

## **Explanatory notes to the agenda**

**Annual General Meeting of Shareholders to be held on Thursday 13 April 2023 at 14:00 at the offices of Ctac N.V. (the "Company"), Meerendonkweg 11 in 's-Hertogenbosch.**

### **1. Opening and announcements**

The chair will open the meeting and explain the procedure and the rules for the meeting. The number of holders of voting rights and the number of votes will be stated.

### **2. Report of the Board of Directors on the 2022 financial year**

The Board of Directors will look back at the events that happened and the results that were achieved in 2022. The expectations for 2023 will also be addressed.

### **3. Financial statements for 2022**

Discussion of the written report of the Board of Directors for 2022.

- a. PricewaterhouseCoopers Accountants N.V. will comment on the audit procedures for the 2022 financial year.
- b. When discussing this agenda item, there will be an opportunity to ask questions about the financial statements and the general meeting ("AGM") will be asked to adopt the financial statements for 2022.
- c. An explanation of the reservation and dividend policy will be given in connection with this agenda item.
- d. With regard to the dividend, the Board of Directors proposes, with the approval of the Supervisory Board, to the AGM to distribute a dividend over 2022 of € 0.12 per ordinary share, in accordance with the provisions of article 35(4) of the articles of association. The holders of ordinary shares will be given the option of receiving a distribution in cash or in the form of ordinary shares to be charged to the profit for the 2022 financial year.

The term within which shareholders can indicate their preference will start on 19 April 2023 and end on 3 May 2023. Shareholders who fail to indicate their preference during this term will automatically receive a dividend in the form of shares. The statutory dividend withholding tax will be withheld from any dividend to be paid in cash.

The ex-dividend date is 17 April 2023. The stock dividend exchange ratio will be established on 8 May 2023 after trading on Euronext Amsterdam has ended, based on the volume-weighted average price of all shares of the Company traded on 4, 5 and 8 May 2023. The new ordinary shares are entitled to dividends for the 2023 financial year and subsequent financial years. New ordinary shares will be issued with effect from 15 May 2023, subject to settlement of fractional shares in cash.

The proposal includes designating the Board of Directors, subject to the approval of the Supervisory Board, as the body authorised to resolve to issue ordinary shares and to restrict and exclude the pre-emptive right as required for the distribution of dividend in the form of shares, all this supplementary to the possible designation of the Board of Directors as referred to under item 9.

When applying to have the shares that will be issued for the stock dividend admitted to trading on Euronext Amsterdam, the exemption from the prospectus obligation based on the European Prospectus Regulation (Regulation (EU) 2017/1129 of 14 June 2017) will be applied.

- e. The AGM will be asked to approve the management conducted by the Board of Directors and also to discharge each of the members of the Board of Directors in office in 2022 from liability for their responsibilities.
- f. The AGM will also be asked to approve the supervision conducted by the Supervisory Board on the management of the Company and to discharge each of the members of the Supervisory Board in office in 2022 from liability for their responsibilities.

***The AGM will be asked to adopt the proposals as such.***

#### **4. Remuneration**

- a. The 2022 remuneration report has been drafted as part of the report of the Board of Directors. The remuneration policy which serves as the basis for the remuneration of the Board of Directors can be found on the Company's website [www.ctac.nl](http://www.ctac.nl) under About Ctac / Corporate Governance / Code and regulations / Remuneration Policy. In accordance with the revised Shareholders' Rights Directive and its implementation in Dutch law, which requires the Company's remuneration report to be submitted to the AGM for an advisory vote, the meeting will be asked to issue a positive opinion in respect of this 2022 remuneration report.
- b. Proposal to amend the remuneration policy for the Board of Directors and to adopt the remuneration policy for the Supervisory Board: it is proposed to amend the policy for the remuneration of the Board of Directors and the Supervisory Board. The proposal can be found on the Company's website under Investor Relations / Information for Shareholders / General Meeting of Shareholders.

##### Historical background to proposal

In 2020, a proposal was made to change the remuneration policy, which was not adopted at the AGM. The comments from the 2020 AGM were therefore incorporated in a revised proposal for the 2021 AGM. The revised proposal was not adopted during the 2021 AGM since the majority of at least three-fourths of the votes cast, required for adoption of the remuneration policy, was not obtained. For the 2022 AGM, the change in the remuneration policy was again placed on the agenda. The remuneration policy was not adopted during the 2022 AGM on 4 May 2022.

In dialogue with various stakeholders, the Supervisory Board has adjusted the previous proposal, taking into account the views of all stakeholders. This has resulted in the current proposal.

### Changes

In this policy, the fixed remunerations of the directors under the articles of association are based on the market median. This actually leads to a decrease compared to the former policy. The pension scheme has also been scaled down in the new policy. No additional compensation is offered.

The changes in this proposal are further aimed at increasing transparency and establishing a clearly defined relationship between performance and remuneration. This is expressed through:

- the implementation of a limited number of measurable criteria;
- the definition of the short-term and long-term financial and non-financial targets;
- transparency as to the method applied to establish the remunerations and the policy (system, ratios, performance measurements and performance measures);
- a focus on Ctac's long-term value creation; and
- a relatively greater emphasis on the long-term variable remuneration.

In this policy, the minimum threshold for payment of the variable remuneration has been raised and the scheme has been scaled down. In other words, better performance is required to be eligible to receive variable remuneration than was the case with the former policy. Also the valuation methodology of the long term variable remuneration is simplified by no longer applying a value that is based on virtual shares.

The adoption of the remuneration policy also includes approving the remuneration policy to the extent that it relates to remuneration of members of the Board of Directors in the form of shares or rights to subscribe for shares.

No changes are being made in the remuneration policy to the remuneration of the Supervisory Board.

In adopting the remuneration policy, the AGM is asked to agree that the criteria employed to date for the remuneration of the members of the Supervisory Board will continue to apply as the Supervisory Board's remuneration policy.

The Company's works council has approved the proposed changes.

***The AGM will be asked to adopt the proposals as such.***

### ***5. Proposal to appoint the external auditor for the financial statements of the Company for the 2024 financial year***

The AGM will be asked to vote on the appointment of PricewaterhouseCoopers Accountants N.V. as the external auditor to audit the Company's financial statements for the 2024 financial year.

***The AGM will be asked to adopt the proposal as such.***

**6. Notification of the proposed appointment of Mr P.H.J. de Koning as a director under the articles of association (Chief Financial Officer) of Ctac N.V.**

The Supervisory Board hereby announces its intention to appoint Mr P.H.J. (Paul) de Koning as Chief Financial Officer (CFO), and also a director under the articles of association, of the Company with effect from 1 May 2023 and for a four-year period ending upon closure of the 2027 AGM. The Supervisory Board wishes to take this opportunity to hear the views of the AGM regarding this proposed appointment.

In accordance with article 30 of the Works Councils Act (WCA), the works council has been given the opportunity to issue an opinion on the proposed appointment of Mr P.H.J. (Paul) de Koning as a member of the Board of Directors. The works council expressed its support for the proposed appointment of Mr P.H.J. (Paul) de Koning on 9 February 2023.

Further information on the proposed appointment is provided below.

Mr P.H.J. (Paul) de Koning's details:

- Age: 59
- Number of shares in the capital of the Company: € 0
- Other relevant positions as member of a Board of Directors or Supervisory Board:
  - Member of the Supervisory Board of Elkerliek Hospital, Helmond (April 2019 – present)
- Main former functions:
  - CFO, Neways Electronics, Son (April 2015 – July 2022)
  - CFO, Scheuten, Venlo (November 2009 – March 2015)
  - Senior Vice President & Group Controller, NXP Semiconductors, Eindhoven (2004 – 2009)
  - Various positions at Philips in the Netherlands and abroad (1989 – 2004)
- Key elements of the agreement between De Koning and the Company:
  - o Duration: 15 February 2023 up to and including the 2027 AGM;
  - o Remuneration: the fixed remuneration amounts to € 265,000 per annum. The variable remuneration is based on the proposed remuneration policy 2023 (agenda item 4).
  - o Other emoluments: De Koning participates in the general Ctac pension scheme and will be designated a company-car based on the Ctac company-car scheme.
  - o Termination period: a mutual period of 3 months.

**7. Notification of a vacancy on the Supervisory Board**

In accordance with its articles of association, the Company's Supervisory Board consists of three or more natural persons, the precise number being determined by the AGM. The Company currently has three supervisory directors. Ms Karsten will be standing down after the AGM and a vacancy will therefore arise as of that moment. The Supervisory Board is currently searching for a suitable successor of Ms Karsten and will continue this search.

The Supervisory Board informs the AGM that, other than as aforementioned, no vacancies are expected to arise during the period up to the 2024 AGM.

**8. Authorisation for the Board of Directors to repurchase ordinary shares**

It is proposed that the Board of Directors be authorised, in accordance with article 8(2) of the current articles of association and within the limits laid down by law and the articles of association, to repurchase ordinary shares in the capital of the Company on the stock exchange or otherwise in return for payment, up to a maximum of 10% of the outstanding ordinary shares. The authorisation is effective until eighteen months after the end of this AGM.

The price for ordinary shares to be repurchased should be between the amount equal to EUR 0.01 and 110% of the stock market price at the time of acquisition of the shares.

***The AGM will be asked to authorise the Company's Board of Directors in accordance with the proposal.***

**9. Extension of the designation of the Board of Directors as the body authorised to resolve to issue shares, to grant rights to subscribe for shares, and to restrict or exclude pre-emptive rights**

At the AGM held on 4 May 2022 the Board of Directors was designated as the body authorised to resolve to issue shares, to grant rights to subscribe for shares, and to restrict or exclude pre-emptive rights in connection therewith. The designation was subject to the condition precedent of the amendment of the articles of association, which was carried out on 5 May 2022. It concerned a maximum of 10% of the outstanding ordinary shares in the Company's capital at the time of the relevant resolution and is applicable for a period of eighteen months with effect from the end of the AGM held on 4 May 2022.

It is now being proposed that the Board of Directors be designated again as the body authorised to resolve to issue shares, to grant rights to subscribe for shares, and to restrict or exclude pre-emptive rights in connection therewith. This proposed designation once again concerns a maximum of 10% of the outstanding ordinary shares in the Company's capital at the time of the relevant resolution and is applicable for a period of eighteen months with effect from the end of this AGM to be held on 13 April 2023.

***The AGM will be asked to adopt the proposal as such.***

**10. Questions before the closure of the meeting**

There will be an opportunity to ask questions here.

**11. Closure of the meeting**