

Liberty Mutual Surety Europe – Remuneration Policy

Liberty Mutual Surety Europe BV's (LMSE) remuneration policy pursues to reward employees for their knowledge, experience, skills, behaviour and performance, according to set internal procedures and in line with market practices.

This compensation policy applies to all LMSE employees and consists of the following components:

Fixed salary

- An appropriate salary band level has been determined on the basis of each job title and category in the company. The band includes 12 monthly salaries plus 13th month and holiday allowance
- Each of these band levels has a minimum and maximum salary.
- Amounts are based on market data
- Salaries are assessed annually, both internally and externally.
- Salaries are evaluated annually on 1 April

Progression in the salary scale depends on

- the outcome of the annual performance evaluation of the employee
- on the employee's position within the salary range
- and the overall merit budget

Variable salary

All LMSE employees are eligible for variable salary. Each Plan Year, Participants are assigned two categories of performance measures:

- Individual performance: this is related to personal goals set up at the beginning of each year between manager and employee according to the SMART principle. At the end of any given year a performance evaluation takes place to establish to which extent the personal goals have been achieved
- Business financial performance measures established annually by each business unit's business plan

We direct our employees to act with integrity, careful and customer-oriented, with a focus on the interests of consumers as well as the interests of our company in the long term.

With this responsible and transparent remuneration policy, LMSE complies with the rules set by the legislator (Financial Undertakings Remuneration Policy Act) and the guidelines of the AFM (Financial Markets Authority) that apply to it.