REMUNERATION POLICY

After adopting the proposal for amending the remuneration policy of ICT Group N.V. (hereinafter ICT) by the General Meeting of Shareholders (hereinafter General Meeting) on 10th May 2017, the new remuneration policy as of 1st January 2017 is as follows:

1. Remuneration policy in general

The basic precept of remuneration policy is that qualified directors must be recruited and retained based on conditions in line with the market. The remuneration policy matches ICT's culture and strategy by the choice of remuneration levels and remuneration relationships and by the choice of performance criteria for the short and long term.
Furthermore, the policy is oriented towards preventing the directors from acting in their own interests at the expense of ICT and its shareholders' interests and it is directed towards preventing directors from being challenged to take risks that do not fit in with the established strategy. To this matter, the variable part of the remuneration is controlled with respect to the fixed income.
When determining the total remuneration, the internal payment ratios within the company are considered as well.
To establish alignment with the market, the remuneration of directors in the Netherlands is calculated on the basis of a comparison with other functions having a similar level of responsibility (this is benchmarked within a wide reference market of companies quoted on the stock market that are comparable in terms of scope, which operate internationally and have the comparable turnover and whose headquarters is located in the Netherlands).

The remuneration policy for the ICT Board of Directors is determined by the General Meeting, based on the proposal of the Supervisory Board. The Supervisory Board establishes the remuneration of the individual directors, based on the proposal of the Remuneration and Appointments Committee within the established remuneration policy.
Before drafting the remuneration policy and before establishing the remuneration of the individual directors, the Supervisory Board analyses the potential outcomes of the variable remuneration components, their impact on the remuneration of directors and the salary ratios within the company. In the remuneration report, the Supervisory Board reports on the practical execution of the remuneration policy during the past financial year, as well as on its execution as foreseen by the Supervisory in the coming financial year and in the subsequent years. The report provides an insight into the relationship between the realisation of ICT's objectives and the remuneration for the members of the Board of Directors.

2. Remuneration package

In order to guarantee ICT's long-term and short-term interests as far as possible, the remuneration package for the members of the ICT Board of Directors consists of the following components:

- the fixed remuneration, including reimbursement of costs for insurances for healthcare and occupational disability as well as the costs for accruing a pension;
- the variable remuneration for short-term results (short-term incentive), a reward for achieving the annual objectives which consists of an annual cash bonus;
- the variable remuneration for long-term results (long-term incentive).

By dividing the remunerations into various components, the Supervisory Board strives towards a healthy balance between short-term and long-term orientation in the remuneration. The Supervisory Board will consider the total volume of variable components in line with the role, the company profile and the risk profile.

Fixed management remuneration

Depending on the specific agreement with the director in question, the fixed remuneration level remains unchanged for a number of years (although linked to the index). Modifications in the remuneration are determined in December and take effect per 1st January of the following year.

Short-term incentive

The variable remuneration of a director for the short term – in the case of the complete realisation of the performance criteria – amounts to 50% of the fixed management remuneration that was paid during the year in which the variable remuneration was determined. In case of over-performing, the variable remuneration can be increased up to maximum 100% of the fixed management remuneration. If the performance level was not fully achieved, but it still is above the previously determined threshold level, then 25 to 50% of the fixed management remuneration can be granted. Below the threshold level, no remuneration at all is granted.
Each year, the Supervisory Board determines the performance criteria in advance, which is recorded in balanced scorecards, and establishes the relationship between performance levels and payment level in a graduated performance scale.

Seventy percent (70%) of the level of the variable part is related to the financial performance criteria (turnover, EBITDA and cash) and thirty percent (30%) to the qualitative performance criteria, which are linked to the strategy of the company.
The extent to which the financial performance criteria are achieved is determined based on ICT's annual accounts (as is submitted for adoption to the General Meeting), drafted by the Board of Directors and audited by an external accountant. The extent to which the qualitative performance criteria are achieved is determined discretionally by the Supervisory Board. Under special circumstances, the Supervisory Board can discretionally determine a higher or lower variable remuneration than the one that would result from using the previously determined criteria. For the financial criteria, core figures are used, which are most relevant for assessing the performance of the company in relationship to its strategic objectives.
The qualitative performance criteria are mostly in the area of contributing to the continuity of the company.
The determined variable remuneration is paid after the General Meeting has adopted the annual accounts of the performance year in question. The director shall invest 33% of the variable remuneration in ICT shares (see below).

Long-term incentive

The variable remuneration for the long term is linked to the growth and profit per share and is related to the stake in the company that the director holds.

Based on the aforementioned regulation for the short-term variable remuneration, the directors must invest 33% of the short-term variable remuneration in ICT's shares. The purchase occurs within a period of two months after the date upon which they are entitled to a bonus. Purchased shares are kept for at least three years or until the end of employment if this period is shorter. Therefore, the lock up period is never longer than the employment period.
In addition to this obligatory investment in ICT's shares, the directors are free to annually invest further up to the sum of 33% of the fixed management remuneration that was paid in the base year to which the bonus relates. This additional investment falls under this regulation if it is carried out within the period of two months that applies to the mandatory investment.

If, during the three years under review after the base year, the profit per share has achieved an ambitious level, ICT shall increase the investment in the company that the director has invested in following that base year by 100%. If the ambitious level is exceeded, then the increased investment by the director can go up to maximum 150%. If the ambitious level is not achieved, but the performance is still above or at the threshold level, then the investment of the director is increased 3 by 50% - 100%. Below the threshold level, there is no increase. The performance criteria and the threshold and maximum levels that apply to the increase are determined each year by the Supervisory Board.

Right to reclaim the variable remuneration ('claw back')

The company is authorised to reclaim – in part of entirely – the variable remuneration as far as the payment occurred on the basis of incorrect information about the achievement of the objectives that were the justification for the variable remuneration or about the circumstances which the variable remuneration depended on.

3. Miscellaneous

Agreements and appointment term

Agreements with the members of the Board of Directors are, in conformity with the One-Tier Board Act, management agreements and, as a rule, they are concluded for a period of four years with the possibility of an extension.

Termination

A mutual period of notice of six months shall apply. In case ICT serves a notice to terminate, ICT will pay a remuneration of six months of the fixed part of the management remuneration, excluding the reimbursement for pension and the insurance for occupational disability.

Loans

The corporation does not grant any personal loan to the members of the Board of Directors.