appendix

rationale remuneration policy EB

Proposed amendments to the remuneration policy of the Executive Board and rationale for change

introduction

This note describes the main changes of the proposed remuneration policy and their rationale as well as the process which has been followed including how we engaged with stakeholders. Subject to its adoption by the Annual General Meeting of Shareholders (AGM), the 2025 remuneration policy will have retroactive effect for the full year of 2025 and will replace the 2021 remuneration policy. The proposed remuneration policy is in compliance with the Dutch statutory requirement that a remuneration policy must be adopted at least once every four years by the AGM.

The last extensive revision of our remuneration policy review dates to 2017. Since then, a limited number of incremental improvements to streamline the policy and incorporation of shareholder feedback were proposed and approved by the 2021 AGM, such as, for example, the introduction of shareholding requirements and the shortening of the notice period for executive board members. Given the evolving market practice and emerging requirements for remuneration policies since 2017, a more extensive remuneration policy review was again undertaken in 2024 aiming for a material refresh. The goals of the revision and the main changes being proposed are as follows:

1. **Ensuring competitiveness and better stakeholder alignment.** This is done by revisiting our current labour market peer group, moving from a base salary to a market median Total Direct Compensation positioning, increasing STI and LTI target percentages (of base salary) to market aligned levels and by differentiating the percentages between the CEO and the other Board Members. To ensure alignment with the local (Dutch) market where our headquarters is placed, a secondary comparison with the AEX index will be considered as well as additional perspectives such as internal alignment.
2. **Increasing transparency and simplicity.** The proposed remuneration policy aims to increase transparency and simplicity by moving from fair value to face value LTI grant methodology and removing the deferral and matching from the STI plan.
3. **Better alignment with future strategy.** The proposed remuneration policy provides a clearer link between the kpis and Randstad's strategy including ESG related topics and provides more flexibility to align the kpis on a continuous basis to the strategy, e.g. the possibility to introduce a second financial kpi in the LTI. Additionally,

the proposed remuneration policy provides for the flexibility to determine pension and benefits based on local country market practice.

The proposed remuneration policy has been prepared by the Remuneration Committee and starting in October 2024, we have engaged with stakeholders through a roadshow to receive feedback on the changes proposed. The discussions were held with several of our larger shareholders and our top institutional investors, proxy advisors and other shareholder representative groups, as well as other stakeholder representatives (including sharing the policy with the European Works Council).

Main changes to the remuneration policy

Updated labour market peer group

The labour market peer group under the current remuneration policy is outdated and no longer sufficiently reflects Randstad's relevant recruiting market. As such, the proposed remuneration policy revises the labour market peer group through several criteria that were determined upfront, with the aim for the group to reflect relevant recruiting markets as well as considering shareholder norms:

- Industry: Size wise relevant direct competitors (Adecco, Recruit, Manpower, Korn Ferry) and in addition selected relevant IT services companies comparable in size to Randstad. For the remainder of the peer group, companies are selected from the general market irrespective of industry.
- Geographic reach: Globally active companies with a significant presence in the US, broadly comparable to Randstad (i.e. 15-50% revenue originating from US). Companies with the Headquarters in Europe are preferred, and the share of the US companies has been kept below 35%.
- Governance: a mix of one- and two-tier companies, at minimum 50% of the European companies in the peer group should have a two-tier board.
- Company Size: Randstad size wise in line with the median of the peer group on market cap and within reasonable boundaries for revenues and employees. The proxy advisors' guidance is taken into account when identifying companies similar to Randstad in size and setting up the size comparison bandwidths.

The companies included in the 2025 labour market peer group are:

Adecco Group AG	Capgemini SE	Nokia Oyj	Rexel SA
Recruit Holdings Co Ltd	Kyndryl Holdings Inc	International Cons. Airlines	Evonik Industries AG
ManpowerGroup Inc	DXC Technology Company	Adidas AG	Koninklijke Philips NV
Robert Half International Inc	Deutsche Lufthansa AG	Henkel AG & Co KGaA	Rolls-Royce Holdings PLC
Korn Ferry	Michelin SCA	Brenntag SE	Skanska AB

Updated target market positioning

The target market positioning under the current remuneration policy is based on Base Salary and is positioned between the median and the 75th percentile of the peer group. The proposed remuneration policy moves to the more holistic, market aligned positioning on Total Direct Compensation. The reference is set at Total Direct Compensation around the median with a secondary check against the full AEX index and additional perspectives such as internal alignment. The Total Direct Compensation will be increased gradually over time from the 2024 level towards the target positioning.

In exceptional circumstances, the Total Direct Compensation can be positioned up to 75th percentile of the labour market peer group, due to the work location of the EB member, unique experience or skill set, joining through acquisitions or other such unique circumstances to avoid remuneration becoming a barrier to attract and retain business critical talent.

Updated the pay mix

The pay structure under the current remuneration policy is insufficiently aligned with the market as it is skewed towards base salary. As such, under the proposed remuneration policy, the target and maximum STI and LTI levels are moved to the chosen market reference levels, which are:

	Target value		Maximum value
	CEO	**Other Board Members**	
Base salary	100%	100%	1x target
Short Term Incentive[1]	120% of base salary	100% of base salary	1.5 x target
Long Term Incentive[1]	175% of base salary (face value)	150% of base salary (face value)	2x target

The maximum values of 1.5x target for STI (currently 1.43x) and 2x target for LTI (currently 2.17x) have been chosen to align more closely with the market practice and include a meaningful percentage of guaranteed versus at risk compensation both at target as well as maximum. In light of the increased LTI potential for the CEO the shareholding requirement for the CEO will be increased from 150% to 200% of base salary as well.

Updated pension and benefits clause

Under the current remuneration policy Pension and Benefits are based on the Dutch practice defined at an additional 27% fixed salary regardless of the Board members location. In order to align pension and benefits to the relevant location of the executives, the proposed remuneration policy removes the fixed 27% of base salary and states that the pensions and other benefits for which new Executive Board members are eligible are intended to be competitive in their relevant location (home or host country) and may evolve year-on-year.

Inclusion of new hire policy

The current remuneration policy does not include a hiring policy. In order to align with market practice, the proposed remuneration policy includes a new hire policy in line with the new hire policies observed in the rest of the market:
In the case of external hires, the Supervisory Board may on a case-by-case basis decide to grant a buy-out award either in cash and/or shares, to compensate for the loss of remuneration that an incoming Executive Board member would face upon a transfer of employment. Such an award would be limited to a comparable value to the arrangements forfeited. The rationale and detail of any such award will be disclosed in the annual remuneration report. In case of internal promotion, commitments made prior to the appointment as member of the Executive Board may continue to be honoured.

Inclusion of capped deviation clause

Deviation clause is updated in the proposed policy with a cap added:
As provided under Dutch statutory law, the Supervisory Board may temporarily and under exceptional circumstances deviate from this remuneration policy. Exceptional circumstances cover only situations in which the deviation from this remuneration policy is necessary to serve the long-term interests and sustainability of the Company as a whole or to assure its viability. Deviation is limited to the elements described in this policy. In cases where deviation would result in remuneration higher than the current policy maximum level, such additional remuneration is capped at one time total target remuneration.

[1] *Please note that the STI and LTI levels cannot be compared one-on-one with the levels of the 2021 policy, as the additional share matching bonus has been removed from the STI and the LTI is expressed in face value instead of fair value as explained later in the document.*

Expanded claw-back clause

Under the current remuneration policy, the Supervisory Board may recover from the Executive Board any variable remuneration awarded on the basis of incorrect financial or other data. In order to align with the rest of the market, the proposed remuneration policy expands the definition of the claw-back policy to cover cases such material gross negligence, fraud, wilful misconduct, or material breach of the Company's business principles.

Move from fair value to face value LTI grant methodology

The current remuneration policy variable incentive design is unnecessarily complex through the use of fair value LTI grant methodology and new policy now includes simple face value LTI grant methodology. To convert Randstad's past fair value grants to face value, the historic target number of shares granted multiplied by the share price at grant date was determined for the past 5 years. The average face value over this period is 150% of base salary, equalling the 100% fair value grant from the previous policy. As such, the proposed face value LTI target of 150% for Other Board Members is not increased compared to the current fair value target.

Removal of STI deferral and corresponding match

The current STI has deferral with non-performance based additional share match of 25-50%, which is removed under the new policy. Deferrals in STI are not commonly in place in peer companies and matching is even less common. Overall, the STI deferral and corresponding match is a complicated design.

Additional flexibility for LTI measures

The current remuneration policy allows for one financial measure in LTI (Relative TSR). The proposed remuneration policy proposes more flexibility to align the financial kpis in our LTI incentive plans with Randstad's evolving strategy, leading to potentially including a second financial kpi in LTI. The weighting for the long-term incentive is balanced with at least 65% financial (one to two measures) and at most 35% strategic kpis to reflect our strong focus on long term success while simultaneously underlining our commitment to financial performance. The weight of the relative TSR measure will be between 40%-65% and the potential other financial kpi will have a weight up to 25%. Both financial measures combined will not be more than 75%.