

Remuneration policy

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1. INTRODUCTION & PURPOSE

The primary objective of this remuneration policy is to enable Stichting Arctic Basecamp Foundation (AB) to recruit, retain and motivate employees and to stimulate high performance. The policy aligns with and strengthens AB strategy and core values. It is prudent, moderate and sustainable and meets the requirements of AB risk policy and applicable legislation and regulations.

This Remuneration Policy applies to all staff working under the responsibility of AB, including:

- Board members
- Fixed-term staff
- Contractors
- Interns
- Sponsors
- Business partners
- Any other persons associated with AB

The Remuneration Policy incorporates the requirements for remuneration as stipulated in the Standards for Remuneration Act (The Netherlands).

2. DEFINITIONS & EXAMPLES

AB's remuneration philosophy is based on the following core principles:

Competitiveness: AB offers competitive remuneration packages that attract and retain qualified personnel within the relevant market. This means offering base salaries and benefits that are comparable to similar positions in the same geographic area and industry.

Performance-based: Remuneration reflects individual performance, contributions to achieving AB's objectives, and adherence to AB's core values. Performance-based pay could be in the form of bonuses, merit pay increases, or other incentives tied to pre-defined goals and achievements.

Transparency: Remuneration principles are clearly communicated to all staff. This includes providing employees with information about base salary ranges, benefits programs, and how performance-related pay is determined.

Sustainability: Remuneration practices are financially sustainable for AB in the long term. This includes a commitment to moderate compensation levels and avoiding practices that encourage excessive risk-taking, such as excessive bonuses tied to short-term gains.

Compliance: All remuneration practices comply with relevant laws and regulations, including the Standards for Remuneration Act (The Netherlands).

Remuneration Components

Remuneration packages for different staff categories may include a combination of the following components:

- **Base Salary:** A fixed, regular salary reflecting the position's responsibilities and experience required.
- **Performance-related Pay:** Variable pay based on individual and/or organizational performance against pre-defined objectives. (e.g., bonuses, commissions)
- **Benefits:** Employee benefits such as health insurance, pension contributions, vacation pay, and training opportunities.
- **Non-monetary Recognition:** Recognition programs that acknowledge and reward achievements and contributions beyond financial compensation. (e.g., employee of the month awards, public recognition)

Board Remuneration

Board members serve in a voluntary capacity and may receive an honorarium (compensation for services rendered) in accordance with the Standards for Remuneration Act. The honorarium will be determined based on the complexity of the role, time commitment, relevant expertise, and will adhere to the established maximum limits set by the Act.

Fixed-term Staff & Contractors

Remuneration for fixed-term staff and contractors will be based on factors such as the nature and duration of the assignment, required skills and experience, market rates, and a commitment to moderate and sustainable compensation practices.

Interns

Interns will receive a stipend or other forms of compensation based on the internship program's structure and learning objectives.

Sponsors & Business Partners

Remuneration for sponsors and business partners will be determined based on specific agreements and the nature of the collaboration, while adhering to principles of moderation and sustainability.

3. ROLES AND RESPONSIBILITIES

AB Board is ultimately responsible for approving the Remuneration Policy and ensuring its alignment with AB's strategy, financial sustainability, and legal compliance.

Remuneration Committee (if applicable): May be established by the Board to oversee the implementation of the Remuneration Policy, conduct market research on compensation practices, and make recommendations on individual remuneration packages.

Executive Management: Responsible for implementing the Remuneration Policy within their respective departments, including conducting performance reviews and recommending performance-related pay.

4. REVIEW

This Remuneration Policy will be reviewed and revised once a year to reflect changes in AB's strategy, legal and regulatory requirements, and market conditions.