



REGULATIONS OF THE GOVERNANCE COMMITTEE OF THE SUPERVISORY BOARD OF KWH Water B.V.

Adopted by the Supervisory Board on 10 December 2015.

Revision adopted by the Supervisory Board on 18 December 2020.

INTRODUCTION

These Regulations have been drawn up pursuant to Article 13, paragraphs 5 and 12 of the Articles of Association of the Company and Principle 2.3.3 of the Dutch Corporate Governance Code.

These Regulations supplement the provisions relating to the Supervisory Board and its members as set out in applicable laws and regulations, the Articles of Association of the Company, the Supervisory Board Regulations, and the rules governing the relationship between the Supervisory Board and the Management Board as laid down in the Management Board Regulations.

CHAPTER 1. COMPOSITION OF THE GOVERNANCE COMMITTEE OF THE SUPERVISORY BOARD; FUNCTIONS

1. Composition, Size and Expertise

- 1.1 The Governance Committee shall consist of members of the Supervisory Board, taking into account the nature of the Committee's activities. The Chair of the Supervisory Board shall automatically be a member of the Governance Committee.
- 1.2 The number of members of the Governance Committee shall be determined by the Supervisory Board.
- 1.3 The Supervisory Board shall, within the limits of its authority, endeavour to ensure that the Governance Committee is at all times composed in such a manner that:
 - (a) its members are able to operate independently and critically with respect to one another, the Management Board and any vested interest;
 - (b) each member of the Governance Committee is capable of assessing the main aspects of the Governance Committee's entire field of responsibility.

2. Appointment; Term of Office; Resignation

- 2.1 Members of the Governance Committee shall be appointed by the Supervisory Board for a period equal to their term of office on the Supervisory Board.
- 2.2 Members of the Governance Committee shall cease to be members of the Committee upon their retirement as Supervisory Board members in accordance with the retirement schedule established by the Supervisory Board. In the event of interim resignation from the Supervisory Board, membership of the Governance Committee shall terminate simultaneously.

3. Chair of the Governance Committee

- 3.1 The Supervisory Board shall appoint the Chair of the Governance Committee. The Chair of the Governance Committee may not be the Chair of the Supervisory Board, nor a former member of the Management Board of the Company.

- 3.2 The Chair of the Governance Committee shall be primarily responsible for the proper functioning of the Governance Committee. The Chair of the Supervisory Board shall act as spokesperson for the Governance Committee.
- 3.3 Without prejudice to the general scope of Article 3.2, the Chair of the Governance Committee shall ensure that:
- (a) members of the Governance Committee receive all information necessary for the proper performance of their duties in a timely manne;
 - (b) sufficient time is available for deliberation and decision-making by the Governance Committee.
- 3.4 In addition, the Chair of the Governance Committee shall be primarily responsible for:
- (a) ensuring the proper discharge of the duties of the Governance Committee;
 - (b) establishing the agenda for meetings of the Governance Committee and chairing such meetings;
 - (c) consulting with external advisers appointed by the Supervisory Board in the Governance Committee's area of responsibility.

4. Company Secretary

- 4.1 The Governance Committee shall be assisted by the Company Secretary, who shall be appointed in accordance with Article 2 of the Management Board Regulations..
- 4.2 The Company Secretary shall:
- (a) ensure that proper procedures are followed and that actions are taken in accordance with the Governance Committee's legal and statutory obligations;
 - (b) facilitate the provision of information to the Governance Committee; and
 - (c) assist the Chair of the Governance Committee in organising matters relating to the Governance Committee, including information provision, agenda management, minute-taking, evaluations and training programmes.

5. Supervisory Board

- 5.1 The Supervisory Board shall remain collectively responsible for decisions prepared by the Governance Committee. A committee may exercise only those powers expressly granted or delegated to it by the Supervisory Board and may never exercise powers extending beyond those that the Supervisory Board as a whole is entitled to exercise.
- 5.2 The Governance Committee shall clearly and promptly inform the Supervisory Board of the manner in which it has exercised delegated powers and of significant developments within its area of responsibility. All members of the Supervisory Board shall have unrestricted access to all meetings and records of the Governance Committee. The Supervisory Board shall receive a report on the Governance Committee's deliberations and findings at the first Supervisory Board meeting following each Governance Committee meeting.

CHAPTER 2. DUTIES AND POWERS**6. Duties and Powers; Relations with the Management Board**

- 6.1 The Governance Committee shall assist the Supervisory Board in carrying out its responsibilities regarding the remuneration and appointment of members of the Management Board and members of the Supervisory Board.
- 6.2 The Governance Committee shall be responsible for:
- (a) making proposals to the Supervisory Board regarding the remuneration policy to be pursued;
 - (b) making proposals concerning the remuneration of individual members of the Management Board for determination by the Supervisory Board, including in any event:
 - i) the remuneration structure; and
 - ii) the level of fixed remuneration, shares and/or options to be granted and/or other variable remuneration components, pension rights, severance arrangements and other compensation, as well as the related performance criteria and their application;
 - (c) periodically making proposals to the Supervisory Board regarding the fixed and variable remuneration of Management Board members;
 - (d) periodically evaluating the performance of individual Supervisory Board and Management Board members and reporting thereon to the Supervisory Board;
 - (e) relations with shareholders;
 - (f) preparing amendments to the Articles of Association;
 - (g) designing, conducting and reporting on the periodic self-evaluation of the Supervisory Board;
 - (h) periodically reviewing the size and composition of the Supervisory Board and the Management Board and proposing a profile for the Supervisory Board;
 - (i) establishing selection criteria and appointment procedures for Supervisory Board and Management Board members;
 - (j) preparing a succession plan for Supervisory Board and Management Board members;
 - (k) making proposals for appointments and reappointments;
 - (l) supervising the Management Board's policy regarding selection criteria and appointment procedures for senior management;
 - (m) advising the Supervisory Board on other governance-related matters.

- 6.3 Where the Governance Committee engages the services of a remuneration consultant in connection with its duties, it shall ensure that such consultant does not provide advice to the Company's Management Board.
- 6.4 The Management Board shall, on its own initiative and in a timely manner, provide the Governance Committee with the information required for it to function effectively and perform its duties properly. Such information shall, as far as possible, be provided in writing (electronically and, upon request, in hard copy).

CHAPTER 3. MEETINGS OF THE GOVERNANCE COMMITTEE; DECISION-MAKING

7 Frequency, Notice and Agenda

- 7.1 The Governance Committee shall meet as often as necessary for its proper functioning. The Governance Committee shall meet at least twice a year. Meetings shall, where possible, be scheduled annually in advance. In addition, interim meetings shall be held whenever the Chair, any Committee member, or the Management Board deems this necessary.
- 7.2 Minutes of each Governance Committee meeting shall be prepared by the Company Secretary or, in his or her absence, by another person designated for that purpose by the chair of the meeting. The minutes shall provide insight into the decision-making process during the meeting. The minutes shall be approved by the Chair of the Governance Committee and submitted to the Supervisory Board at its next meeting.
- 7.3 In addition to the members of the Governance Committee and the Company Secretary, the Managing Director shall attend meetings whenever requested by the Governance Committee. The Governance Committee may invite any person it considers necessary to attend discussions on a specific agenda item.
- 7.4 The Governance Committee shall review and update these Regulations and submit any proposed amendments to the Supervisory Board for approval.
- 7.5 The Governance Committee shall regularly evaluate its own performance.

CHAPTER 4. MISCELLANEOUS PROVISIONS

8. Bezoldiging leden governancecommissie

- 8.1 The remuneration of the members and the Chair of the Governance Committee shall be determined by the Supervisory Board.

9. Miscellaneous

- 9.1 **Acceptance by Members of the Governance Committee.** Any person appointed as a member of the Governance Committee shall, upon accepting the position, declare in writing to the Company that he or she accepts and agrees to the contents of these Regulations and undertakes to comply with them.
- 9.2 **Occasional Non-Compliance.** The Supervisory Board may, on an exceptional basis, decide not to comply with these Regulations, subject to applicable laws and regulations.

- 9.3 **Amendments.** These Regulations may be amended from time to time by the Supervisory Board without prior notice. Prior to any amendment of these Regulations, consultation shall take place with the Management Board.
- 9.4 **Interpretation.** In the event of any uncertainty or difference of opinion concerning the meaning of any provision of these Regulations, the opinion of the Chair of the Governance Committee shall be decisive.
- 9.5 **Governing Law and Jurisdiction.** These Regulations shall be governed by Dutch law. The Dutch courts shall have exclusive jurisdiction to settle any disputes arising from or in connection with these Regulations.

Adopted by the Supervisory Board on 18 December 2020.

[signed. P. Nabuurs MSc]

[signed A. van Tunen PhD]

Chair

Secretary