

Subject	Your Request for Advice (article 25 WOR) – Remuneration Policy Management Board & Supervisory Board , dated March 28 th 2024
Date	April 2 nd 2024
From	Gérard van Heusden; on behalf of the Avantium Ondernemingsraad
To	Edwin Moses – Chair Supervisory Board, chair Remuneration Committee
Cc	Tom van Aken – CEO Avantium Boudewijn van Schaik – CFO Avantium Christine Hille – a.i. Director HR Avantium Carmen Portocarero – General Counsel Avantium

Dear Edwin, dear Remuneration Committee

The Works Council (OR) has received your Request for Advice (RfA) (WOR Art 25) dated March 28th, 2024, on the change to the remuneration of the Avantium Management Board (MB) and Supervisory Board (SVB). Hereby the OR provides you with its Advice.

Remuneration Avantium Management Board

Remuneration consists of three elements: Base salary, Short-term incentive (STI) and Long-term incentive (LTI).

Base salary

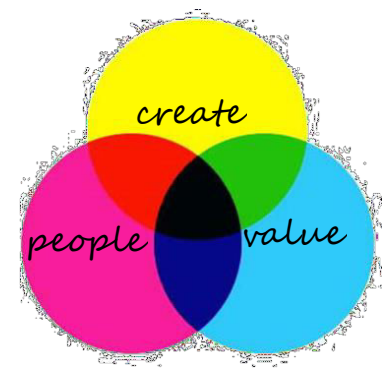
The guiding principles are clear and fair.

Target short-term incentive (STI)

The proposed change is to replace the stock options part of the plan, and reward with an cash incentive. This is in line with the employees' reward, and allows the SVB to recognize and reward the performance of the MB more directly.

The OR understands that the Remuneration Committee and the Supervisory Board maintains its view that detailed goal setting qualifies as strategically and commercially sensitive information and understands that more transparency towards its external stakeholders is desired, both in advance of target-setting and retrospectively. The OR welcomes the increased transparency on targets, weight factors and actual achievement levels to external stakeholders.

The OR would like to improve its dialogue with the Supervisory Board on its measuring of targets and achievements of the MB for the relevant year, both in advance of target-setting and retrospectively.



Long term Incentive

The main change proposed is the change to Performance Share Units (PSU) and discontinuing the current Employee Stock Option Plan for the Management Board as described in the supplied documentation.

The OR believes that as Avantium grows to a mature company the proposed changes reflect the maturity as well in how we manage our management Board. The change to a performance-based system will increase transparency on shares awarding and on the performance targets.

Benchmarking Base salary

The OR understands that it is difficult to find a better Peer Group for comparison. We agree with removing companies in other regions e.g. US companies. The list of companies in the Peer Group used in the Benchmark are in a different phase of maturity and with significantly higher revenues. It is important to openly note these differences when presenting the outcome of the Benchmark and with the expected inflection point around the corner for Avantium, that the fit in Peer Group should become better.

Remuneration Avantium Supervisory Board

The remuneration of the Supervisory Board has not been adjusted since 2017. The OR appreciates the financial prudence. We agree that the proposed increase in fees is necessary to maintain the quality and experience of the Supervisory Board. We understand and agree with the rationale for the award of RSUs to our Supervisory Board members.

Advice

The Avantium *Ondernemings Raad* sees the proposed changes as positive and believes the performance based LTI is an improvement to the current incentive plans. The benchmarking is necessary to secure the expertise of the Management Board and Supervisory board members.

With kind regards,

Gérard van Heusden (OR Chair)

Karin van Wensen (Secretary)	Michaël Breedveld
Mariana Paredinha Araujo	Tiago Vilela