**

- 4.1 The members of the Supervisory Board will be appointed in the manner as referred to in the Cooperative's articles of association and with due observance of the provisions of Article 3 of these Regulations. The recommendation for appointment or reappointment is provided with reasons. In the case of reappointment, the manner in which the candidate has fulfilled his/her duties as supervisory board member and the profile included in **Annex B** are taken into account.

Members of the Supervisory Board will be appointed for a term as determined on appointment but not for longer than a maximum of four years. A term will run at most until the first General Meeting following the end of four years after appointment, in which General Meeting the new



appointment of a supervisory board member for the seat in question is placed on the agenda.

A member of the Supervisory Board can be reappointed with due observance of the provisions of the previous sentence. A member of the Supervisory Board can have a seat on the Supervisory Board for at most eight years, on the understanding that exceeding this term, as a result of the retirement during the annual general meeting in the final year of his/her term of appointment, is allowed.

- 4.2 Members of the Supervisory Board who are nominated for appointment are present at the General Meeting where voting will take place regarding their nomination.
- 4.3 The Supervisory Board will draw up a retirement schedule in order to prevent supervisory board members from retiring at the same time as much as possible.  
The current retirement schedule has been set out in **Annex C** to these Regulations. Without prejudice to the provisions of Article 4.4, members of the Supervisory Board will retire in accordance with the retirement schedule.  
The retirement schedule will be placed on the website <https://www.pwc.nl/nl/onze-organisatie/raad-van-commissarissen.html>
- 4.4 Members of the Supervisory Board may retire at their own request. The members of the Supervisory Board will retire prematurely in the case of inadequate performance, structural incompatibility of interests or if this is otherwise necessary in the opinion of the Supervisory Board.

#### **Article 5.**

##### **Chairperson, vice-chairperson and secretary of the Supervisory Board**

- 5.1 The General Meeting appoints the chairperson of the Supervisory Board from a binding list of candidates drawn up by the Supervisory Board. The recommendation for appointment or reappointment is provided with reasons. In the event of a reappointment, the manner in which the candidate has fulfilled his/her duties as chairperson is taken into account. The Supervisory Board appoints one of its other members as vice chairperson. The vice chairperson replaces the chairperson in his/her absence.
- 5.2 The chairperson is responsible for the operation of the Supervisory Board and its committees, and is the main point of contact for the Supervisory Board and for members concerning the performance of members of the Management Board and the Supervisory Board.
- 5.3 The chairperson of the Supervisory Board is always an independent member, is not a former director of the Cooperative, and is independent on the basis of Article 3.6.
- 5.4 The chairperson determines the agenda in consultation with the chairperson of the Management Board and chairs the meetings of the Supervisory Board.
- 5.5 Pursuant to Principle 2.3.6 of the Code, the chairperson of the Supervisory Board monitors the following activities:
  - a. Compliance on the part of members of the Supervisory Board with their introduction, educational or training programme;
  - b. Timely and sufficient provision of information to the members of the Supervisory Board if required for the proper performance of their duties,
  - c. Ample time for obtaining advice, deliberations and decision-making by the Supervisory Board;
  - d. Proper functioning of the Supervisory Board's committees;
  - e. The annual evaluation and assessment of the performance of the members of the Management Board and Supervisory Board;
  - f. The appointment of a vice chairperson of the Supervisory Board;
  - g. Proper conduct of contact with the Management Board and, if so desired, the Staff Council, and the timely and careful provision of information to the other members of the Supervisory Board concerning the outcome thereof;

and furthermore:

- h. The receipt of, deliberations on and decisions about reports of potential conflicts of

- interest as referred to in Article 11;
  - i. The receipt of, deliberations on and decisions about reported alleged irregularities that concern the performance of the Management Board as referred to in Article 2.2(w);
  - j. As chairperson, the orderly and efficient proceedings at the General Meeting of the Cooperative, which is generally chaired by the chairperson of the Supervisory Board and at which he/she decides on the outcome of voting;
  - k. The drawing up and adoption by the Supervisory Board of 'internal rules' concerning the internal course of affairs pertaining to its meetings, absence of the chairperson and any fundamental differences of opinion within the Board.
  - l. The carrying out - by the Management Board - of activities relating to culture;
  - m. Receiving signals from the enterprise connected with the Cooperative and ensuring that (suspected) material misconduct and irregularities are reported to the Supervisory Board without delay;
  - n. The occurrence of effective communication with members of the Cooperative;
  - o. The timely and close involvement of the Supervisory Board in a merger or acquisition process.
- 5.6 The vice chairperson replaces the chairperson if necessary and acts as point of contact for individual members of the Supervisory Board and the Management Board concerning the performance of the chairperson.
- 5.7 The Supervisory Board is supported in his or her role by the secretary of the Cooperative. The secretary ensures that the correct procedures are followed and that the actions taken are in accordance with the statutory obligations and obligations under the articles of association. The secretary supports the Supervisory Board in the actual organisation of the Supervisory Board (information, placing matters on the agenda, evaluation, training programme, etc.). The secretary is appointed and dismissed by the management, on the initiative of the Supervisory Board or otherwise, after the management has received approval by the Supervisory Board.

## **Article 6.**

### **The Supervisory Board and committees.**

- 6.1 In addition to the Public Interest Committee, the Supervisory Board forms the following committees pursuant to Principle 2.3.2 of the Code: an audit committee, a remuneration committee and a selection and appointment committee.

The Supervisory Board forms and composes the committees from among its midst, on the understanding that at most one member of each committee is not independent (with the exception of the remuneration committee and the public interest committee) as referred to in Article 3.6 of these Regulations. The (whole) Supervisory Board remains responsible for resolutions, also if these have been prepared by one of the committees of the Supervisory Board.

- 6.2 The Supervisory Board draws up regulations for each committee, comprising inter alia a target and composition. The current regulations of the committees are represented in **Annexes D, E, F and G**.
- 6.3 If one or more of the committees referred to in Article 6.1 has not been formed or no longer exists, the principles and course of affairs referred to in the relevant annex will apply to the Supervisory Board.

## **Article 7.**

### **Remuneration.**

- 7.1 Pursuant to Principle 3.3 of the Code, the Supervisory Board will make a clear and comprehensible motion to the General Meeting from time to time for an appropriate remuneration of the chairperson and other members of the Supervisory Board. The remuneration of the members of the Supervisory Board will stimulate an adequate performance of the tasks, will be appropriate in the relation to the responsibilities, the time spent on the activities and the proper performance of the duties, and does not depend on the results of the Cooperative.

- 72 When determining the remuneration of the Supervisory Board, the General Meeting will ensure that none of the members of the Supervisory Board accept personal loans, guarantees and the like from the Cooperative, other than in the normal conduct of the Cooperative's business, such to occur under business-like conditions and following approval from the Supervisory Board. Any loans granted will not be remitted.
- 73 The remuneration, expense allowance and other agreed terms of employment, including the date on which the relevant remuneration will be paid, are determined by the General Meeting and must be laid down in writing in an appointment agreement between the Cooperative and the relevant supervisory board member. The explanation to the annual accounts will contain at least the information prescribed by law concerning the amount and structure of the remuneration of the individual members of the Supervisory Board.

#### **Article 8.**

##### **Introduction programme and continuous training (internal and/or external) and education.**

- 8.1 Following appointment, each member of the Supervisory Board follows an introduction programme, which devotes attention to:
- a. the Audit Firm's qualitycontrol system;
  - b. general financial, social and legal affairs, including the Cooperative's financial reporting;
  - c. specific aspects that are unique to the Cooperative and its business operation such as the services in field of accountancy, tax and legal advice and consultancy;
  - d. the culture of the Cooperative;
  - e. the relationship with the works council;
  - f. the responsibilities of the members of the Supervisory Board.
- 8.2 Each year, the Supervisory Board assesses those areas in which the members of the Supervisory Board require further training or education during their term of appointment.

#### **Article 9.**

##### **Meetings of the Supervisory Board (agenda, telephone meetings, participation, minutes).**

- 9.1 The Supervisory Board will meet at least six times a year and furthermore as often as the chairperson considers necessary (at the request of one or more of its members or on his/her own initiative). The meetings will generally be held at the Cooperative's offices, but may also be held elsewhere. Meetings can also be held by telephone or by means of video conferencing, provided all participating members can hear each other simultaneously and each member can make him/herself understood. Each member has the right, each time for a specific meeting, to have him/herself represented at a meeting by a fellow member.
- 9.2 In the case of frequent absence, the chairperson will raise this issue with the relevant member of the Supervisory Board and request an explanation. The Supervisory Board report will state which members of the Supervisory Board have frequently been absent from the meetings.
- 9.3 The Cooperative's external auditor will be invited to attend the meeting of the Supervisory Board at which the report of the external auditor concerning the audit of the annual accounts is handled and at which the annual accounts are discussed.
- 9.4 Meetings are convened by or on behalf of the chairperson. To the extent such is practically feasible, the convening notice and the agenda of the subjects to be discussed will be provided to the members of the Supervisory Board and the Management Board seven days before the start of the meeting.
- 9.5 The minutes of the meeting will be adopted during the next meeting, but they may also be adopted earlier or without holding a meeting if all members of the Supervisory Board agree to the content of the minutes.
- 9.6 Supervisory Board meetings are chaired by its chairperson. The vice chairperson will chair the meeting if the chairperson is absent. The oldest member present at the meeting will chair the

meeting if the vice chairperson is also absent.

**Article 10.**

**Resolutions of the Supervisory Board (votes, subjects to be discussed).**

10.1 The Supervisory Board decides as provided in the Cooperative's articles of association both at or outside meetings with an absolute majority, on the understanding that the adoption of a resolution concerning the appointment, dismissal or remuneration of the Supervisory Board always requires the approval of the chairperson.

As provided in the Cooperative's articles of association, resolutions of the Supervisory Board can also be taken in writing instead of in a meeting, provided all supervisory board members are familiar with the resolution to be adopted and none of them object to this manner of adopting resolutions. Resolutions that are adopted in this manner are laid down in writing to which any responses received in writing will be attached. The adoption of a resolution without holding a meeting must be reported at the next meeting of the Supervisory Board.

10.2 The chairperson will have the deciding vote if the votes are tied.

10.3 Recurring items on the agenda of meetings include in any event quality, independence, the public interest, financial matters, important decisions in respect of which the Supervisory Board has to take action, the progress of the strategy of the Cooperative and changes thereto, and reports from the separate committees of the Supervisory Board.

**Article 11.**

**Conflict of interests.**

11.1 The members of the Supervisory Board are alert for conflicts of interest of directors and members of the supervisory board. They will in any case:

- i. not enter into competition with the Cooperative or its group companies;
- ii. not claim or accept any (substantial) gifts from the Cooperative or its group companies for themselves, for their spouses, registered partners or other life companions, foster children or relatives by blood or marriage up to the second degree;
- iii. not provide unjustified benefits to third parties at the expense of the Cooperative or its group companies;
- iv. not use any business opportunities that accrue to the Cooperative or its group companies for themselves or for their spouses, registered partners or other life companions, foster children or relatives by blood or by marriage up to the second degree.

11.2 A supervisory board member will not take part in deliberations and decision-making if that person has a direct or indirect personal interest therein that is contrary to the interest of the Cooperative and the Cooperative with which it is affiliated in a group and/or the public interest to guarantee the quality of statutory audits.

If this means that the Supervisory Board is unable to adopt a resolution, the resolution will be adopted by the General Meeting unless otherwise provided for in the articles of association. Such a transaction may only be performed subject to at least the conditions that are customary in the industry. Resolutions to perform such a transaction require the approval of the General Meeting.

The chairperson of the Supervisory Board ensures that all transactions that involved conflicts of interest are published in the annual report, making reference to the conflict of interest and including the declaration the provisions of these Regulations have been complied with.

11.3 A conflict of interest as regards a supervisory board member exists in any event if:

- a. the Cooperative intends to perform a transaction with a legal entity in which a supervisory board member holds a personal and material financial interest;
- b. the Cooperative intends to perform a transaction with a legal entity and a member of the management board or the Supervisory Board of said legal entity has a family

- c. relationship with a supervisory board member;  
the Cooperative intends to perform a transaction with a legal entity in which a supervisory board member holds a management or supervisory position;
- d. there exists a conflict of interest or a conflict of interest is deemed to exist pursuant to applicable law;
- e. the Supervisory Board or the General Meeting has ruled that this direct or indirect personal interest of the supervisory board member is contrary or is deemed to be contrary to the interest of the Cooperative and the business affiliated with it in a group.

11.4 Each member of the Supervisory Board (other than the chairperson of the Supervisory Board) will report each (potential) conflict of interest to the chairperson of the Supervisory Board without delay. Each member of the Supervisory Board who has a (potential) conflict of interest will provide the chairperson of the Supervisory Board with all relevant information in respect thereof, including the information regarding his spouse, registered partner or other life companion, foster child or relatives by blood or by marriage up to the second degree that is relevant for the situation. The Supervisory Board will determine in all cases other than those referred to in Article 11.3(d) whether a reported (potential) conflict of interest constitutes a conflict of interest on the basis of which Article 11.2 applies.

If the chairperson of the Supervisory Board has a (potential) conflict of interest, he/she will report this to the vice chairperson of the Supervisory Board without delay. The chairperson will provide all relevant information in this connection to the vice chairperson of the Supervisory Board, including the information regarding his spouse, registered partner or other life companion, foster child or relatives by blood or by marriage up to the second degree that is relevant for the situation. The Supervisory Board will determine in all cases other than those referred to in Article 11.3(d) whether a reported (potential) conflict of interest constitutes a conflict of interest on the basis of which Article 11.2 applies.

11.5 A conflict of interest will also be deemed to exist if the Cooperative intends to perform a transaction with a natural person or legal entity that holds at least ten percent of the shares in the Cooperative. Resolutions to perform such a transaction require the approval of the Supervisory Board. The chairperson of the Supervisory Board ensures that these transactions are published in the annual report while stating that this Article 11.5 was complied with.

11.6 A conflict of interest with respect to the external auditor of the Cooperative will exist in any event:

- a. in situations referred to in Sections 23 and 24 of the Audit Firms (Supervision) Act;
- b. if the external accountant's non-audit work (other than referred to under a) for the Cooperative (in any case including marketing, advice in the area of (management) consultancy or information technology) calls into question the independence of the external accountant regarding the (audit of) the financial reporting;
- c. if according to applicable law a conflict of interest exists or a conflict of interest is deemed to exist;
- d. if the Supervisory Board has ruled that a conflict of interest exists or a conflict of interest is deemed to exist;

11.7 The external auditor, and every member of the Management Board and the Supervisory Board, will report every potential conflict of interest concerning the external auditor to the chairperson of the Supervisory Board without delay. The external auditor, and every member of the Management Board and the Supervisory Board, will provide the chairperson of the Supervisory Board with all relevant information in this connection, including the information regarding his spouse, registered partner or other life companion, foster child or relatives by blood or by marriage up to the second degree that is relevant for the situation. In all cases other than those referred to under a and c above, the Supervisory Board will determine whether a reported (potential) conflict of interest constitutes a conflict of interest as a result of which the appointment of the external auditor must be reconsidered or other measures are to be implemented that will end the conflict of interest. The chairperson of the Supervisory Board ensures that these measures are published in the annual report, making reference of the conflict of interest and with the declaration that this Article 11.7 has been complied with.

- 11.8 The Supervisory Board decides, in the absence of the director, supervisory board member or external auditor concerned, whether there is a conflict of interest.

## **Article 12**

### **Information, relation to the Management Board.**

- 12.1 The Supervisory Board and its individual members have a personal responsibility to demand of the Management Board, the external auditor, the internal audit function and the works council all information required by the Supervisory Board to properly perform its duties as supervisory body. If the Supervisory Board considers this necessary, it will have the right to obtain information from officers and external advisors of the Cooperative. Individual members of the Supervisory Board will only obtain information directly from officers of the Cooperative with the approval of the chairperson of the Supervisory Board. The Management Board will make the necessary resources available. The Supervisory Board may request that officers and external advisors of the Cooperative attend its meetings.
- 12.2 The Management Board provides the Supervisory Board in due time (and if possible in writing) with all information concerning the facts and circumstances concerning the Cooperative and the enterprise connected with it that the Supervisory Board may need to properly carry out its duties. The Compliance Officer has, partly in that connection, an independent direct reporting line to the Supervisory Board.
- 12.3 The Management Board sends the Supervisory Board a report four times a year, which has been drawn up in the form as agreed from time to time, and which provides detailed information concerning, inter alia, aspects regarding quality, independence and integrity, as well as the interests of external stakeholders in the audit and other financial matters, commercial developments and personnel.  
An explanation on the part of the Management Board will be added to this report, in which the Management Board provides an explanation to and makes comments concerning the report and provides further information concerning its policy.
- 12.4 Within the context of the provision of information, the Management Board shares with the Supervisory Board the results of the baseline measurement concerning the culture and conduct of the current partner group as well as the results of the regular measurements thereof among the employees.
- 12.5 Without prejudice to the matters set out above, the Management Board will provide the Supervisory Board each year with a budget for the coming year, a recent version of its long-term plans and the main features of strategic policy, the general and financial risks, the Cooperative's management and control system, and the Cooperative's compliance with all relevant legislation and regulations. The Management Board will also make an annual declaration that it has provided the Supervisory Board with all relevant information that is needed by the Supervisory Board for the proper fulfilment of its duties.

## **Article 13.**

### **General Meeting.**

- 13.1 In accordance with the Cooperative's articles of association, General Meetings of the Cooperative are held as often as the Management Board or the Supervisory Board consider such necessary. The Management Board and Supervisory Board shall be obliged to convene a General Meeting if so requested by a number of members entitled to cast ten per cent (10%) of the votes in a General Meeting, or if the Member Council so requests in writing, specifying the matters to be dealt with. The requirement of the request being made in writing is satisfied if the request has been sent electronically. If the Management Board and Supervisory Board should subsequently fail to convene a General Meeting within fourteen (14) days, so that it can be held within four (4) weeks of receipt of said request, any of the persons requesting the meeting may convene the meeting, with due observance of the relevant provisions in these articles of association.
- 13.2 The members of the Management Board and the members of the Supervisory Board are present at General Meetings, unless they have good reason for not attending. General Meetings are generally chaired by the chairperson of the Supervisory Board who decides on the content

of resolutions. The chairperson of the general meeting is responsible for the proper order of the meeting, in order to facilitate a meaningful discussion at the meeting. The outcome of the vote that is determined and pronounced by the chairperson will be decisive.

- 13.3 The Supervisory Board provides the General Meeting with all the information it requires, unless important interests of the Cooperative or a statutory regulation or rule of law dictates otherwise. In the event that the Management Board invokes such an important interest, this will be explained with substantiation.
- 13.4 The Supervisory Board treats members who are in similar circumstances in a similar manner when providing information.
- 13.5 The Management Board and the Supervisory Board are responsible for the corporate governance structure of the Cooperative and report in respect thereof to the General Meeting, and provide any deviations from the provision with a sound substantiation. Each year, the main features of the corporate governance structure are stated in a separate chapter of the annual report.

**Article 14.  
Relation with the Works Council.**

- 14.1 The Supervisory Board will contact the Works Council from time to time and designate one or more of its members as point of contact. The Supervisory Board may convene meetings with the Works Council.
- 14.2 The chairperson of the Supervisory Board is primarily responsible for maintaining and coordinating contact with the Works Council. If a member of the Supervisory Board is invited to attend a meeting with the Works Council, he/she will only accept such an invitation following prior consultation with the chairperson of the Supervisory Board.
- 14.3 If the Management Board requires both the approval of the Supervisory Board and advice from the Works Council for a motion, the motion will first be submitted to the Supervisory Board for approval. If the approval is obtained, it is granted subject to the condition of positive or not negative advice from the Works Council.

**Article 15.  
Confidentiality.**

Each member of the Supervisory Board is obliged to observe the necessary discretion concerning all information and documentation obtained within the context of his/her membership and, where it concerns confidential information, to observe confidentiality with respect to such information. Members and former members of the Supervisory Board will not take confidential information outside the Supervisory Board or the Management Board, nor disclose it to the public nor make it available to third parties in any other manner, unless the Cooperative has disclosed this information, or this information is already in the public domain.

**Article 16.  
Occasional rendering inoperative of Regulations, amendment.**

- 16.1 The Supervisory Board may decide by resolution not to apply these Regulations on an occasional basis. Such resolutions are recorded in the Supervisory Board report.
- 16.2 The General Meeting may amend these Regulations pursuant to a motion from the Supervisory Board. The provisions of the previous sentence do not apply to amendments to the annexes to these Regulations. These can be amended by the Supervisory Board.

**Article 17.  
Applicable law.**

- 17.1 These Regulations are governed by and must be interpreted by application of Dutch law.

## Annex A List of definitions

<b>AFM</b>	Netherlands Authority for the Financial Markets
<b>Audit Committee</b>	the audit committee of the Supervisory Board
<b>Audit Firm</b>	Audit firm that has a permit to audit Public Interest Entities pursuant to the Audit Firms (Supervision) Act. <b>PricewaterhouseCoopers Accountants N.V.</b> is the Audit Firm within PwC NL.
<b>Board of Directors</b>	in these regulations 'the Board of Directors' means the chairperson of the Board of Directors of the Cooperative (also: Territory Senior Partner) and the holders of a power of attorney in the team appointed by the chairperson (also: Territory Leadership Team), unless expressly indicated otherwise.
<b>Code</b>	the Dutch corporate governance code
<b>Code of Conduct</b>	the code of conduct within PwC NL
<b>Committees</b>	the committees established by the Supervisory Board on the basis of these Regulations
<b>Compliance Officer</b>	officer responsible for the supervision of compliance with rules
<b>Cooperative</b>	Coöperatie PricewaterhouseCoopers Nederland U.A.
<b>General Meeting</b>	the general meeting of the Cooperative
<b>Member Council</b>	the corporate body referred to in Article 15 of the Cooperative 's articles of association
<b>NL Compliance &amp; Independence Office</b>	the department responsible for the supervision of compliance with rules, including rules in the context of independence.
<b>NV</b>	PricewaterhouseCoopers Accountants N.V. PricewaterhouseCoopers Belastingadviseurs N.V. and/or PricewaterhouseCoopers Advisory N.V.
<b>Partner</b>	the professional that may use the title of "Partner" in contact with third parties, as referred to in Article 14 of the Articles of Association of PricewaterhouseCoopers B.V. and Article 15 of the Articles of Association of the NV.
<b>PIE</b>	Public Interest Entity
<b>Public Interest Committee</b>	the public interest committee of the Supervisory Board
<b>PwC Europe</b>	PwC Europe GmbH
<b>PwC member firms</b>	the member firms that form part of the PwC network of independent member firms that operate locally in countries all over the world.



<b>PwC NL</b>	Coöperatie PricewaterhouseCoopers Nederland U.A., Holding PricewaterhouseCoopers Nederland B.V. and/or one or more of its subsidiaries, unless explicitly indicated to the contrary.
<b>Regulations</b>	the Supervisory Board regulations of which this annex forms part.
<b>Remuneration Committee</b>	the remuneration committee of the Supervisory Board
<b>Selection &amp; Appointment Committee</b>	the selection and appointment committee of the Supervisory Board
<b>Supervisory Board</b>	the Cooperative's Supervisory Board
<b>Territory Senior Partner</b>	the chairperson of the Board of Directors, also being the chairperson of the Territory Leadership Team
<b>Wta</b>	Audit Firms (Supervision) Act

This profile has been drawn up pursuant to Article 3.2 of the supervisory board Regulations.

## **1 GENERAL**

1.1 The supervisory board occupies an important position at PwC. In performing its duties as a supervisor, advisor and employer, the supervisory board holds up a mirror to the PwC organisation/Board of Management and shifts the focus to outside the organisation. The board is composed in such a way that its members can act independently of and take a critical approach to one another, the Management Board, the PwC organisation and all its components.

## **2 THE IMPORTANCE OF IDENTITY, PERSONAL VALUES AND INCLUSION**

2.1 PwC seeks a diverse composition for its supervisory board, with supervisory directors who complement each other in terms of who they are (identity and personal values - within PwC also known as the *how*) and what knowledge and experience they bring (the *what*).

2.2 Recognising the importance of diverse perspectives is a building block in the pursuit of inclusion. Diversity is an essential element in this. The aim is to have a diverse composition to create a good balance concerning the personal values, gender, age and (cultural) background, knowledge and experience of the individual members. The aim is to have at least 30% female members and at least 30% male members.

## **3 COMPETENCES AND EXPERIENCE OF THE SUPERVISORY BOARD AS A WHOLE AND INDIVIDUALLY**

### *3.1 Experience of the supervisory board as a collective*

Given the duties, powers and responsibilities of the supervisory board and the various types of services offered by the PwC organisation and its complexity, the supervisory board as a whole must have knowledge and experience in the following areas or subjects:

#### *Management and organisation*

- Experience in supervising the management and overseeing the (long-term) strategy of an organisation.
- An aptitude for organisational culture, culture transformation and ensuring a quality-oriented culture. To increase inclusiveness, the perspective of the entire PwC organisation is considered and the supervisory board addresses the wishes and characteristics of the different generations with a view to the well-being and professional development of employees and partners.
- Governance and organisational issues, including obtaining sufficient in-depth management and other information and assessing internal and external reports and, where necessary, requesting additional or missing information.
- Accountancy, tax and legal advice and consultancy and the markets in which PwC operates, where at least one of the members has experience in financial administration/accounting at listed companies or other large legal entities.
- Assessing the performance and/or competence of directors/policymakers and other officers and employees.

#### *Social developments and environment*

- Experience with the dynamics of a regulated environment and the laws and regulations relevant to PwC NL (the cooperative and its subsidiaries) and their application.
- Experience in taking all relevant (social and public) interests into account in a decision-making process to ensure the quality of the statutory audit.
- Political and social sectors, for example within a Dutch political network or within an organisation that (also) serves the public interest.

- Social, ethical and professional standards, including developments in corporate social responsibility and good corporate governance.

#### *Operations*

- Quality policy, including the quality control system and the audit firm's duty of care, quality control/compliance, and ensuring the suitability and professional competence of policymakers, partners and employees. To sufficiently guarantee quality, at least one of the members must have relevant knowledge and experience in the supervision of audit quality or relevant knowledge and experience in that area at a listed company or another large legal entity.
- Controlled and sound operational management, including risk management and financial administration/accounting.
- (Developments in the field of) digitalisation, data analytics, cyber security.
- Appointment, remuneration and HR policies and systems within larger domestic and international organisations, in which remuneration and valuation incentives, diversity and inclusiveness are important themes.

### 3.2 *Competencies of individual members of the supervisory board*

In addition to the above, individual supervisory board members can demonstrate their suitability for their duties through their experience or competencies. For example, because the supervisory director possesses one or more of the competencies or qualities listed below:

- *Leadership* - the supervisory director can give strategic direction, act decisively, and show leadership. The supervisory director is human and passionate, result-oriented and offers room for critical discussion.
- *Environmentally sensitive* - the supervisory director is sensitive to signals from both society and the various professional groupings within the PwC NL organisation; the supervisory director can act as PwC's antenna in the public debate, both in terms of content and culture.
- *Well-developed people skills* - the supervisory director stands out on the 'how' side by how they listen, ask questions and take a genuine interest in the opinions of others. The supervisory director is also aware of the impact of their behaviour on others; the supervisory director has a highly developed antenna for the undercurrents in discussions and, in addition to discussing more substantive issues, does not shrink from raising uncomfortable aspects.
- *Authentic and independent* - the supervisory director is highly aware of their own strengths and personal values and focuses on personal development. The supervisory director has learned to remain decisive even under pressure and remains authentic - consistent in word and deed. This means open and honest communication and that the supervisory director invites dialogue.
- *Collaboration skills* - the supervisory director has experience in building alliances and creating support by connecting with others; the supervisory director has good communication skills and is able to relate to others' opinions and ideas.
- *Eager to learn* - the supervisory director is eager to learn and is open to ideas and input from others. The supervisory director is aware of societal developments and how they affect the PwC organisation. The supervisory director recognises the importance of a learning organisation and steers the development of the PwC organisation on the basis that a diverse and inclusive work environment brings out the best in people.
- *Quality-oriented* - the supervisory director focuses on delivering quality in the broad sense of the word. Compliance with laws and regulations form the basis for this. Awareness of cultural aspects and the importance of long-term value creation forms part of this, without losing sight of quality guarantees in a knowledge organisation.
- *Committed and loyal* - the supervisory director identifies with the PwC organisation and feels committed to the organisation, allowing sufficient time and space to properly perform the duties.

## 4 INDEPENDENCE

- 4.1 The supervisory board consists - with the exception of no more than one person - of at least five independent (external) members. The members of the supervisory board are not employed by or connected to PwC other than through their membership of the supervisory board
- 4.2 The non-independent member may be drawn from within PwC's international network of member firms, not from PwC NL. This person does not come under the auspices of the Dutch board of the Accountancy Organisation.
- 4.3 Each supervisory director complies with the independence rules applicable to PwC upon joining and during their term of office. At the request of PwC NL, the supervisory director completes the personal Independence Declaration to be issued by PwC NL (see the annex to this profile) and any other forms truthfully, completely and on time. When completing the necessary forms, the supervisory board member will also state the positions they have had in the twelve months prior to accepting the appointment to the supervisory board or submit a CV showing these positions.
- 4.4 The Independence Declaration describes the obligations of the supervisory board member regarding the independence and provides information on relations that are allowed and prohibited and the information to be provided for the assessment by the NL Compliance & Independence Office (NLCIO) with regard to whether these relations are allowed or not.
- 4.5 Each member of the supervisory board is independent of PwC NL (or the PwC NL assurance clients of the members of the Management Board, members of the Assurance Board and the Compliance Officer). In assessing the independence of each member of the supervisory board, NLCIO will assess the member's relationships (with assurance clients) in terms of, inter alia:
- the possession of prohibited financial interests in clients;
  - prohibited management or supervisory positions at clients;
  - intended business relations with clients.
- 4.6 The number of supervisory directorships of each supervisory director will be limited to ensure that the proper performance of their duties is guaranteed. The supervisory director holds no more than five supervisory directorships - where the chairmanship of a supervisory board counts double in legal entities as referred to in Section 2:252a of the Dutch Civil Code<sup>1</sup>.
- 4.7 The chair of the supervisory board is independent, is not a former director of the Cooperative and is not affiliated with any part of the international PwC network that is not based in the Netherlands. In public debate and in other contexts, the chairperson is able to formulate, maintain and defend points of view independently in the context of safeguarding the public interest of the audit. In fulfilling this role, as described in the previous sentence but also in other contexts, the chairperson of the supervisory board must also avoid the situation in which he/she, as a result of exercising a different role or position, has to take interests into account that could be in conflict with PwC's interests, with due observance of the provisions in Article 2.1.2 of the supervisory board regulations.

## **5 SUITABILITY AND RELIABILITY**

- 5.1 The members of the supervisory board must be verified by the AFM for suitability and reliability<sup>2</sup>.
- 5.2 Suitability consists of a combination of knowledge, skills, personal values and professional conduct, and can be evident from the supervisory director's education, work experience and competencies and the continuous practical application thereof. When assessing suitability, account is taken of (i) the position of the supervisory director; and (ii) the size, complexity and risk profile of the audit firm. The collective supervisory board also plays an important role in

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<sup>1</sup> Section 2:252a, subsection 2, under c of the Dutch Civil Code refers to the 'normal' annual accounts regime that applies to 'large' legal entities, in other words, legal entities that do not fall within the annual accounts regime for micro, small or medium-sized legal entities, as referred to in Sections 2:395a, 2:396 and 2:397 of the Dutch Civil Code.

<sup>2</sup> Sections 15 and 16 of the Audit Firms (Supervision) Act (Wta), see also Policy Rule on Suitability under the Wta.

assessing the suitability, composition and performance of an individual supervisory board member.

- 5.3 The reliability standard means that the reliability of the supervisory directors must be beyond doubt. The AFM tests reliability on the basis of records, intentions and actions. In doing so, it mainly considers criminal, financial and fiscal administrative law records, supervisory records and what are referred to as 'other records'. Unlike the suitability aspect, the assessment does not depend on, for example, the composition of the supervisory board, the type of enterprise to which the proposed appointment relates, or the specific position to be held by the policymaker. The interests of the individual supervisory director concerned and the enterprises are included in that assessment.

## **ANNEXES TO THE PROFILE: PERSONAL INDEPENDENCE DECLARATION**

### **Independence declaration for a member of the supervisory board**

This declaration relates to the obligations of an (external) supervisory board member to protect independence as referred to in regulations regarding independence with respect to PwC NL assurance clients, as described in PwC NL's independence policy for its supervisory board members.

The supervisory board member is obliged to take the measures required to prevent him or her from having financial interests or maintaining relations that are prohibited or restricted under the independence regulations, and to inform the PwC NL Compliance & Independence Office ('NLCIO') promptly of any existing or intended interests and/or relations that require assessment, as described below.

After that the focus is on assurance engagements. This includes audit engagements (including the audit of a financial account) and non-audit assurance engagements.

### **Prohibited financial interests**

Financial interests are interests in equity or other securities or instruments, bonds and debentures or other debt instruments of a legal entity. These include the rights to acquire an interest, such as options and warrants, or the counterpart of other derived or indirect interests, and some insurance products that show features of financial interests.

The supervisory board member<sup>3</sup> may not:

- (1) Have financial interests in assurance clients<sup>4</sup> for which one or more members of the Board of Management and/or the Assurance Board and/or the Compliance Officer act as external auditor or fulfil another role with involvement in the assurance engagement, such as the role of Quality Review Partner.
- (2) Have meaningful influence (>20%) on a PwC NL assurance client.
- (3) Have a financial interest in a PwC assurance client established in the Netherlands with a SEC listed FPI status.

### **Prohibited management or supervisory positions**

A supervisory board member may not hold management or supervisory positions at PwC NL assurance clients. This includes duties and responsibilities that fit a role as 'person charged with governance' and/or a position in which 'meaningful influence' can be exerted on the assurance object.

A supervisory board member may not have a direct or close relative who is a director or official of a PwC assurance client established in the Netherlands with a SEC listed FPI status or a related entity.

### **Interests and relations to be reported for assessment**

The above (current and intended) interests and relations must be reported to the NLCIO.

The interests and relations below must also be reported to the NLCIO in order to assess whether there is a threat to PwC NL's independence and whether this can be removed or limited to an acceptable level:

- a) If the supervisory board member has an interest in a PwC NL assurance client that is larger than 10% of the assets of the person involved and his/her close family.
- b) Prior employment relationships and/or management or supervisory positions with influence on the drawing up of financial reports at an assurance client or a related entity. Although there is

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<sup>3</sup> Where reference is made to a supervisory board member, the above provisions/requirements also apply to close personal relations of the supervisory board member: family members or a person with whom intensive social contact exists who (a) is financially dependent [on the supervisory board member] or (b) with whom the supervisory board member shares a household.

<sup>4</sup> Client = assurance/audit client + the related entities

no cooling-off period, the NLCIO must evaluate whether there is a threat to the independence if such a relationship existed with the client in question up until 1 year ago.

- c) If the spouse or partner of the supervisory board member holds a management or supervisory position with influence on the drawing up of financial reports at an assurance client or related entity.
- d) If the supervisory board member has a close relative who is a director or key official at a PwC NL assurance client or related entity or is offered such a position.

**Declaration**

I declare that I:

- do not have prohibited interests or prohibited relations as described above; and
- that I have reported all financial interests and relations as described above.

I confirm that the information and documentation I have provided is complete and correct to the best of my knowledge.

I understand that I am obliged to inform the NLCIO promptly if a change occurs in the financial interests or relationships I have reported.

Name:

Date:

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(signature)

**Annex C****RETIREMENT SCHEDULE FOR MEMBERS OF THE SUPERVISORY BOARD**

This retirement schedule has been drawn up pursuant to Article 4.2 of the Supervisory Board Regulations.

Members of the Supervisory Board are appointed for a period determined on appointment but for a maximum of four years, as stipulated in the Supervisory Board Regulations.

<b>Name</b>	<b>Age on date of joining</b>	<b>Joined</b>	<b>reappointed</b>	<b>Current term until end FY</b>	<b>Eligible for reappointment</b>
C.P. Buijink	67	26 November 2021	No	2026	Yes
B.C. Dreimüller	41	1 July 2023	No	2027	Yes
F.A. Rink	47	1 July 2023	No	2027	Yes
J. Sijbrand	64	1 January 2019	No	2023	Yes
C.L. van Schooten	62	26 November 2021	No	2026	Yes
S.J. Vlaar	52	1 July 2023	No	2027	Yes

This retirement schedule will be published on the website: <https://www.pwc.nl/nl/onze-organisatie/raad-van-commissarissen.html>



<b>Annex D</b>	<b>AUDIT COMMITTEE REGULATIONS of the Supervisory Board</b>
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**1. GENERAL**

- 1.1 These regulations of the Audit Committee have been drawn up pursuant to Article 6.2 of the Supervisory Board Regulations and regulate the role and responsibilities of the Audit Committee, its composition and the way in which the Audit Committee performs its duties.
- 1.2 Decisions on the interpretation of these regulations are made by the Supervisory Board.
- 1.3 Terms have the meaning given to them in Annex A to the Supervisory Board Regulations.
- 1.4 The Supervisory Board has drawn up these regulations at the proposal of the Audit Committee. Each year, the Audit Committee assesses the sufficiency of these regulations, reports on this assessment to the Supervisory Board and proposes amendments as necessary. The Supervisory Board can change these regulations and/or revoke the authorities granted to the Audit Committee at any time.
- 1.5 In the event of conflict between the provisions in these regulations and the provisions in the articles of association of the Cooperative or other corporate documentation, such as the Supervisory Board Regulations, the provisions of the articles of association or the Supervisory Board Regulations will prevail.
- 1.6 These Audit Committee Regulations have been published and can be downloaded from the Cooperative's website: <https://www.pwc.nl/nl/onze-organisatie/raad-van-commissarissen.html> at: Supervisory Board Regulations, AnnexD.

**2. ROLE AND RESPONSIBILITY OF THE AUDIT COMMITTEE**

- 2.1 Without prejudice to the provisions of Article 6.1 of the Supervisory Board Regulations, the Audit Committee is responsible for:
  - 1. preparing the decisions by the Supervisory Board<sup>1</sup> regarding financial matters, for example with regard to (supervising) the integrity and quality of the financial reporting, (co-signing) the financial statements, annual report, accounting process, including drawing up and adopting the Cooperative's annual plans and budgets, important capital investments as well as the structure and operation and effectiveness of the internal risk management and control systems<sup>2</sup>.
  - 2. advising the Supervisory Board on the selection to be made and the nomination to be prepared<sup>3</sup> to the General Meeting for the appointment, reappointment or dismissal of the external auditor. The considerations on the basis of which that auditor is nominated will also be addressed (the assessment on a number of quality aspects (such as AFM findings) and the fee compared to other offices that were invited to the proposal process will be discussed). In the abovementioned work, the Audit Committee will take into account the observations of the Management Board.

<sup>1</sup> *Supervisory Board Regulations, Article 2.2 under b (duties of the Supervisory Board)* "to co-sign the financial statements, supervise the timely deposit for inspection of the financial statements and annual report that have been drawn up, as well as to approve the annual budget and important capital investments of the Cooperative."

<sup>2</sup> *Cooperative Articles of Association, Article 14, paragraph 3; Supervisory Board Regulations, Article 12.5*

<sup>3</sup> *Supervisory Board Regulations, Article 2.2 under c (duties of the Supervisory Board)* "with due consideration of the audit committee's advice, to select and to nominate as the Cooperative's external auditor to the General Meeting, as well as to approve the fee and the assignment to the Cooperative's external auditor to perform work, at the proposal of the audit committee."

If the General Meeting does not grant the assignment to an auditor, the assignment will be granted by the Supervisory Board. The assignment can be withdrawn by the General Meeting and by the body that granted the assignment<sup>4</sup>.

3. making a proposal to the Supervisory Board with regard to the fee and the assignment for the Cooperative's external auditor to perform work.
  4. maintaining the relationship with the external auditor and acting as first point of contact<sup>5</sup> for the external auditor with regard to his findings (including if he finds any irregularities regarding the contents of financial reports and coordinating any audit programmes).
  5. discussing with the external auditor the draft audit plan – after the external auditor has discussed that with the Management Board.
  6. annually discussing with the external auditor:
    - i. the scope and materiality of the audit plan and the important risks of the annual reporting that the external auditor has identified in the audit plan; and
    - ii. also on the basis of the underlying documents, the findings of the external auditor on the basis of the activities carried out by him/her, including the results of the audit work on the annual accounts and the management letter.<sup>6</sup>
  7. with due regard for the provisions in Articles 11.6 and 11.7 of the Supervisory Board Regulations, making proposals, if necessary, to the Supervisory Board with regard to the independence of the external auditor and with regard to the aforementioned discussion of, and decision on, (potential) direct conflicting interests between the Cooperative and the external auditor.
  8. at the request of the Supervisory board, preparing the decisions by the Supervisory Board or advising the Supervisory Board in areas other than those mentioned.
- 2.2 As a core committee of the Supervisory Board, the Audit Committee<sup>7</sup> focuses, for the performance of its duties, on:
- a) the relationship with and the compliance with recommendations and observance of remarks by the internal auditor and the external auditor.
  - b) the role and performance of the Chief Financial Officer within the Management Board and, under the Management Board's responsibility, the Finance and Internal Audit positions.
  - c) the PwC NL fiscal policy.
  - d) the financing of PwC NL.
  - e) the applications of information and communication technology, including risks in the field of cybersecurity.
- 2.3 In performing its duties, the Audit Committee involves the relevant legal and statutory provisions in its decision-making process, relevant quality standards within the PwC Europe partnership and/or the PwC member firms network and the provisions of the Supervisory Board Regulations. The internal auditor has direct access to the Audit Committee.

<sup>4</sup> Articles of Association, Article 25, paragraph 1 and paragraph 2.

<sup>5</sup> Code, Best practice provision 2.6.3.

<sup>6</sup> Best practice provision 1.7.2 Code.

<sup>7</sup> In line with Code, Best practice provision 1.5.1.

### **3. COMPOSITION, EXPERTISE AND INDEPENDENCE OF THE AUDIT COMMITTEE**

- 3.1 The Audit Committee is composed of at least two members of the Supervisory Board. The Supervisory Board appoints the members of the Audit Committee until further notice.
- 3.2 With the exception of one member, all members of the Audit Committee must be independent within the meaning of Article 3.6 of the Supervisory Board Regulations.
- 3.3 At least one of the members of the Audit Committee will be a financial expert and will have acquired relevant knowledge and experience in the area of financial administration/accounting with listed companies or other major legal entities.  
A majority of the members of the Audit Committee have sufficient knowledge and understanding of financial reporting, internal control and audit or have enough experience to facilitate thorough supervision of these subjects.

### **4. CHAIRPERSON OF THE AUDIT COMMITTEE**

- 4.1 The Supervisory Board appoints one of the members of the Audit Committee as chairperson. The role of chairperson of the Audit Committee will in any case not be fulfilled by the chairperson of the Supervisory Board, nor by a former director of one of the entities within the group of the Cooperative<sup>8</sup> nor a non-independent member of the Supervisory Board.
- 4.1 The chairperson of the Audit Committee is responsible for the proper performance of the Audit Committee. He/she will function as spokesperson for the Committee and will be the main point of contact within the Audit Committee for the Supervisory Board and the Management Board of Directors.

### **5. MEETINGS AND DECISION-MAKING BY THE AUDIT COMMITTEE**

- 5.1 The Audit Committee will meet as often as it deems necessary, in any case at least four times per year according to a schedule to be prepared annually, unless there is a reason to meet less often.

At least one of the meetings will take place before the draft financial statements of the Cooperative and/or the draft transparency report of the Audit Firm are submitted to the Supervisory Board<sup>9</sup>.

The Audit Committee meets with the external auditor at least once a year without the Management Board being present<sup>10</sup>.

- 5.2 Meetings can also take place by telephone or by means of video conferencing, or similar means of communication, provided that all participating members can hear each other at the same time and all members can make themselves clear.
- 5.3 The Audit Committee decides whether and when others can attend (part of) the meetings<sup>11</sup>. In principle this may be:
- the external auditor
  - the chief financial officer within the Management Board
  - the Finance department Director

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<sup>8</sup> Code, Best practice provision 2.3.4.

<sup>9</sup> Supervisory Board Regulations, Article 9.3 (meetings of the Supervisory Board) "The Cooperative's external auditor can be invited to the meeting of the Supervisory Board in which the report of the external auditor on the audit of the financial statements is addressed and in which the financial statements are discussed."

<sup>10</sup> Code, Best practice provision 1.7.4.

<sup>11</sup> Code, Best practice provision 1.5.2.

- the Internal Audit Service department Manager
- the Compliance Officer

Other officers and other members of the Management Board can also be asked to attend meetings and, if they are invited to do so, will attend meetings of the Audit Committee and provide all information there which is reasonably demanded by the Audit Committee.

- 5.4 A meeting will only take place if at least two members of the Audit Committee attend, including the chairperson.
- 5.5 Decisions (on advice to be issued to the Supervisory Board) can also be taken outside the meeting if all members of the Audit Committee have been informed *in writing or by email* of the proposal for which a decision by the Audit Committee is required and these members have, insofar as reasonably possible, been able to express an opinion and a sufficient number of members of the Audit Committee to form a majority have declared themselves in favour of the proposal *in writing or by email*. If the votes are equally divided, no decision will be made and the proposal will be submitted to the Supervisory Board.

## **6. PROVIDING INFORMATION AND REPORTING TO THE SUPERVISORY BOARD**

- 6.1 The Audit Committee is authorised to request the Management Board and the Cooperative's external auditor<sup>18</sup> to provide all information it requires to perform its duties properly.
- 6.2 The Audit Committee reports annually to the Supervisory Board on the developments in the functioning of and the developments in the relationship with the external auditor, including the quality of the services, his independence and the work performed.
- 6.3 The Audit Committee will provide the Supervisory Board with a report of its deliberations and findings as soon as possible after every Audit Committee meeting<sup>12</sup>, which report will also state which of its members and any other persons were present at the meeting in question. The Supervisory Board will discuss the report in its next meeting and also in view of the Cooperative's annual report and the Supervisory Board's report<sup>13</sup>.

If the report of the last meeting of the Audit Committee is not yet available when the Supervisory Board has its meeting, the chairperson of the Audit Committee will give an oral summary to the Supervisory Board in anticipation of the report.

- 6.4 After the end of the financial year, the Audit Committee will inform the Supervisory Board in writing and in a timely manner regarding the information to be included by the Supervisory Board in its report. In the report of the Supervisory Board it will report on the performance of the brief of the Audit Committee in the financial year<sup>14</sup>. The Supervisory Board's<sup>15</sup> report must, in any case, include details of the composition of the Audit Committee, the number of meetings of the Audit Committee and the most important subjects that were discussed.

## **7. CONFIDENTIALITY**

- 7.1 Meetings of the Audit Committee are confidential.
- 7.2 Any notifications sent to third parties will be made by or in consultation with the chairperson of the Audit Committee.

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<sup>12</sup> *Supervisory Board Regulations, Article 12.1 (information, relationship with the management board)*

<sup>13</sup> *Code, Best practice provision 1.5.3.*

<sup>14</sup> *Code, Principle 2.3.5.*

<sup>15</sup> *Code, Best practice provision 2.3.5.*

<b>Annex E</b>	<b>REGULATIONS FOR THE REMUNERATION COMMITTEE of the Supervisory Board</b>
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## **1. GENERAL**

- 1.1 These regulations of the Remuneration Committee are drawn up pursuant to Article 6.2 of the Supervisory Board Regulations and regulate the role and responsibilities of the Remuneration Committee, its composition and the way in which the Remuneration Committee exercises its duties.
- 1.2 Decisions on the interpretation of these regulations are made by the Supervisory Board.
- 1.3 Terms have the meaning given to them in Annex A to the Supervisory Board Regulations.
- 1.4 The Supervisory Board has drawn up these regulations at the proposal of the Remuneration Committee. Each year, the Remuneration Committee assesses the sufficiency of these regulations, reports on this assessment to the Supervisory Board and proposes amendments as necessary. The Supervisory Board can change these regulations and/or revoke the authorities granted to the Remuneration Committee at all times.
- 1.5 In the event of conflict between the provisions in these regulations and the provisions in the charter of the Cooperative or other corporate documentation, such as the Supervisory Board Regulations, the provisions of the charter or the Supervisory Board Regulations prevail.
- 1.6 These Remuneration Committee Regulations have been published on and can be downloaded from the website: <https://www.pwc.nl/nl/onze-organisatie/raad-van-commissarissen.html> under: Supervisory Board Regulations, AnnexE.

## **2. ROLE AND RESPONSIBILITY OF THE REMUNERATION COMMITTEE**

- 2.1 Without prejudice to the provisions of Article 6.1 of the Supervisory Board Regulations, the Remuneration Committee is responsible for:
1. preparing the decisions by the Supervisory Board in the area of the remuneration policy and remuneration as described in the Supervisory Board Regulations, i.e.:
    - a. approving the remuneration policy to be determined by the General Meeting and the supervision by the Supervisory Board of the correct implementation of that policy (*Article 2.2 (k) Supervisory Board Regulations*)<sup>2</sup>.
    - b. submitting motions to the General Meeting concerning the remuneration of the members and chairperson of the Supervisory Board<sup>3</sup> (*Article 2.2 (l) in conjunction with Article 7 of the Supervisory Board Regulations*).
    - c. approving the remuneration policy for the Management Board, to be determined by the General Meeting, and determining the remuneration for the members of the Management Board in accordance with Principle 3.2 of the Code (*Article 2.2 (m) Supervisory Board Regulations*)

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<sup>1</sup> Code, Best Practice provision 2.3.3.

<sup>2</sup> The remuneration system prioritises rewarding quality, including coaching and guidance.

<sup>3</sup> Cooperative Charter, Article 13, paragraaf

- d. supervising whether the Supervisory Board's implementation of the remuneration policy that has been adopted is focused on quality, and whether the determination of the remuneration of the (other) policymakers of the Audit Firm is focused on quality and in line with the long-term objectives (*Article 2.2 (m) and (n) of the Supervisory Board Regulations*).
  - e. approving the remuneration policy determined by the General Meeting for those who conduct their profession on the basis of a Partner Agreement (Partners)<sup>4</sup> (*Article 2.2 (o) of the Supervisory Board Regulations*).
  - f. with regard to the remuneration of Partners that work as external auditor within the Audit Firm, expressly considering (i) the weighting of quality and quality improvement by means of payment of part of the remuneration, (ii) including for any deductions from the remuneration (including the clawback provision) and (iii) spending these payments on measures to improve quality (*Article 2.2(o) of the Supervisory Board Regulations*).
  - g. approving the remuneration policy to be determined by the Management Board for persons with an employment contract<sup>5</sup> (*Article 2.2 (p) of the Supervisory Board Regulations*).
2. the duties and authorities assigned to the Remuneration Committee in the Financial Settlement Regulations insofar as these have not been referred to above, or insofar as these do not ensue from the aforementioned responsibilities.
  3. at the Supervisory Board's request, preparing decisions by the Supervisory Board or advising the Supervisory Board in other areas than mentioned.
- 2.2 For the benefit of the performance of its duties,<sup>6</sup> as a core committee of the Supervisory Board and, insofar as applicable, with due observance of Principle 3.2 of the Code the Remuneration Committee and the Best Practices provisions belonging thereto, focuses on:
1. making proposals to the Supervisory Board regarding the remuneration policy to be pursued<sup>7</sup>
  2. making clear and comprehensible proposals to the Supervisory Board regarding the determination of the remuneration for the members of the Management Board and the board of directors of the Accountants Organisation<sup>8</sup>, in which the following proposals will in any event be addressed:<sup>9</sup>
    - a. the remuneration structure<sup>10</sup>, leading to the members of the Management Board receiving a remuneration that has no direct relation to the profitability of the Cooperative and the entities affiliated with it in a group in the financial year in question;
    - b. the amount of the remuneration<sup>11</sup>, which consists for at most 20% of a variable part that is based on realising the long-term objectives determined by the Supervisory Board, which are in line with the social function of the PwC NL organisation (including the quality of the audit) and the specific responsibility in this connection of the relevant member of the Supervisory Board;

<sup>4</sup> *Cooperative Charter, Article 17, paragraph 1 (c)*

<sup>5</sup> *Cooperative Charter, Article 17, paragraph 1 (e)*

<sup>6</sup> *Code, Best Practice provision 3.1.1, 3.2 and 3.4.1*

<sup>7</sup> *Code, Best Practice provision 3.1.1*

<sup>8</sup> *Article 34e paragraph 2 Bta*

<sup>9</sup> *Code, Best Practice provision 3.1.2 and 3.2*

<sup>10</sup> *Code, Best Practice provision 3.2.1*

<sup>11</sup> *Code, Best Practice provision 3.2.1*

- c. the variable remuneration components and other compensations<sup>12</sup>;
  - d. the formulated performance criteria and their application;
  - e. the scenario analyses carried out<sup>13</sup>;
  - f. the relation to other remunerations within the Cooperative and the company affiliated with it within a group<sup>14</sup>;
  - g. the trend in results and the non-financial indicators relevant to long-term objects in line with the social function of the PwC NL organisation;
  - h. drawing up the remuneration report as referred to in Best Practice provision II.2.12 of the Code<sup>15</sup>, as determined and placed on the website by the Supervisory Board.
- 2.3 In formulating the proposal for the remunerations of members of the Management Board and members of the Board of Directors of the Accountants Organisation, the Remuneration Committee takes note of the individual directors' views with regard to the level and structure of their own remuneration. The Remuneration Committee asks the directors in that to pay attention to the aspects referred to in Best Practice provision 3.1.2. of the Code.
- 2.4 In the performance of its duties the Remuneration Committee involves the relevant statutory provisions and the provisions under the articles of association in its decision-making process, as well as the current PwC NL remuneration system, relevant quality standards and any applicable PwC evaluation and compensation policies within the PwC Europe partnership and/or the PwC member firms network and the provisions of the Supervisory Board Regulations.

### **3. COMPOSITION, EXPERTISE AND INDEPENDENCE OF THE REMUNERATION COMMITTEE**

- 3.1 The Remuneration Committee is composed of at least three members of the Supervisory Board. The Supervisory Board appoints the members of the Remuneration Committee until further notice.
- 3.2 All the members of the Remuneration Committee are independent within the meaning of Article 3.6 of the Supervisory Board Regulations<sup>16</sup>.
- 3.3 The members of the Remuneration Committee together possess sufficient knowledge and management expertise in the area of remuneration policy and remuneration culture at the management level of major legal entities.

### **4. CHAIRPERSON OF THE REMUNERATION COMMITTEE**

- 4.1 The Supervisory Board appoints one of the members of the Remuneration Committee chairperson. The role of chairperson of the Remuneration Committee will not be fulfilled by the chairperson of the Supervisory

<sup>12</sup> Code, Best Practice provision 3.2.1

<sup>13</sup> Code, Best Practice provision 3.2.1

<sup>14</sup> Code, Best Practice provision 3.2.1

<sup>15</sup> Code, Best Practice provision 3.4 and 3.4.1

<sup>16</sup> Supervisory Board Regulations, Article 6.1

Board, nor by a former management board member of one of the entities within the group of the Cooperative<sup>17</sup> or a non-independent member of the Supervisory Board.

- 4.2 The chairperson of the Remuneration Committee is responsible for the proper functioning of the Remuneration Committee. He/she acts as the Committee's spokesperson and will be the main point of contact within the Remuneration Committee for the Supervisory Board and the Management Board.

## 5. MEETINGS AND DECISION-MAKING PROCESS OF THE REMUNERATION COMMITTEE

- 5.1 The Remuneration Committee meets as often as it deems necessary, but at least four times per year, unless there is a reason to meet less often.  
At least one of the meetings will take place before the draft annual reporting of the Cooperative and/or the draft transparency report of the Audit Firm is submitted to the Supervisory Board.
- 5.2 Meetings can also take place by telephone or by means of video conferencing or similar means of communication, provided that all participating members can hear each other at the same time and all members can make themselves clear.
- 5.3 The Remuneration Committee decides whether and when others can attend (part of) the meetings. In principle this may be:
- the chairperson of the Management Board (and responsible for Partner Affairs)
  - the member or members of the Management Board responsible for Quality, Risk Management and/or for the Audit Firm
  - the member of the Management Board responsible for Human Capital
  - the Compliance Officer

Other officers and other members of the Management Board and members of the Membership Council can also be asked to attend meetings and, if they are invited to do so, will attend meetings of the Remuneration Committee and provide all information reasonably required by the Remuneration Committee.

- 5.4 A meeting will only take place if at least two members of the Remuneration Committee, including the chairperson, take part.
- 5.5 Decisions (on advice to be issued to the Supervisory Board) can also be taken outside the meeting if all members of the Remuneration Committee have been informed *in writing or by email* of the proposal for which a decision by the Remuneration Committee is required and these members have, insofar as reasonably possible, been able to express an opinion and a sufficient number of members of the Remuneration Committee to form a majority have declared themselves in favour of the proposal *in writing or by email*. In the event of a tie no decision is made and the matter will be presented to the Supervisory Board.

## 6. PROVISION OF INFORMATION AND REPORTING TO THE SUPERVISORY BOARD

- 6.1 The Remuneration Committee is authorised to request from the Management Board and other PwC NL officers all information that it requires for the proper performance of its duties.
- 6.2 The Remuneration Committee will provide the Supervisory Board with a report of its deliberations and findings<sup>18</sup> as soon as possible after every Remuneration Committee meeting, which report will also state which of its members and any other persons were present at that meeting. The Supervisory Board will discuss the report at its next meeting.

If the report of the last meeting of the Remuneration Committee is not yet available when the Supervisory Board has its meeting, the chairperson of the Committee will give an oral summary to the Supervisory Board in anticipation of the report.

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<sup>17</sup> Code, Best Practice provision 2.3.4

<sup>18</sup> Code, Best Practice provision 2.3.5



- 6.3 After the end of the financial year, the Remuneration Committee will inform the Supervisory Board in writing and in a timely manner regarding the information to be included by the Supervisory Board in its report. In the report of the Supervisory Board it reports on the performance of the brief of the Remuneration Committee in the financial year<sup>19</sup>.  
The Supervisory Board's report must in any case include details of the composition of the Remuneration Committee, the number of meetings of the Remuneration Committee and the most important subjects that were discussed<sup>20</sup>.  
The Supervisory Board's report moreover includes the main elements of the remuneration report with respect to the remuneration policy.
- 6.4 The Remuneration Committee prepares the annual remuneration report<sup>21</sup> which the Supervisory Board publishes on the website. In the remuneration report, account is rendered transparently in understandable and comprehensible terms<sup>22</sup>. This includes a report on the way in which the remuneration policy was put into practice in the past year and an overview<sup>23</sup> of the remuneration policy that will be pursued by the Supervisory Board in the coming financial year and following years. The report also includes how the chosen remuneration policy contributes to the realisation PwC NL's of long-term objects in accordance with the risk profile. The aforementioned overview is as much as possible in line with the information as referred to in Best Practice provision 3.4.1 in the Code.

In the remuneration report, the total remuneration of the individual members of the Management Board, broken down into different components, will be presented in a transparent manner<sup>24</sup>.

## 7. **CONFIDENTIALITY**

- 7.1 The meetings of the Remuneration Committee are confidential.
- 7.2 If notifications have to be sent to third parties, this will be done by or in consultation with the chairperson of the Remuneration Committee.

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<sup>19</sup> Code, Principle 2.3.5

<sup>20</sup> Code, Best Practice provision 2.3.5

<sup>21</sup> Remuneration Committee Regulations, Article 2.2 under 1(g): Code, Best Practice provision 3.4.1

<sup>22</sup> Code, Principle 3.1

<sup>23</sup> Code, Best Practice provision 3.4.1 i

<sup>24</sup> Code, Principle 3.1

<b>Annex F</b>	<b>REGULATIONS FOR THE SELECTION AND APPOINTMENT COMMITTEE of the Supervisory Board</b>
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**1. GENERAL**

- 1.1 These regulations of the Selection and Appointment Committee are drawn up pursuant to Article 6.2 of the Supervisory Board Regulations and regulate the role and responsibilities of the Selection and Appointment Committee, its composition and the way in which the Selection and Appointment Committee exercises its duties.
- 1.2 Decisions on the interpretation of these regulations are made by the Supervisory Board.
- 1.3 Terms have the meaning given to them in Annex A to the Supervisory Board Regulations.
- 1.4 The Supervisory Board has drawn up these regulations at the proposal of the Selection and Appointment Committee. Each year, the Selection and Appointment Committee assesses the sufficiency of these regulations, reports on this assessment to the Supervisory Board and proposes amendments as necessary. The Supervisory Board can change these regulations and/or revoke the authorities granted to the Selection and Appointment Committee at all times.
- 1.5 In the event of conflict between the provisions in these regulations and the provisions in the charter of the Cooperative or other corporate documentation, such as the Supervisory Board Regulations, the provisions of the charter or the Supervisory Board Regulations prevail.
- 1.6 These Selection and Appointment Committee Regulations have been published on and can be downloaded from the website<sup>1</sup>: <https://www.pwc.nl/nl/onze-organisatie/raad-van-commissarissen.html> under: Supervisory Board Regulations, Annex F.

**2. ROLE AND RESPONSIBILITY OF THE SELECTION AND APPOINTMENT COMMITTEE**

- 2.1 Without prejudice to the provisions of Article 6.1 of the Supervisory Board Regulations, the Selection and Appointment Committee is responsible for:
1. preparing the decisions by the Supervisory Board in the area of the appointment policy and appointment as described in the Supervisory Board Regulations, i.e.:
    - a. approval of the appointment policy to be determined by the General Meeting and the supervision by the Supervisory Board of the correct implementation of that policy (*Article 2.2 (d) of the Supervisory Board Regulations*).

This also comprises:

    - b. selecting and recommending for appointment - on the advice of the Selection and Appointment Committee - the members of the Supervisory Board<sup>2</sup> (*see Article 2.2 (g) of the Supervisory Board Regulations*).
    - c. approving the appointment, suspension and dismissal of the Compliance Officer (*Article 22 (h) of the Supervisory Board Regulations*).

<sup>1</sup> Code, Best Practice provision 2.3.3

<sup>2</sup> Cooperative Charter, Article 13, paragraph 3; Supervisory Board Regulations, Articles 3, 4 and 5.

- d. based on the profile drawn up by the Supervisory Board, selecting and making a binding proposal to the General Meeting for the appointment of the Management Board<sup>3</sup> (*Article 2.2 (i) of the Supervisory Board Regulations*), with due observance of the required diversity of the Management Board's composition and having proper regard for the interests of external stakeholders.

In its decision-making regarding the selection and proposal, the Supervisory Board involves any proxies holders with the title of authorised titular member of the Management Board, to be appointed by the Management Board or its chairperson<sup>4</sup>.

The Supervisory Board furthermore has the right at all times to suspend each director in accordance with the provisions of the Cooperative's articles of association<sup>5</sup>.

- e. approving the selection of those who (will) work as external auditor within the Audit Firm, and with whom the Management Board wishes to conclude a Partner Agreement<sup>6</sup>.
- o As regards its deliberations concerning the affiliation, the Supervisory Board takes into account:
    - the results of regular measurements regarding the culture and the conduct of the partner group;
    - actions in connection therewith further approved or to be approved by the Supervisory Board;
    - the outcome at the individual level of the relevant candidate;
    - relevant quality aspects (for example the curriculum that has been followed) within the promotion policy for employees of the audit practice. (*Article 2.2 (j) of the Supervisory Board Regulations*)<sup>7</sup>;
- f. dismissing or suspending a member of the Management Board.
2. the duties and authorities assigned to the Selection and Appointment Committee in the articles of association and any other corporate documentation insofar as these have not been referred to above, or insofar as these do not ensue from the aforementioned responsibilities.
3. at the request of the Supervisory Board, preparing decisions by the Supervisory Board or advising the Supervisory Board in other areas than were mentioned, including, but not limited to, advising the Supervisory Board in the event of, for example,
- (i) absence of all directors or the sole director<sup>8</sup> and the nomination to the General Meeting to be prepared as a result of this absence.
  - (ii) the decision-making process in respect of the duties and responsibilities of the Supervisory Board chairperson (by inclusion by the Management Board in internal regulations or otherwise)<sup>9</sup>.

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<sup>3</sup> *Cooperative Charter, Article 9, Article 10, paragraph 3.*

<sup>4</sup> *Cooperative Charter, Article 9, paragraph 13; Management & Power of Attorney Regulations, Article 2.3.*

<sup>5</sup> *Cooperative Charter, Article 9, paragraph 6; Supervisory Board Regulations, Article 2.2 (i).*

<sup>6</sup> *Cooperative Charter, Article 11, paragraph 1 (a).* Substantiated resolutions of the Management Board concerning the termination of the Partner Agreement with the Partners that work as external auditor within the Audit Firm are also subject to the approval of the Supervisory Board (*Supervisory Board Regulations, Article 2.2 (j)*).

<sup>7</sup> *Supervisory Board Regulations, Article 2.2 (j):* The Supervisory Board also approves the maintenance or cancellation of the authority to sign of a Partner that works as external auditor within the Audit Firm in respect of which a need for a quality improvement has been identified at any time and that has drawn up an improvement plan in consultation with the Compliance Officer and the director who is responsible for quality.

<sup>8</sup> *Cooperative Charter, Article 9, paragraph 10.*

<sup>9</sup> *Holding Charter, Article 11, paragraph 1 (e)*

- 2.2 As a core committee of the Supervisory Board, for the performance of its duties the Selection and Appointment Committee<sup>10</sup> focuses on:
- a) drawing up selection criteria and appointment procedures in respect of supervisory board members and directors;
  - b) the regular assessment of the size and composition of the Supervisory Board and Management Board and making proposals for a profile of the Supervisory Board;
  - c) the regular assessment of the performance of individual supervisory board members and directors and reporting this assessment to the Supervisory Board;

The regular assessments referred to under b) and c) also include:

- i. the annual evaluation of the Supervisory Board profile as included in Annex B to the Supervisory Board Regulations (*Article 3.2 of the Supervisory Board Regulations*)<sup>11</sup>
  - ii. in consultation with the Supervisory Board, preparing the evaluating and assessment of the performance of the Supervisory Board and of its individual members (including an assessment of the desired profile, composition and expertise of the Supervisory Board, its committees and the effectiveness of the introduction, education and training programme) and the conclusions that should be attached thereto (*Article 2.2 (u) of the Supervisory Board Regulations*).
  - iii. in consultation with the Supervisory Board, preparing and at least once a year evaluating and assessing the performance of the Management Board and its individual members and the conclusions that should be attached thereto (*Article 2.2 (u) of the Supervisory Board Regulations*)<sup>12</sup>.
  - iv. formulating starting points for the manner in which members of the Management Board spend their time on management duties and other responsibilities, and monitoring the compliance therewith (*Article 2.2 (m) of the Supervisory Board Regulations*).
  - v. preparing the decision-making process of the Supervisory Board with regard to the approval it is required to grant the annual assessment of the Compliance Officer's performance (*Article 2.2 (h) of the Supervisory Board Regulations*).
- d) drawing up a plan for the succession of directors and supervisory board members;
  - e) making proposals for (re)appointments;
  - f) the supervision of the policy of the management policy with respect to selection criteria and appointment procedures for higher management, in this case the members of Line of Service Boards, Business Unit Managers, Industry Leaders and Region Managers.
- 2.3 In the performance of its duties the Selection and Appointment Committee involves the relevant statutory provisions and the provisions under the articles of association in its decision-making process, as well as the current PwC NL assessment process, relevant quality standards and any applicable PwC evaluation and compensation policies within the PwC Europe partnership and/or the PwC member firms network and the provisions of the Supervisory Board Regulations.

### **3. COMPOSITION, EXPERTISE AND INDEPENDENCE OF THE SELECTION AND APPOINTMENT COMMITTEE**

<sup>10</sup> Code, Best Practice provision 2.2.5

<sup>11</sup> The Personal Independence Declaration to be signed by every intended supervisory board member is attached to the Profile in Annex B of the Supervisory Board Regulations.

<sup>12</sup> See furthermore Articles 4.3 and 5.1 of these Selection and Appointment Committee Regulations.

- 3.1 The Selection and Appointment Committee is composed of at least three members of the Supervisory Board. The Supervisory Board appoints the members of the Selection and Appointment Committee until further notice.
- 3.2 With the exception of one member, all members of the Selection and Appointment Committee must be independent within the meaning of Article 3.6 of the Supervisory Board Regulations.
- 3.3 The members of the Selection and Appointment Committee together possess the knowledge and experience in the area of personnel/appointment, assessment and remuneration policy as well as with regard to management and organisational issues<sup>13</sup>.

#### **4. CHAIRPERSON OF THE SELECTION AND APPOINTMENT COMMITTEE**

- 4.1 The Supervisory Board appoints one of the members of the Selection and Appointment Committee chairperson. The role of chairperson of the Selection and Appointment Committee will be fulfilled by the chairperson of the Supervisory Board.
- 4.2 The chairperson of the Selection and Appointment Committee is responsible for the proper functioning of the Selection and Appointment Committee. He/she acts as the Committee's spokesperson and will be the main point of contact within the Selection and Appointment Committee for the Supervisory Board and the Management Board.
- 4.3 In the annual assessment of and in the annual assessment interview with the chairperson of the Management Board, the chairperson of the Selection and Appointment Committee fulfils the role of 'primary reviewing partner' as referred to in the assessment documentation.

#### **5. MEETINGS AND DECISION-MAKING PROCESS OF THE SELECTION AND APPOINTMENT COMMITTEE**

- 5.1 The Selection and Appointment Committee meets as often as it deems necessary, but at least four times per year, unless there is a reason to meet less often. At least one of the meetings will take place before the draft annual reporting of the Company and/or the draft transparency report of the Audit Firm is submitted to the Supervisory Board.

In addition, one or more members of the Selection and Appointment committee will be present at the annual assessment interview with the directors in the context of the performance of duties as referred to in Article 2.2 of these Regulations.

In the annual assessment of and in the annual assessment interview with every proxy holder that is a titular director, the chairperson of the Management Board fulfils the role of 'primary reviewing partner' as referred to in the assessment documentation<sup>14</sup>.

- 5.2 Meetings can also take place by telephone or by means of video conferencing or similar means of communication, provided that all participating members can hear each other at the same time and all members can make themselves clear.
- 5.3 The Selection and Appointment Committee decides whether and when others can attend (part of) the meetings<sup>15</sup>. In principle this may be:
- the chairperson of the Management Board.
  - the chairperson of the Membership Council
  - the Compliance Officer

<sup>13</sup> No Best Practice provisions have been formulated in the Corporate Governance Code with regard to the composition of the Selection and Appointment Committee.

<sup>14</sup> *Cooperative Charter, Article 9, paragraph 9* "The Supervisory Board determines the height and composition of the remuneration of each director and of each proxy holder that is a titular director."

<sup>15</sup> *Code, Best Practice provision 1.5.2*

Other officers and other members of the Management Board and members of the Membership Council can also be asked to attend meetings and, if they are invited to do so, will attend meetings of the Selection and Appointment Committee and provide all information reasonably required by the Selection and Appointment Committee.

- 54 A meeting will only take place if at least two members of the Selection and Appointment Committee, including the chairperson, take part.
- 55 Decisions (on advice to be issued to the Supervisory Board) can also be taken outside the meeting if all members of the Selection and Appointment Committee have been informed *in writing or by email* of the proposal for which a decision by the Committee is required and these members have, insofar as reasonably possible, been able to express an opinion and a sufficient number of members of the Committee to form a majority have declared themselves in favour of the proposal *in writing or by email*. In the event of a tie no decision is made and the matter will be presented to the Supervisory Board.

## 6. PROVISION OF INFORMATION AND REPORTING TO THE SUPERVISORY BOARD

- 6.1 The Selection and Appointment Committee is authorised to request from the Management Board all information that it requires for the proper performance of its duties.
- 6.2 The Selection and Appointment Committee will provide the Supervisory Board with a report of its deliberations and findings<sup>17</sup> as soon as possible after every Selection and Appointment Committee meeting, which report will also state which of its members and any other persons were present at that meeting. The Supervisory Board will discuss the report at its next meeting.

If the report of the last meeting of the Selection and Appointment Committee is not yet available when the Supervisory Board has its meeting, the chairperson of the Committee will give an oral summary to the Supervisory Board in anticipation of the report.

- 6.3 After the end of the financial year, the Selection and Appointment Committee will inform the Supervisory Board in writing and in a timely manner regarding the information to be included by the Supervisory Board in its report. In the report of the Supervisory Board it reports on the performance of the brief of the Selection and Appointment Committee in the financial year<sup>18</sup>. The Supervisory Board's<sup>19</sup> report must in any case include details of the composition of the Selection and Appointment Committee, the number of meetings of the Selection and Appointment Committee and the most important subjects that were discussed. The Supervisory Board's report moreover contains (i) in what way the evaluation of the Supervisory Board, the separate committees and the individual supervisory board members took place<sup>20</sup>, (ii) accountability with regard to the starting principles formulated for the time spent by the Management Board members on management duties and other responsibilities as well as with regard to the supervision of the compliance with those starting principles<sup>21</sup>, (iii) accountability if the Supervisory Board's actual profile deviates from the official Profile drawn up<sup>22</sup>.

## 7. CONFIDENTIALITY

- 7.1 The meetings of the Selection and Appointment Committee are confidential.
- 7.2 If notifications have to be sent to third parties, this will be done by or in consultation with the chairperson of the Selection and Appointment Committee.

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<sup>16</sup> Code, Best Practice provision 2.2.5

<sup>17</sup> Code, Principle 2.3.5

<sup>18</sup> Code, Best Practice provision 2.3.5

<sup>19</sup> Supervisory Board Regulations, Article 2.3.3

<sup>20</sup> Supervisory Board Regulations, Article 2.3.2

<sup>21</sup> Supervisory Board Regulations, Article 2.2(m)

<sup>22</sup> Supervisory Board Regulations, Article 3.3

**1. GENERAL**

- 1.1 These Public Interest Committee regulations have been drawn up pursuant to Article 6.2 of the Supervisory Board Regulations and regulate the role and responsibilities of the Public Interest Committee, its composition and the way in which the Public Interest Committee exercises its duties.
- 1.2 Decisions on the interpretation of these regulations are made by the Supervisory Board.
- 1.3 Terms have the meaning given to them in Annex A to the Supervisory Board Regulations.
- 1.4 The Supervisory Board has drawn up these regulations<sup>1</sup> at the proposal of the Public Interest Committee. Each year, the Public Interest Committee assesses the sufficiency of these regulations, reports on this assessment to the Supervisory Board and proposes amendments as necessary. The Supervisory Board can change these regulations and/or revoke the authorities granted to the Public Interest Committee at all times.
- 1.5 In the event of conflict between the provisions in these regulations and the provisions in the charter of the Cooperative or other corporate documentation, such as the Supervisory Board Regulations, the provisions of the charter or the Supervisory Board Regulations will prevail.
- 1.6 These Public Interest Committee Regulations have been published and can be downloaded from the website: <https://www.pwc.nl/nl/onze-organisatie/raad-van-commissarissen.html> at: Supervisory Board Regulations, Annex G.

**2. ROLE AND RESPONSIBILITY OF THE PUBLIC INTEREST COMMITTEE**

- 2.1 Without prejudice to the provisions of Article 6.1 of the Supervisory Board Regulations, the Public Interest Committee is responsible for advising the Supervisory Board or preparing its decision-making regarding:
  1. the social aspects of running a business relevant to the Cooperative and its affiliated company, including safeguarding the public interests of the audit and other issues that affect public interest.
  2. subjects that require the Supervisory Board's approval on the basis of the applicable legislation and/or by-laws or regulations of the Netherlands Institute of Chartered Accountants<sup>2</sup>, insofar as these are not handled by other committees of the Supervisory Board.
  3. the approval of the Supervisory Board of policy regarding the system of quality control of the Audit Firm and the supervision of its effects<sup>3</sup>.
  4. the annual discussion between the Supervisory Board and the AFM about the Audit Firm<sup>4</sup>.

<sup>1</sup> The Code, Best Practice provision 2.3.3 provides that the Supervisory Board draws up regulations for each committee.

<sup>2</sup> Cooperative Charter, Article 11, paragraph 1 under l

<sup>3</sup> Supervisory Board Regulations, Article 2.2 under q

<sup>4</sup> Supervisory Board Regulations, Article 2.2 under r. Contacts with external supervisors, including the AFM, are maintained via the chairperson of the Supervisory Board.

5. the annual evaluation - with a view to (enhancing) quality - with the Supervisory Board and the Compliance Officer
    - whether there are sufficient guarantees to prevent casuistry as was submitted to the Accountancy Division in the previous period
    - whether measures are required in connection with the information received in that year regarding the performance of accountants, the results of (internal) quality investigations, the things learned from public proceedings and findings of the AFM, Accountancy Division, Peer Review Board, research institute and other parties, and
    - if measures are required in connection with the things learned, what are these<sup>5</sup>.
  6. the annual discussion of the (performance of) the complaints and reporting scheme<sup>6</sup>.
  7. all matters relating to the preservation of the Audit Firms (Supervision) Act permit or the continuance of PricewaterhouseCoopers Accountants N.V.
  8. the preparation, at the request of the Supervisory board, of decisions by the Supervisory Board or advising the Supervisory Board in areas other than those mentioned.
- 2.2. For the benefit of the performance of its duties, as a core committee of the Supervisory Board, the Public Interest Committee focuses on the way in which PricewaterhouseCoopers Accountants N.V. and its Dutch network safeguard the public interest of audit opinions. In that context, the Public Interest Committee focuses on the assessment of:
- I. board decision-making by the Audit Firm board
  - II. the Audit Firm's quality control system
  - III. the procedure for (dealing with) reports
  - IV. internal and external quality reviews
  - V. external reports
  - VI. (potential) reputational risks
  - VII. dialogue with stakeholders

The Public Interest Committee also acts as a sounding board and provides advice within the network of PricewaterhouseCoopers Accountants N.V.

- 2.3 In performing its duties, the Public Interest Committee involves relevant statutory provisions and provisions under the articles of association in its decision-making as well as relevant quality standards within the PwC Europe partnership and/or the network of PwC member firms and the provisions in the Supervisory Board Regulations.

### **3. COMPOSITION, EXPERTISE AND INDEPENDENCE OF THE PUBLIC INTEREST COMMITTEE**

- 3.1 The Public Interest Committee is composed of at least four members of the Supervisory Board. The Supervisory Board appoints the members of the Public Interest Committee until further notice.
- 3.2 All the members<sup>7</sup> of the Public Interest Committee are independent within the meaning of Article 3.6 of the Supervisory Board Regulations.
- 3.3 The members of the Public Interest Committee together possess the expertise required to perform its task. The Committee is composed in such a way that the members can act in a mutually critical and independent way for any particular interest. The composition of the Public Interest Committee is such that there is sufficient
- expertise in the area of the relevant legislation and regulations;

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<sup>5</sup> Supervisory Board Regulations, Article 2.2 under t

<sup>6</sup> Supervisory Board Regulations, Article 2.2 under y

<sup>7</sup> Supervisory Board Regulations, Article 6.1



- experience in political and society sectors, preferably within a Dutch political network or within an organisation that (also) serves public interest;
- expertise in the area of financial administration/accounting;
- expertise in the area of corporate social responsibility, corporate governance and compliance;
- culture and diversity; and
- experience in the area of management and organisational issues.

#### **4. CHAIRPERSON OF THE PUBLIC INTEREST COMMITTEE**

- 4.1 The Supervisory Board appoints one of the members of the Public Interest Committee as chairperson. The role of chairperson of the Public Interest Committee will, in any case, not be fulfilled by the chairperson of the Supervisory Board, nor by a former director of one of the entities within the group of the Cooperative or a non-independent member of the Supervisory Board.
- 4.2 The chairperson of the Public Interest Committee is responsible for the proper performance of the Public Interest Committee. He/she will function as spokesperson for the Committee and will be the main point of contact within the Public Interest Committee for the Supervisory Board, the Board of Directors and the board of the Audit Firm.

#### **5. MEETINGS AND DECISION-MAKING OF THE PUBLIC INTEREST COMMITTEE**

- 5.1 The Public Interest Committee will meet as often as it deems necessary, in any case at least four times per year according to a schedule to be prepared annually, unless there is a reason to meet less often. At least one of the meetings will take place before the draft transparency report of the Audit Firm is submitted to the Supervisory Board.
- 5.2 Meetings can also take place by telephone or by means of video conferencing or similar means of communication, provided that all participating members can hear each other at the same time and all members can make themselves clear.
- 5.3 The Public Interest Committee decides whether and when others can attend (part of) the meetings<sup>8</sup>. In principle this maybe:
- the chairperson of the Board of Directors
  - the other members of the Board of Directors
  - the Compliance Officer and/or the deputy Compliance Officer
  - the person responsible for Public Policy and Regulatory Affairs

Other officers can also be asked to attend meetings and, if they are invited to do so, will attend meetings of the Public Interest Committee and there provide all information reasonably required by the Public Interest Committee.

- 5.4 A meeting will only take place if at least two members of the Public Interest Committee attend, including the chairperson. A provisional decision can be taken if two members attend, after which confirmation outside the meeting will be requested of at least one other member.
- 5.5 Decisions (on advice to be issued to the Supervisory Board) can also be taken outside the meeting if all members of the Public Interest Committee have been informed in writing or by email of the proposal for which a decision by the Public Interest Committee is required and these members have, insofar as reasonably possible, been able to express an opinion and a sufficient number of members of the Public Interest Committee to form a majority have declared themselves in favour of the proposal in writing, by email or by telephone (and then with a written confirmation). If the votes are equally divided, no decision will be made and the proposal will be submitted to the Supervisory Board.

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<sup>8</sup> In line with *Code, Best practice provision 1.5.2*

## **6. PROVIDING INFORMATION AND REPORTING TOTHE SUPERVISORY BOARD**

- 6.1 The Public Interest Committee is authorised to request the Supervisory Board and the board of the Audit Firm<sup>9</sup> to provide all information it requires to perform its duties properly.
- 6.2 The Public Interest Committee will provide the Supervisory Board with a report of its deliberations and findings as soon as possible after every meeting<sup>10</sup>, which report will also state which of its members and any other persons were present at the meeting in question. The Supervisory Board will discuss the report at its next meeting.

If the report of the last meeting of the Public Interest Committee is not yet available when the Supervisory Board has its meeting, the chairperson of the Committee will give an oral summary to the Supervisory Board in anticipation of the report.

- 6.3 After the end of the financial year, the Public Interest Committee will inform the Supervisory Board in writing and in a timely manner regarding the information to be included by the Supervisory Board in its report.

In the report of the Supervisory Board it reports on the performance of the brief of the Public Interest Committee in the financial year<sup>11</sup>. The report of the Supervisory Board<sup>12</sup> must in any case include details of the composition of the Public Interest Committee, the number of meetings of the Public Interest Committee and the most important subjects that were discussed.

Moreover, the Public Interest Committee reports to the Supervisory Board regarding its findings on the state of affairs regarding the safeguarding of public interest within PricewaterhouseCoopers Accountants N.V. The Public Interest Committee also renders account on the manner in which it fulfilled its role and it reports on the state of affairs regarding the safeguarding of public interests within the Audit Firm. The most important findings of the Public Interest Committee will be reported in the transparency report of PricewaterhouseCoopers Accountants N.V. or in the annual report<sup>13</sup>.

## **7. CONFIDENTIALITY**

- 7.1 Meetings of the Public Interest Committee are confidential.
- 7.2 If notifications have to be sent to third parties, this will be done by, or in consultation with, the chairperson of the Public Interest Committee.

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<sup>9</sup> *Supervisory Board Regulations, Article 12.1 (information, relationship with the board of directors)*

<sup>10</sup> *In line with Code, Best practice provision 2.3.5*

<sup>11</sup> *Code, Best practice provision 2.3.5*

<sup>12</sup> *In line with Code, Best practice provision 2.3.5*

<sup>13</sup> *Supervisory Board Regulations, Article 2.3*