

Letter from the RemCo Chair



"We have spent considerable effort in 2023 engaging with our stakeholders and refining our perspective on internal and external expectations. This informed us in the preparation of an updated Remuneration Policy, which we will be submitting to the 2024 AGM."

On behalf of the Remuneration Committee, I am delighted to present the 2023 Remuneration report. This comprehensive report offers detailed insight into TomTom's Management and Supervisory Board remuneration policies and their implementation throughout 2023.

Our Remuneration Policy establishes a detailed framework for performance-based remuneration across the company. This framework aligns with TomTom's strategic goal of long-term sustainable value creation for all its stakeholders, as well as its operational and financial achievements. It aims to attract and retain top-tier talent while ensuring fair, transparent, competitive, and ethical compensation practices.

The Remuneration Policy is grounded in principles that focus on aligning our Management Board's incentives with TomTom's vision and strategy, fostering sustainable long-term value creation, maintaining consistency in pay structures, bolstering competitiveness in executive talent acquisition, considering stakeholder and societal perspectives, and upholding standards of sound corporate governance and transparency.

2023 context and performance

2023 saw TomTom delivering on important strategic priorities. We launched our new TomTom Orbis Maps, built on a unified location data standard that we have pioneered. Through our collaborative approach to mapmaking, we seek to continuously improve our location technology products, bringing more value to customers and partners.

TomTom performed well on key financial and non-financial strategic indicators that drive remuneration. Throughout 2023, TomTom recorded continued revenue growth and significantly improved its free cash flow. In addition, the Employee Engagement Score increased in 2023, as we continued to engage our people through a variety of initiatives.

Listening to our stakeholders

We are committed to enhancing stakeholder support for our remuneration proposals and addressing any concerns that may arise. After carefully considering stakeholder feedback over the years, we have made the decision to intensify our focus on stakeholder engagement. As such, we have implemented a Stakeholder Engagement Policy, which aims, among its other dimensions, to broaden our stakeholder outreach concerning remuneration-related matters.

Throughout the year, we held several meetings with our stakeholders to carefully review our Remuneration Policy, also considering the voting results from the 2023 AGM.

Future outlook

Acknowledging insights from our stakeholders, the Supervisory Board recognized the need to refine the Management Board's remuneration package. To this end, we have decided to conduct a thorough review.

Based on this review, we intend to present an updated Remuneration Policy at the 2024 AGM.

I am looking forward to sharing my insights and perspectives around TomTom's 2023 Remuneration report and the applicability outcome at the 2024 AGM.

MARILI 'T HOOFT-BOLLE

Chair of the Remuneration Committee

Enhancing remuneration transparency

REMUNERATION AT A GLANCE

FIXED PAY AND BENEFITS			SHORT-TERM INCENTIVE			LONG-TERM INCENTIVE PLAN		
<p>Attracts, engages, and retains Board Members to deliver on TomTom's strategic objectives</p>			<p>Contributes to TomTom's short-term financial and non-financial performance objectives</p>			<p>Aligns Board Members' objectives with TomTom's long-term growth strategy and stakeholders' interests</p>		
Harold Goddijn	Taco Titulaer	Alain De Taeye	Harold Goddijn	Taco Titulaer	Alain De Taeye	Harold Goddijn	Taco Titulaer	Alain De Taeye
CEO	CFO	Board Member	CEO	CFO	Board Member	CEO	CFO	Board Member
Base salary¹			Target % of base salary			Target % of base salary		
€565	€465	€471	80%	64%	64%	140%	100%	100%
Positioned at a median level of peer group benchmark (conducted at least every three years), and reviewed annually			2023 bonus assessment			Grant 2023 RSU value^{1,2}		
Pension % of base salary			112%	112%	112%	€791	€465	€471
Waived	20%	20%	2023 bonus as a % of base salary			RSUs were introduced in 2019. No grant of stock options to Management Board since 2018		
Benefits			89%	71%	71%	RSUs are subject to a three-year vesting period and a two-year holding period. Vesting is conditional upon employment only		
Items such as medical insurance, death and disability insurance, car allowances, and liability insurance coverage			2023 bonus amount¹			Actual grant levels do not deviate from target unless underpin conditions are not met		
			€505	€332	€336	Shareholding		
			2023 performance assessment detail			Target levels, % of base salary at 31 December 2023		
			Metric	Weighting	Outcome	3x	2x	2x
			Location Technology revenue	40%	119%	Number of times base salary at 31 December 2023		
			Free cash flow	40%	110%	175x	0.7x	5x
			Employee Engagement Score	20%	100%			

¹ € in thousands.

² Value of the 2023 grant in this overview is equal to the number of RSUs granted in 2023 multiplied by the average of the closing prices of TomTom N.V. shares in the 60 days preceding the grant date.

REMUNERATION OF THE MANAGEMENT BOARD

The Supervisory Board ensures that the Remuneration Policy and its implementation are linked to the company’s strategic priorities and decides how to reward the successful delivery of the company’s strategy by the Management Board.

Our strategy balances growth objectives, financial stability, and investments to position TomTom competitively in the evolving field of location technology. The remuneration of Management Board members is intended to encourage behaviors that drive the generation of both short-term results to ensure ongoing operational improvement and financial stability, and sustainable long-term value by pursuing opportunities for innovation, partnerships, and growth.

INTERNAL ALIGNMENT

The Remuneration Committee reviews the alignment of pay structures within the company by considering the consistency in the approach to setting remuneration components, performing a scenario analysis and evaluating the pay ratio.

Each individual Management Board member shares their view of their own remuneration package with the Chair of the Remuneration Committee at least once per year. The feedback is shared with the Supervisory Board, who together consider all feedback when discussing and evaluating the Remuneration Policy, including its components and outlook.

Scenario analysis

A scenario analysis of the possible outcomes of the variable components and the impact on the Management Board members’ remuneration is conducted annually to minimize the risk that the performance criteria lead to inappropriate outcomes. The studied scenarios include minimum, at-target, and maximum variable pay achievement, and share price fluctuations of 20% in both directions. Under all scenarios, the Supervisory Board considered that the range of potential remuneration outcomes falls within the boundaries of what is considered appropriate for that level of performance.

Pay ratio

This calculation of the pay ratio has resulted in the following outcome:

Pay ratio ¹	2019	2020	2021	2022	2023
CEO	27.1	20.1	22.7	23.3	23.5
Management Board	22.2	17.0	19.0	19.3	19.9

¹ Excluding the cost of social security.

The pay ratio reflects the average total compensation of the global employee workforce (excluding interns), relative to the total remuneration package of the CEO and the total Management Board. Social security is excluded from the measure of compensation.

Annually, TomTom reviews local competitive dynamics and the livable wage in each of our operating locations. If needed, adjustments are made to ensure employees' compensation is at market and above livable wage levels as part of TomTom’s efforts to be a good employer. The outcomes of these reviews contribute to our pay ratio.

The decrease of the pay ratio in 2020 was caused by a zero bonus payout for the Management Board members in combination with the investments made in employees' salaries in the company's key markets. Last year, the Supervisory Board deemed TomTom's pay ratio acceptable, though considering it to be on the low end and warranting further attention. This observation remains valid for 2023 as well. In developing the updated Remuneration Policy, which will be submitted to the 2024 AGM, the internal pay relativities were taken into account.

EXTERNAL ALIGNMENT

At TomTom, talent is key to the delivery of our vision and strategy. It is therefore imperative that our remuneration is competitive with the companies against whom we compete for executive talent and consideration is given to the international markets in which we compete for that talent.

Peer group and benchmark

The remuneration is benchmarked with a peer group at least every three years. This helps determine the overall competitiveness of our Management Board remuneration and gives insights into relevant competitive markets.

In the years for which no benchmark is performed, such as 2023, the Supervisory Board considers the appropriateness of any changes to the base salary based on the market environment as well as on the average salary adjustments for our employees in the Netherlands.

In 2023, as part of the preparation for our upcoming submission of the updated Remuneration Policy, we have commenced an extensive review of the peer group. We aim to present the updated Remuneration Policy for approval by the 2024 AGM.

CONCLUSIONS

The Supervisory Board acknowledges that the Management Board's remuneration package requires further attention. This conclusion is drawn based on both internal and external benchmarks, low pay ratio levels, and the outcomes of the Management Board's benchmark in 2020 (aiming for the third quartile of the benchmark). Additionally, the CEO base salary remains under the median market level, and the remuneration required to attract and retain senior talent continues to confirm the insight that Management Board Long-Term Incentive (LTI) levels are below median.

OVERVIEW OF REMUNERATION

Below follows a detailed overview of the Management Board Remuneration Policy, its application in 2023, and the outcome of variable pay targets. The table below provides an overview of the remuneration of the Management Board in 2023.

€ in thousands	Year	Fixed				Variable		Total remuneration ⁴	Ratio of fixed to variable remuneration
		Base salary	Fringe benefits	Pension ¹	Other items ²	Short-term incentive	Long-term incentive ³		
Harold Goddijn	2023	565	1	—	10	505	775	1,856	31% / 69%
	2022	521	1	—	9	487	677	1,695	31% / 69%
Taco Titulaer	2023	465	3	93	10	332	514	1,417	40% / 60%
	2022	429	2	86	9	320	398	1,244	42% / 58%
Alain De Taeye	2023	471	22	94	10	336	499	1,432	42% / 58%
	2022	434	22	87	9	325	403	1,280	43% / 57%

¹ Gross pension allowance is determined as 20% of base salary in line with the Management Board remuneration policy and can deviate from the actual remuneration.

² Other items includes social security.

³ Expenses recognized for stock compensation awards are determined in accordance with IFRS 2 and do not represent the amounts paid or payable to Management Board members. For additional information about the stock compensation plans, including employee plans, refer to note 9 Stock compensation in the consolidated financial statements.

⁴ Remuneration of the Management Board is directly paid by TomTom N.V. and not allocated to any of its subsidiaries.

BASE SALARY

The Supervisory Board, upon the recommendation of the Remuneration Committee, determines the base salary for each of the members of the Management Board. Benchmark data from peer group companies is used as a guide to the competitiveness of the base salary. The internal ratio to total remuneration levels within the company is also considered to ensure alignment throughout the company.

The Supervisory Board considers the appropriateness of any changes based on the market environment. Unless otherwise determined by the Supervisory Board, base salary levels are increased annually in line with the expected average annual increase in the fixed salary of the employees of the company based in the Netherlands.

In 2023, the Management Board members' salaries were assessed against the adjustments for other employees and were adjusted by 8.34%, in line with market movement for employees in the Netherlands.

PENSION AND BENEFITS

Pension can be received through contributions to the company's plan, as a gross pension allowance, or a combination thereof. Members may elect to waive their pension rights. In addition, members may receive additional fringe benefits. An overview of members' elections related to pensions, as well as the nature of fringe benefits, is provided below.

Further information concerning pensions can be found in the above overview of actual remuneration for pension and other items paid in 2023.

€ in thousands	Pension	Benefits ¹
Harold Goddijn	Waived ²	Medical insurance, death and disability insurance, car allowances ⁵ , and liability insurance
Taco Titulaer	Gross pension allowance and company pension plan ^{3,4}	
Alain De Taeye	Gross pension allowance ^{3,4}	

¹ These benefits are in line with market practice. Furthermore, the company does not provide loans, advanced payments, or guarantees to members of the Management Board.

² Harold Goddijn opted to waive his pension rights in line with previous years.

³ The company's pension plan is a Defined Contribution plan with age-defined contribution percentages and a salary cap at €128,810 in 2023. Employee contribution is fixed at 6.1% of pensionable salary.

⁴ Pension contributions for the Management Board are capped at 20% of gross annual base salary.

⁵ Only applicable for Alain De Taeye.

SHORT-TERM INCENTIVE

Management Board members participate in the short-term, annual incentive plan. The short-term incentive has an at-target payout level of 80% of base salary for the CEO, and 64% of base salary for other members of the Management Board.

On an annual basis, at the beginning of the year, the Supervisory Board determines the performance criteria for the Management Board. These criteria can be financial criteria, non-financial criteria, or other quantitative or qualitative criteria. They are identified based on TomTom's strategy. Further, the Supervisory Board sets challenging yet realistic target levels for each performance criteria, all in accordance with the Management Board Remuneration Policy.

The performance criteria provide the framework for employee incentive schemes, which are cascaded, with modifications, down by the Management Board to the rest of the company.

Once targets are set, they do not change during the year. Performance is reviewed throughout the year and the final assessment against the targets happening after year-end, with any potential payout occurring during the first quarter of the next financial year. A minimum level of performance must be achieved before any payment under the plan will be made and payout is capped at an outstanding level of performance, known as the maximum.

The performance assessment under the short-term incentive plan is based on an evaluation of the past financial year. The Remuneration Committee investigates, deliberates, and determines the annual incentive of each Management Board member. The Supervisory Board assesses whether the outcome of the calculated payout is justified by the overall business performance and considers its fairness in light of provision 2.135 sub 6 of the DCC. In preparation for that assessment, the Chairs of the Remuneration Committee and the Audit Committee review the final outcomes, including any quality of earnings elements and relevant aspects of operational business performance.

Performance criteria and targets for 2023

The financial performance criteria for the 2023 short-term incentive plan were aligned with the financial guidance given to the financial markets. The targets reflect the importance of balancing targeted growth in key areas, the Location Technology business in specific, overall profitability, and the company's continuing ability to attract and retain the talent it requires.

The revenue metric is specific to Location Technology and excludes revenue from the Consumer business. This metric is an indicator of the company's long-term strategic ambition in the location technology market. It reflects how our customers value our products and TomTom as a partner.

The free cash flow of the TomTom group, including the Consumer segment, is considered as an appropriate indicator for profitability. This metric reflects the emphasis on the company's financial stability and ensures that the company is well-positioned for future key investments.

The non-financial performance criteria is driven by the average results of TomTom's Employee Engagement Score (EES), which is measured twice per year in April and October. The EES is also a material ESG theme as described in the Sustainability chapter.

Management Board Investment Plan

The Management Board Investment Plan 2023 was adopted at the 2023 AGM. This plan enabled Management Board members to forfeit a part or all of their 2022 bonus to invest in and receive TomTom RSUs. This opportunity was extended to all eligible employees.

Participants of the plan are entitled to receive additional RSUs, 15% of their original investment, upon completion of the three-year vesting period. Furthermore, if certain company financial performance criteria are achieved in 2025, participants can receive additional RSUs up to a maximum of 80% of the original investment. For more information, reference is made to the footnotes below the RSUs of the Management Board on page 56.

Assessment and outcome

The performance assessment for the Management Board's STI was 112%. The following table summarizes the performance assessment:

Performance metric	Weighting	Minimum performance (0%)	Target 2023 (100%)	Maximum performance (150%)	% of target
Location Technology revenue	40%	€455 million	€485 million	€500 million	119%
Free cash flow¹	40%	€0 million	€29 million	€44 million	110%
Employee Engagement Score	20%	72	76	78	100%
Weighted achievement					112%

¹ Free cash flow is cash from operating activities minus investments in intangible assets and property, plant and equipment

2023 Location Technology revenue was above the target level with an achievement of 119%.

Free cash flow, adjusted for the cash-out related to the realignment of our Maps organization as communicated in June 2022, was above the target, resulting in a 110% achievement.

The Employee Engagement Score is the average of the survey held in April and November. With a score that was equal to the target for 2023, achievement was at 100%.

The following table summarize the outcome of the assessment.

€ in thousands	Base salary	Target % of base salary	Weighted achievement performance metrics	Actual award 2023
Harold Goddijn	565	80%	112%	505 (89%)
Taco Titulaer	465	64%	112%	332 (71%)
Alain De Taeye	471	64%	112%	336 (71%)

In 2023, no discretion, derogation, or clawback was applicable. Please refer to the Governance section of this Remuneration report for more details.

LONG-TERM INCENTIVE

TomTom’s current Long-Term Incentive plan is based on RSUs. RSUs are simple and transparent instruments with relatively predictable grant outcomes for both recipients and shareholders. This predictability makes RSUs superior retention instruments for senior leadership. Hence, RSUs are common in the international technology industry. As regards their inclusion in the Management Board Remuneration Policy, internal consistency is facilitated as RSUs are also the prevalent Long-Term Incentive plan instrument for senior leadership within TomTom.

RSUs build alignment with shareholders by enabling management and employees to build up shareholdings in the company.

The RSU grant target value is 140% of base salary for the CEO and 100% for the other Management Board members. Granted RSUs are subject to certain vesting and holding periods.

Vesting and holding periods

The RSUs have a three-year vesting period, conditional on continued employment, followed by an extended two-year holding period.

Under the current Remuneration Policy, vesting is not dependent on performance conditions and therefore does not comply with best practice provision 3.1.2 v) of the Code. This stems from the fact that the rapidly-evolving nature of the technology landscape in which TomTom operates complicates identification and setting of meaningful long-term performance targets. In designing the updated Remuneration Policy, the Supervisory Board took into consideration stakeholders' preference for performance-based Long-Term Incentives.

Performance underpin

The Supervisory Board has the discretion to not award RSUs in case of exceptional market or business circumstances (performance underpin). At the time of allocation, the Remuneration Committee and Supervisory Board assess whether there are circumstances that would justify adjusting the RSU grant. In addition to the overall financial performance of the company, non-financial aspects are taken into consideration. For example, it is considered whether there have been any major risk management failures, reputational issues, or compliance issues. Additionally, the external context and overall shareholder experience are considered.

Outcome

When considering the RSU allocation in April 2023, the Supervisory Board carefully considered the overall performance of the company, the performance of the Management Board, and the impact of market conditions. Specifically, with reference to the performance underpin condition of exceptional market or business circumstances, the Remuneration Committee examined in detail whether the market conditions were such that the awards should be adjusted, whether there was any factor in the performance of the company that would threaten the sustainable long-term value creation, whether the long-term strategy developed in line with expectations, and looked at the correlation between the rewards of the Management Board and the rest of the company. TomTom continued to have a strong cash position with no debt, enabling continued investing in value-creating R&D and executing on its long-term strategy. There were no risk management failures, nor any reputational or compliance issues, which are other factors that might have been relevant. Therefore, the Remuneration Committee proposed to the Supervisory Board to not withhold or reduce the 2023 RSU grant, as there were no reasons to do so. After due consideration and evaluation the Supervisory Board approved this proposal.

The annual grants are set as a percentage of the fixed salary of the Management Board and the following table provides an overview of the RSU allocation in 2023:

	Base salary (€ in thousands)		Target % of gross annual salary	Value in (€) at grant date ¹	Number of RSUs granted
Harold Goddijn	565	X	140 % /	7.17 =	110,237
Taco Titulaer	465	X	100 % /	7.17 =	64,764
Alain De Taeye	471	X	100 % /	7.17 =	65,618

¹. The number of RSUs granted is determined on the basis of the average of the closing prices of TomTom N.V. shares in the 60 days preceding the grant date.

The structure of the Long-Term Incentive plans, and details of movements in grants to the Management Board, are detailed in the tables on the next page. Refer to note 9 of the consolidated financial statements for further information about the stock compensation plans, including employee plans.

DETAILS OF THE RESTRICTED STOCK UNITS OF THE MANAGEMENT BOARD

	Main plan conditions				Information regarding the reported financial year						
	Plan	Grant date	Vesting date	End of holding period ¹	Opening		Movement during the year		Closing		Market value of award at year-end (€) ²
					At beginning of the year		Granted	Vested	At end of the year	Subject to a holding period ¹	
Harold Goddijn³	RSU 2020	29-Apr-20	29-Apr-23	29-Apr-25	83,620	—	83,620	—	41,209	263,119	
	RSU 2021	29-Apr-21	29-Apr-24	29-Apr-26	88,420	—	—	88,420	—	—	
	RSU 2022	15-Apr-22	15-Apr-25	15-Apr-27	94,393	—	—	94,393	—	—	
	RSU 2023	17-Apr-23	17-Apr-26	17-Apr-28	—	110,237	—	110,237	—	—	
Taco Titulaer³	RSU 2020	29-Apr-20	29-Apr-23	29-Apr-25	49,130	—	49,130	—	23,835	152,186	
	RSU 2021	29-Apr-21	29-Apr-24	29-Apr-26	51,950	—	—	51,950	—	—	
	RSU 2022	15-Apr-22	15-Apr-25	15-Apr-27	55,456	—	—	55,456	—	—	
	RSU 2023	17-Apr-23	17-Apr-26	17-Apr-28	—	64,764	—	64,764	—	—	
Alain De Taeye³	RSU 2020	29-Apr-20	29-Apr-23	29-Apr-25	49,770	—	49,770	—	24,146	154,172	
	RSU 2021	29-Apr-21	29-Apr-24	29-Apr-26	52,630	—	—	52,630	—	—	
	RSU 2022	15-Apr-22	15-Apr-25	15-Apr-27	56,186	—	—	56,186	—	—	
	RSU 2023	17-Apr-23	17-Apr-26	17-Apr-28	—	65,618	—	65,618	—	—	
					581,555	240,619	182,520	639,654	89,190	569,477	

¹ Once vested, RSUs are subject to a two-year holding period. Reduction from vested numbers to closing numbers reflect shares sold to cover taxation.

² The market value of an award at year-end is calculated using as the closing share price on 31 December 2023 of €6.39 multiplied by the number of vested outstanding units.

³ Additionally, the Management Board has invested their 2022 bonus partly in RSUs under the Management Board Investment Plan (Harold Goddijn: 13,990 RSUs, Taco Titulaer: 27,980 RSUs, Alain De Taeye: 20,985 RSUs). The number of RSUs can increase by 15% if the vesting period of three years is completed, and can further increase by an additional 80% if certain company financial performance targets are achieved in 2025.

DETAILS OF THE STOCK OPTIONS OF THE MANAGEMENT BOARD

	Main plan conditions					Information regarding the reported financial year							
	Plan	Grant date ¹	Vesting date	Expiry date	Exercise price (€)	Opening		Movement during the year			Closing		Market value of award at year-end (€) ²
						At beginning of the year		Expired	Vested	Exercised	At end of the year	Outstanding and vested	
Harold Goddijn	Option 2016	10-May-16	10-May-19	10-May-23	7.58	112,500	112,500	—	—	—	—	—	—
	Option 2017	10-May-17	10-May-20	10-May-24	9.57	165,000	—	—	—	165,000	165,000	—	—
	Option 2018	2-May-18	2-May-21	2-May-25	8.13	201,500	—	—	—	201,500	201,500	—	—
Taco Titulaer	Option 2016	10-May-16	10-May-19	10-May-23	7.58	48,500	—	—	48,500	—	—	—	—
	Option 2017	10-May-17	10-May-20	10-May-24	9.57	85,000	—	—	—	85,000	85,000	—	—
	Option 2018	2-May-18	2-May-21	2-May-25	8.13	102,800	—	—	—	102,800	102,800	—	—
Alain De Taeye	Option 2016	10-May-16	10-May-19	10-May-23	7.58	56,500	56,500	—	—	—	—	—	—
	Option 2017	10-May-17	10-May-20	10-May-24	9.57	100,000	—	—	—	100,000	100,000	—	—
	Option 2018	2-May-18	2-May-21	2-May-25	8.13	120,000	—	—	—	120,000	120,000	—	—
						991,800	169,000	—	48,500	774,300	774,300		

¹ RSUs were introduced in 2019. There has been no grant of stock options to Management Board members since 2018.

² The market value of an award at year-end is calculated as the closing share price on 31 December 2023 of €6.39, less the strike price to be paid, multiplied by the number of vested outstanding options that are in-the-money. All options that have a strike price higher than the year-end share price are considered to be out-of-the-money on 31 December 2023 and are assumed to have no market value.

SHARE OWNERSHIP GUIDELINES

Share ownership requirements have been set to encourage further shareholding by Management Board members so as to align the Management Board’s interests with those of the shareholders. Management Board members are encouraged to build up their shareholding through vested LTI.

For the CEO, the shareholding guidelines stipulate a minimum of three times the base salary, while for other Management Board members, the minimum requirement is two times the base salary.

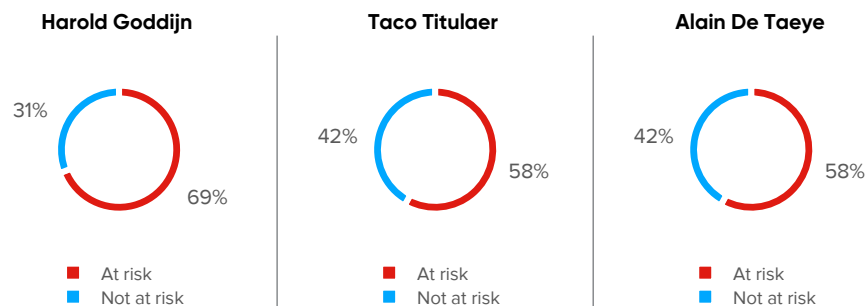
Board member	Share ownership guidelines	Shareholding at year-end (number of shares)	Market value of shares at year-end (€ in thousands) ¹	Base salary (€ in thousands)	Number of times base salary
Harold Goddijn	3x base salary	15,452,448	98,664	565	175 x
Taco Titulaer²	2x base salary	50,457	322	465	0.7 x
Alain De Taeve	2x base salary	358,650	2,290	471	5 x

¹ The market value of shares is calculated based on the closing share price on 31 December 2023 of €6.39.

² Taco Titulaer started building his share ownership position upon the first RSUs vesting in 2022.

TARGET COMPENSATION MIX

The Remuneration Committee believes that the target compensation mix of Management Board members aligns with the long-term interests of shareholders. The chart below illustrates the target pay that is at risk for the respective Management Board member represented as percentage of the total potential compensation package designed to reward based on company performance.¹



¹ Excluding lease car allowance.

OUTLOOK

The Supervisory Board has been proactive in the monitoring of emerging trends in remuneration, as demonstrated in both the internal and external alignment sections of the Remuneration report.

Specifically, we have been observant of the pay ratio development between the Management Board and the company’s senior leadership, and note that the Management Board’s total direct compensation persistently remains below the median market level of the peer group. In our discussions in the 2022 Remuneration report and subsequent interactions prior to and following the 2023 AGM, we have acknowledged these observations as well.

Reflecting on these observations, we acknowledge that the remuneration package for the Management Board warrants a more in-depth review and refinement. It is our aim to ensure that our remuneration package serves its purpose of attracting and retaining high-quality executive talent in an effective manner.

To this end, we decided to conduct a thorough review and peer benchmarking exercise, supported by an external advisor. We explored stakeholder views, societal trends, market practices, and Dutch corporate governance, and sought input from Management Board members on remuneration.

Consequently, we will be submitting an updated Remuneration Policy to the 2024 AGM.

FOR MORE INFORMATION

[Management Board Remuneration](#)

COMPARATIVE INFORMATION

For the purpose of reviewing the five-year development of Management Board remuneration and company performance, the Remuneration Committee has decided to take the metrics of Location Technology revenue, group free cash flow generation, and the year-end share price as appropriate measures of company performance.

The following table shows the remuneration and company performance over the last five reported years, compared with the immediate preceding years.

Management Board remuneration¹

€ in thousands and as a % compared to previous year

	2019	2020	2021	2022	2023
Harold Goddijn	1,551	1,151	1,356	1,686	1,845
YoY	-2%	-26%	18%	24%	9%
Taco Titulaer	1,095	852	1,009	1,234	1,406
YoY	12%	-22%	18%	22%	14%
Alain De Taeye	1,172	907	1,046	1,270	1,422
YoY	-1%	-23%	15%	22%	12%
Total	3,819	2,910	3,411	4,190	4,674
YoY	2%	-24%	17%	23%	12%

Average remuneration¹ per FTE

€ in thousands and as a % compared to previous year

	2019	2020	2021	2022	2023
Global employees	57	57	60	72	78
YoY	5%	0%	5%	21%	8%

Company performance measures

€ in millions and as a % compared to previous year, unless stated otherwise

	2019	2020	2021	2022	2023
Location Technology revenue	426	392	394	436	491
YoY	14%	-8%	0%	11%	13%
Free cash flow ²	70	-26	24	-29	32
YoY	-52%	-138%	192%	-224%	210%
Share price (€) ³	9.42	8.44	9.11	6.49	6.39
YoY	19%	-10%	8%	-29%	-2%

¹ Excluding the cost of social security.

² Free cash flow includes cash flows relating to the Telematics segment up to 31 March 2019, the effective date of sale, for 2022 the cash related to our Maps restructuring is excluded.

³ Share price as of 31 December.

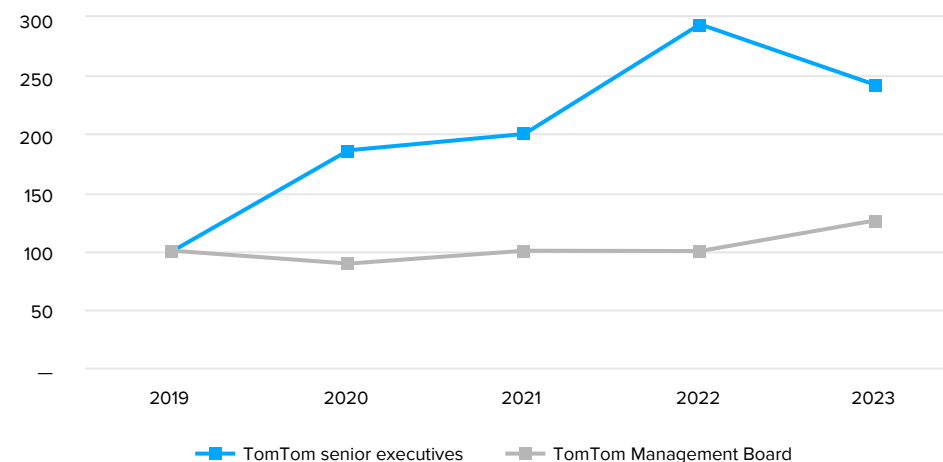
In the period between 2020 and 2021, TomTom's performance was negatively impacted by the global COVID-19 pandemic and semiconductor supply chain shortages, respectively. These especially impacted Automotive revenues and free cash flow generation. Total remuneration of the Management Board developed in line with this. Remuneration per employee remained relatively stable over this period.

In 2022, the remuneration of the Management Board as well as for employees globally, increased as a result of a higher bonus payout. In 2023, remuneration increased mainly as a result of an increase in base pay.

TomTom executives and potential hires

To realize our strategic objectives, TomTom continued to hire executives. Over the past years, we witnessed the competition for talent and candidates' financial expectations growing exponentially, with the Long-Term Incentive becoming an increasingly significant part of senior management remuneration packages. Consequently, while the average RSU grant value per average TomTom executive tripled between 2019 and 2022, the average grant value for the Management Board remained roughly stable. For 2023, we note that the gap in the development of RSU values between the Management Board and senior executives decreased slightly. This is due to our conscious efforts to offer more balanced RSU packages as part our ongoing hiring commitments. Accordingly, the Long-Term Incentives variable pay ratio between the Management Board and senior executives is becoming more appropriate, yet remains a topic of vigilance.

The development of average RSU grant value¹ (based on share price at grant date) of TomTom executives (~60 employees) and Management Board



¹ Indexed, with average RSU grant value in 2019 set at 100.

GOVERNANCE

This Remuneration report describes the process that has been followed by the Remuneration Committee in relation to the implementation of the Remuneration Policies over the given financial year, and, if applicable, any proposed revision of the Remuneration Policies. Every year, the implementation of the Remuneration Policies, through the Remuneration report, is put forward for an advisory vote to the AGM (in line with article 2:135b sub 2 of DCC). At our 2023 AGM, approximately 88% of votes cast were in favor of our 2022 Remuneration report.

Deviation from Remuneration Policy

The Remuneration Committee did not deviate from its decision-making process in relation to the implementation of the Remuneration Policy nor derogate from clauses 6 up to and including 11 of the policy. However, we do acknowledge that the outcome of the benchmarks performed in recent years indicate that the total compensation of each of the Management Board members is not in line with the objective to target total compensation around the third quartile of comparable companies.

Revision and claw-back of variable pay

The claw-back provision as reflected in the Remuneration Policy is in accordance with Dutch law and forms an integral part of Management Board members' employment. No variable remuneration was clawed back in 2023.

Decision making

The Remuneration Committee investigates, deliberates, and determines the annual incentive of each Management Board member. The Supervisory Board assesses whether the outcome of the calculated payout is justified by the overall business performance and considers its fairness in light of provision 2:135 sub 6 of the DCC. In preparation for that assessment, the Chairs of the Remuneration Committee and the Audit Committee review the final outcomes, including any quality of earnings elements and relevant aspects of operational business performance.

Change of control

In case of a change of control, the Supervisory Board may determine that any Long-Term Incentives, granted to a Management Board member, shall be (deemed to be) vested, and exercisable if applicable, immediately prior to and conditional upon such change of control, or during such period after the change of control as the Supervisory Board may specify. Failing exercise in such change of control event, previously granted stock options will lapse.

Severance compensation

In the event that a Management Board member's employment is terminated by, or on the initiative of, the company, the Management Board member is entitled to a severance payment limited to 50% of one year's base salary, unless a higher statutory severance compensation applies.

These terms will not apply if the Management Board member's employment is terminated for any reason as set out in articles 7:677 (1) and 7:678 of the DCC. In such situations, the Management Board member will not be entitled to any severance compensation. A member of the Management Board will not be entitled to severance compensation if employment is terminated by themselves, or on their own initiative.

REMUNERATION OF THE SUPERVISORY BOARD

This section provides an overview of the Remuneration Policy for TomTom's Supervisory Board. This Remuneration Policy was adopted by the General Meeting in 2020.

The objective of the Remuneration Policy for the Supervisory Board is to provide remuneration in a manner that:

- qualified and expert persons can be recruited and retained as members of the Supervisory Board with the right balance of personal skills, competencies, and experience required to oversee the (execution of the) company's strategy and performance;
- intends to reward Supervisory Board members for utilizing their skills and competences to the maximum extent possible to execute the tasks delegated to them including but not limited to tasks and responsibilities imposed by the DCC, the Code, and the Articles of Association;
- as a guiding principle, should reflect the median of relevant Dutch peers' pay practice for comparable roles; and
- reflects the company's size and complexity, as well as the responsibilities of the role and the time spent.

OVERVIEW OF REMUNERATION

Given the nature of the responsibilities of the Supervisory Board as an independent body, remuneration of the Supervisory Board is not tied to the performance of the company and only comprises fixed remuneration.

In addition to a fixed fee, the members of the Supervisory Board are provided with a committee fee and intercontinental travel compensation. Other than the introduction of the intercontinental travel compensation in 2019, the Supervisory Board fees have not changed over the last ten years. Therefore, the Supervisory Board fees will be reassessed with the peer group benchmark in 2023. Payment of the remuneration is done in Euro. Currency conversion risks are for the account of the member of the Supervisory Board.

The rates of compensation for 2023 are as follows:

(€)	Chair	Member
Supervisory Board	50,000	40,000
Audit Committee	10,000	7,000
Remuneration Committee	7,000	4,000
Selection and Appointment Committee	7,000	4,000
Intercontinental travel allowance per travel occurrence		3,000

Members of the Supervisory Board are not authorized to receive any payments under the company's pension or variable pay schemes or under any Long-Term Incentive plan. No shares or rights to shares were granted to a Supervisory Board member by way of remuneration. At present, none of the Supervisory Board members own any shares in the company. Members of the Supervisory Board are not entitled to any benefits upon the termination of their appointment and no loans are made to any members of the Supervisory Board.

The following table provides an overview of the actual remuneration of the Supervisory Board in 2023 and prior years:

(€)	2023	2022	2021	2020	2019
Derk Haank ¹	61,000	64,370	61,000	64,733	56,000
Jack de Kreij ²	50,000	50,767	50,000	50,000	50,000
Michael Rhodin ^{3, 4}	59,000	53,767	53,000	50,602	62,000
Marili 't Hooft-Bolle ⁵	51,000	26,492	—	—	—
Gemma Postlethwaite ^{4, 6}	59,000	11,750	—	—	—
Jacqueline Tammenoms Bakker ⁷	—	14,733	51,000	51,000	51,000
Hala Zeine ⁷	—	13,578	47,000	10,183	—
Karien van Gennip ⁸	—	1,333	8,000	—	—
Previous members	—	—	—	12,664	74,000
Total	280,000	236,790	270,000	239,182	293,000

¹ Derk Haank temporarily joined the Audit Committee replacing Hala Zeine, increasing his remuneration in 2022.

² Jack de Kreij temporarily joined the RemCo replacing Jacqueline Tammenoms Bakker, increasing his remuneration in 2022.

³ Michael Rhodin temporarily joined the SelCo replacing Jacqueline Tammenoms Bakker, increasing his remuneration in 2022.

⁴ Michael Rhodin and Gemma Postlethwaite are eligible for intercontinental travel allowance.

⁵ First appointed on 24 June 2022.

⁶ First appointed on 1 October 2022.

⁷ Stepped down as per 14 April 2022.

⁸ Stepped down as per 10 January 2022.

FOR MORE INFORMATION

[Supervisory Board Remuneration](#)

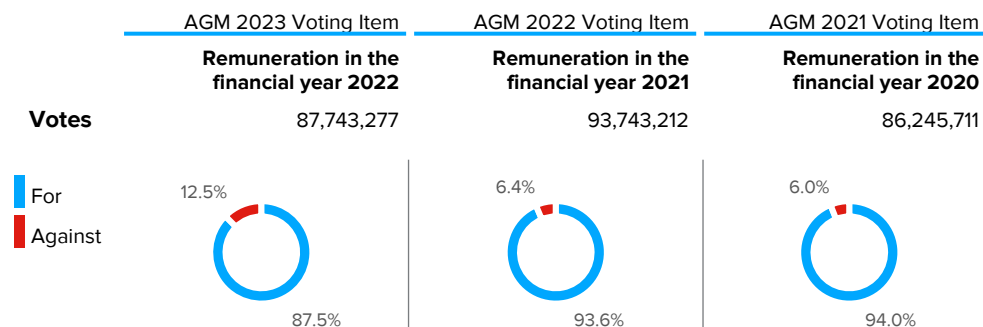
STAKEHOLDER ENGAGEMENT

The perspectives of TomTom stakeholders and the overall social and business context are taken into consideration by the Remuneration Committee when developing, reviewing, and implementing the Remuneration Policy for TomTom's Management Board and the Remuneration Policy for TomTom's Supervisory Board. The Remuneration Committee is committed to continuously improving the dialogue about and transparency regarding Management Board remuneration.

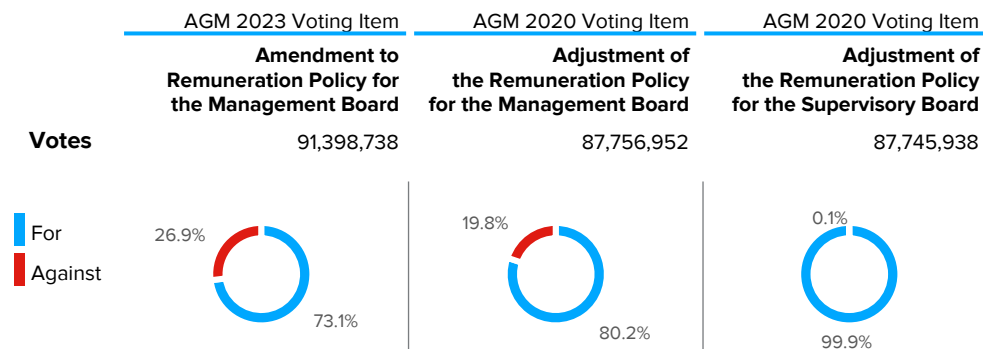
Shareholders

In 2023, TomTom maintained its commitment to fostering an open and ongoing dialogue with its shareholders. TomTom maintains the Policy on Bilateral and Other Contacts with Shareholders, which outlines the principles of communications with potential shareholders, in accordance with best practice provisions (4.2.2) of the Code. We continued to strengthen our shareholder engagement and governance, underlining our commitment to a transparent and inclusive approach to corporate governance.

Support for our remuneration in recent years has been strong:



In addition, the chart below illustrates shareholders' voting behavior on our remuneration-related proposals in recent years:



Investor organizations/proxy advisors

In 2023, the Remuneration Committee maintained its dialogue with representatives of various investor organizations and proxy advisors (Eumedion, ISS, Glass Lewis, VEB) to facilitate an open and effective discussion concerning Management Board remuneration. The Remuneration Committee and the Supervisory Board highly appreciate these constructive and transparent dialogues.

In relation to the Remuneration report, the recommendations were:

- i) to disclose the pay ratio between the Management Board and the employees (ISS);
- ii) to ensure adequate disclosures in the Remuneration report on the selection of the peer group in relation to the benchmarking exercise (ISS);
- iii) to improve future remuneration policies' support for long-term value creation (Eumedion), and
- iv) to review the present structure of the LTI for the Management Board, taking into account various criteria, including factors relating to performance (ISS, VEB).

Addressing i), we have been continuously disclosing the average total compensation of the total global employee workforce, relative to the total remuneration package of the CEO and the total Management Board remuneration.

As part of the forthcoming Remuneration Policy update, we have conducted an extensive review of the peer group and will adequately report on this exercise in our Remuneration Policy submission to the 2024 AGM, aiming to address item ii).

We have carefully reflected upon the 2023 AGM voting outcomes regarding the amendments to the Remuneration Policy, as well as our stakeholders' input mentioned under points ii) and iv). As a result, the Supervisory Board and the Remuneration Committee intend to present an updated Remuneration Policy for voting at the 2024 AGM, whereby we also aim to explore the potential to include additional ESG-related performance targets into the Management Board's LTI, while also taking steps to evolve the LTI plan towards a more performance-driven approach.

Works Council

Both the Management Board and the Supervisory Board communicate openly with the Dutch Works Council. Members of the Works Council have the opportunity to raise and discuss matters, including the Remuneration Policy and its application or any other matter that requires attention, both within and outside the regular meeting schedule (bi-annually with the Supervisory Board and quarterly with the Management Board).

Public perception

The Supervisory Board monitors the societal implications of general remuneration trends and perspectives globally and locally. In general, Management Board remuneration at TomTom is not a publicly debated topic.