

PDN Remuneration Policy

PDN makes a distinction between two categories that are governed by the remuneration policy:

1. Members of the fund's bodies and external consultants working for one of the fund's bodies for a longer period of time;
2. Outsourcing relations.

The remuneration policy is based on the following terms of reference:

- The fund conducts a remuneration policy which does not encourage taking more risks than acceptable to the fund as required by the Pensions Act, Pension Act and Occupational Pension Scheme (Obligatory Membership) (Implementation) Decree, and the Code of the Dutch Pension Funds;
- The remuneration adopted by the fund is in accordance with the work, risk profile, objectives, long-term interests, financial stability, and performance of the fund in its entirety;
- The remuneration policy contributes to the proper, controlled, and effective management of the pension fund;
- The remuneration is set on the basis of the principle of reasonable proportionality to the assigned responsibilities, requirements for the position, and the time required for the duties.

The Board has adopted a controlled and sustainable remuneration policy. PDN has not granted loans to members or former members of the Board, nor are any amounts due from members or former members of the Board. PDN does not have any employees. Members of the Board, Supervisory Board, and external consultants receive remuneration for their services and reimbursement of their expenses. The remuneration policy also regulates the remuneration of members of the Accountability Council.

The remuneration policy ensures that the remuneration is appropriate and in reasonable proportion to the assigned responsibilities, requirements for the position, and the time that is required. The fund does not provide performance-related remuneration or severance payments. The Board adopted the remuneration policy at the beginning of 2019, after reviewing the customary levels of remuneration provided by corporate pension funds of a size and positioning comparable to PDN and receiving an expert opinion from Montae.

The remuneration policy is evaluated and updated at least once every three years and as required when important developments give cause to do so. The remuneration policy may be amended by a Board resolution after obtaining advice from the Accountability Council and approval from the Supervisory Board (with the exception of issues relating to the remuneration of members of the Supervisory Board).

A summary of the remuneration policy is published on the fund's website. A note on remuneration is enclosed in the financial statements.