

## **ANNUAL GENERAL MEETING OF SHAREHOLDERS CTAC N.V.**

Minutes of the Annual General Meeting of Shareholders, held on Wednesday 4 May 2022 in 's-Hertogenbosch.

Present:

Supervisory Board:	Mr H.J.G. Hendriks, Chairman Ms E. Karsten Mr L.A.M. Vernaus
Board of Directors:	Mr P.P.J.G. Saasen, CEO Mr W. Geraats, interim CFO
PriceWaterhouseCoopers:	Mr J. van Kessel
Notary:	Mr P.H.N. Quist, Notary Office Quist Geuze Meijeren
Minutes secretary:	Ms J.W.T. Klein Overmeen

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### **1. Opening and announcements**

The Chairman opens the meeting and welcomes all to the Annual Meeting of Shareholders of Ctac N.V. (hereinafter Ctac). The Chairman has been the chair of the Supervisory Board since 2021.

Ctac has had an extraordinary year, which will be reported on today. Participants will be given an opportunity to ask questions.

Under agenda item 4, the Chairman would like to reflect on the departure of Mr Hilgerdenaar on 15 November 2021. With the appointment of Mr Saasen as CEO as of 15 November 2021, there is now a vacancy for the position of CFO. Following the appointment of Mr Saasen, a business transformation programme was initiated and thus, in relation to the succession process, Ctac mostly wants to focus on experience: both experience in the sector and experience in managing a listed company. Ctac is pleased to make use of the services of Mr Wim Geraats. Mr Geraats introduces himself. In mid-November 2021, he joined Ctac as interim CFO. He worked in the financial services sector, including accounting, for ten years and then switched to the corporate sector. He was CFO at Copaco N.V., which company was listed for a number of years and this experience can help Ctac. In addition to his role in finance, he is actively involved in the Ignite change programme.

At each agenda item, participants will be given the opportunity to ask questions. Further, there is a roundtable at the end of the meeting to ask general questions. The Chairman will allocate speaking time amongst participants as best as possible.

The Chairman notes that the meeting was called in accordance with the statutory requirements and the Articles of Association. The agenda was made directly and permanently available as of 23 March 2022 until the meeting date via the Ctac website and via the ABN AMRO Bank in Amsterdam.

The meeting notice states that documents to be discussed during this meeting were submitted for review in the required manner.

The Company has appointed the notary, Mr Paul Quist of Quist Geuze Meijeren, to grant written powers of attorney and to provide voting instructions. Ms Klein Overmeen has been

In case of any inconsistencies between the Dutch version and this English translation thereof, the Dutch version shall prevail.

asked to take the minutes. The minutes will be published on the Ctac website.

The Chairman shares some additional announcements:

- He asks participants to turn off their mobile phones.
- If a participant wishes to speak, he or she should go to the microphone and state his or her full name and company name for the minutes.
- Lunch is offered at the end of the meeting.
- Each share is entitled to one vote. The voting results will be announced during the meeting.
- The vote is taken by acclamation. This means that a vote is in favour of the proposal, unless someone indicates that they wish to abstain or vote against the proposal.
- The voting takes place in accordance with current legislation and is recorded as follows:
  - a. The number of shares for which valid votes are cast.
  - b. The percentage that this number of shares represents in the issued capital.
  - c. The total number of votes cast.
  - d. The number of votes cast for and against the proposal as well as the number of abstentions.

Lastly, the Chairman comments on the proportion of capital represented at the meeting. According to the attendance list, a total of 8,080,980 general shares are represented, which is 59.26% of the outstanding share capital.

## **2. Board report for the financial year 2021**

The Chairman asks Mr Saasen to present. Mr Saasen shares that he is pleased to be able to speak to those present and that a physical shareholders meeting can take place, as this allows for more interaction amongst stakeholders. Based on a presentation, he presents on important events that took place in 2021. Participants will be given the opportunity to ask questions. Following the meeting, the presentation will also be published on the Ctac website. The slides are in English, as Ctac has an increasing number of foreign shareholders.

Many events took place in 2021 and developments in the market followed each other rapidly. The most important change that can be seen in the market is the rise of the public cloud. In addition, customers are looking for relatively simple ERP systems (enterprise resource planning) with a small core, surrounded by a number of specific functionalities. These are recurring themes throughout the presentation.

The rise of the public cloud is happening quickly. In the past, Ctac was a company that offered SAP solutions mostly in a private cloud environment, i.e., a data centre. Activities that took place in the data centre were managed by Ctac. When public cloud solutions are offered, the management of data centres and activities, in particular become a threat to Ctac. Customers are making an accelerated transition to the public cloud. This means that Ctac must change. Ctac also recognises that ERP systems are increasingly able to do more, become more complex and require more maintenance. On the other hand, there are relatively simple ERP solutions with the option to add functionalities: functionality as a service. This makes companies more agile and flexible. Integration is important in order to have all of the different solutions communicate with each other. Therefore, Ctac added the company, Oliver IT, to its portfolio at the beginning of 2021. Oliver IT is an integration specialist and its core business focuses on integrating different solutions that can communicate with each other.

A company such as ASML is active in the same region as Ctac and is searching for thousands of new employees. Therefore, finding the right qualified employees is an additional major challenge for Ctac. This challenge is reflected in the autonomous growth rate. The ability to find and retain new people determines the growth rate of Ctac.

Security is a necessity and is also an opportunity in the market. Therefore, Ctac invested in security at an accelerated pace in 2021. Mr Saasen will elaborate more on this later.

There are several options with regard to the public cloud. Companies still want to be able to choose freely and have flexibility. Further, companies do not want to store everything in the cloud, but prefer to store partially at a company or in a data centre: a multi-hybrid cloud solution. Ctac invests heavily in partnerships with tech giants. On 3 May 2022, Ctac became a 'select partner' of Amazon Web Services (AWS). Ctac is also a 'gold partner' of Microsoft Azure. This ensures that Ctac is more versatile and flexible. Ctac's customers do not view Ctac as a supplier, but as a partner. This means that customers have different requirements. Therefore, Ctac should not only offer a technical solution, but should also be able to dive deeper into the question behind the question. For Ctac, this means a change in the working method.

Ctac is not going to stop developments in relation to the public cloud, but is investigating how it can participate in these developments. Technological developments occur quickly and offer a major opportunity for new business.

Ctac is not only asked to provide technical knowledge, but also to add business knowledge to customer processes. If Ctac can provide this, it is possible to build long-term relationships with customers.

At year-end 2019, Ctac rebalanced its strategy and identified a number of focus points. Based on these focus points, Ctac wants to reposition itself and provide the customer with the best possible service. Ctac's customers ask for advice on data storage, data security, the best method for retrieving information from the data and the best method to ensure all systems can communicate with each other as effectively as possible.

Ctac recognizes that boundaries between retail and wholesale are blurred. Manufacturing companies are also taking the step towards the customer. Some examples are companies such as Dyson and Nespresso. Ctac aims to respond to this using the XV platform. This enables Ctac's customers to get as close as possible to their own customers. Ctac considers this to be one of the most important spearheads moving forward. Customers demand a modern workplace that is designed according to the individual within the company. Communication between the end-point and the central system must run seamlessly.

Ctac has combined these spearheads; this means that Ctac is more than just a traditional ERP implementer. This ensures that Ctac is less vulnerable.

Companies such as Microsoft, Google and Amazon have more firepower than Ctac and thus will be faster than Ctac. Ctac attempts to build on the shoulders of these large companies and develop specific applications for its customers. In doing so, Ctac makes use of the building blocks provided by these large companies. Therefore, Ctac first thinks in terms of 'buy' and then 'make'. Currently, the hybrid cloud strategy is focused on several pillars: Microsoft, AWS and its own proposition. This ensures that Ctac is less vulnerable and more attractive to do business with.

Mr Saasen reflects on the changes in leadership. Ctac has come to a standstill, despite the expectation that Ctac would grow for several years. Mr Saasen has concluded that Ctac became a complex company with many management layers. Ctac lost sight of the customer, as well as its own talent. One of the first matters that Mr Saasen discussed with the Supervisory Board was a change in Ctac's governance model; this was approved by the Supervisory Board. Ctac had a separate Board of Directors and Executive Board, which meant that a large group of people shared responsibilities. As a result, it became unclear who was responsible for what. The Board of Directors and Executive Board have been transformed into an Executive Committee. This ensures clarity regarding the tasks and responsibilities. As a result of the change, Ctac has become a flatter organisation, that is more flexible and agile. This enables Ctac to listen better to customers and employees. The changes require a change of mindset. Ctac wants to become a high-performance organisation, which requires extra commitment from its employees. Mr Saasen expects that the restructuring will ensure that Ctac is in a better position to facilitate future growth.

In 2021, Ctac surpassed the € 100 million revenue threshold for the first time in thirty years. This was achieved not only through acquisitions, but also through autonomous growth. In Q4 2021, Ctac launched the Ctac Security initiative. Ctac began searching for security specialists. Ctac was successful in having these specialists perform attractive assignments for customers. Ctac intends to continue this in 2022. Ctac has also initiated the Ctac Masterclass. This initiative allows young people to follow training courses at Ctac, in which they can become proficient in various specialisations.

Ctac is pleased with its performance in 2021. The growth is reflected in the revenue, EBITDA, EBIT and net result. In 2021, the net result increased by 50% compared to 2020. As a result, the dividend proposal has been adjusted compared to previous years.

Several years ago, Ctac left the French market and has since focused on the Netherlands and Belgium (Flanders). In Belgium, there was less growth and an underperformance in 2020. This was the priority in 2021 and the results in Belgium have improved considerably.

Ctac completed major projects in 2021 and was able to outsource many people, especially to ASML. Growth can be seen across the board.

Ctac wants to further increase its profitability in the coming years. This is not an objective in itself, but a result of Ctac's efforts.

Mr Saasen comments on the EBIT. In 2020, Ctac's EBIT was € 4.7 million; this amount increased substantially in 2021. Belgium, the acquisition of Oliver IT and the acquisition of Digimij in Q4 2021 contributed to this.

As a result, earnings per share rose significantly from € 0.23 per share to € 0.33 per share in 2021.

The balance sheet has grown. This is due to the acquisitions and the increased activity level. Ctac's equity also increased significantly. This ensures that the balance sheet remains stable. A balance item Stock has been included in the balance sheet for the first time; Digimij has stock on the balance sheet. Digimij provides IT services and offers servers to its clients. Digimij is also a partner of HP. In this regard, Ctac is able to completely unburden its clients in the IT field.

The liquidity position of Ctac has improved significantly in recent years. This is an objective of

Ctac. For the first time in its history, Ctac did not have to draw on the credit facility in 2021. The credit facility has been extended for a period of three years.

Recently, information regarding the sale of Fit4Woco was published. According to Ctac, the housing corporation sector offered insufficient opportunities for rapid growth. The opportunities in this sector were relatively limited for Ctac. Ctac started discussions with a party interested in acquiring Fit4Woco. Ctac wants to focus on the commercial real estate sector and further development of the XV platform. Ctac intends to transform the monolith into a micro services-based platform, in which Ctac can facilitate in various sectors.

Mr Saasen reflects on a number of key issues:

- The financial performance of Ctac was strong in 2021. The financial headroom is sufficient, even for continuing to facilitate future growth, with the understanding that Ctac will never put the last euro at risk in order to realise growth.
- The credit facility has been extended for a period of three years.
- Ctac has implemented several strategic initiatives, such as Ctac Masterclass and Ctac Security, to ensure that Ctac can continue to grow.
- Ctac will continue with its M&A strategy.
- The Ignite project has been included on the calendar.
- Ctac wants to become less dependent on one key supplier in order to be less vulnerable.
- Ctac continues to evaluate its portfolio and possibilities for rationalising it.
- Ctac aims to achieve a solid result with all developments.

Mr Saasen explains the purpose of Ctac Ignite. Ignite represents the spark that needs to be reignited. For Ctac, there are only two important matters within the company: employees and customers. The Ignite project has been structured in this regard. Ctac asks its employees to take responsibility, to continue to improve and perform well. Ctac considers it important to retain employees and keep them satisfied. The customer views Ctac as a partner. Today's average customer is more knowledgeable about IT compared to twenty years ago and knows whether Ctac is performing well or not.

The customer and employee satisfaction surveys indicate that there is room for improvement. This was an important factor in starting the Ignite project. Mr Saasen believes that satisfied employees and customers lead to improved profitability.

A Ctac employee is often a white male. Few women work at Ctac and this is a point of attention. Employees are often experienced and have extensive technical knowledge. However, customers require a different profile. They want someone who understands the business and someone who can discuss the processes and issues with a customer. The customer expects Ctac to be an inclusive organisation and wants to have contact with people who are eager to learn and develop. In the presentation, Mr Saasen compares the term 'cool' with the term 'traditional'. The average age of employees at Ctac is 44, which is relatively high for an IT company. Younger, hipper employees are attracted by a more modern appearance. Ctac pursues a number of core values and wishes to actively promote these. These core values are: together, aware, result-oriented, driven and entrepreneurial.

In 2021, Ctac carried out attractive assignments for customers. The sectors in which Ctac is particularly strong are manufacturing, retail and wholesale. Data, SAP and integration are matters that often appear in assignments.

Ctac continues to grow in 2022. The EBITDA has decreased slightly and Ctac recently tried to explain this in a press release. Investments in Ctac Masterclass and Ctac Security continue and this is currently costing money. Ctac will ensure that these will eventually be good

investments. In 2021, Ctac had an extremely positive first quarter due to the Inno project in Belgium.

The project and secondment turnover of Ctac grew by more than 5%. Ctac also grew strongly in the cloud, with an increase of 12.6%. The figures regarding licenses and hardware sales remained stable. With regard to hardware sales, Ctac is experiencing chip shortages. As a result, certain devices cannot be supplied at this moment.

Mr Saasen outlines a number of issues that will play a role in the future:

- Consolidations continue to take place; this does not go unnoticed by Ctac.
- Ctac continues to improve its profitability.
- Ctac Ignite is a central theme for 2022.
- The next round of the Ctac Masterclass has been scheduled.
- In 2022, Ctac will focus on environmental, social and governance (ESG). Ctac has selected four criteria from the sustainable development goals (SDGs) to focus on in 2022.
- Two analysts monitor Ctac's share and ensure that it is periodically published. Ctac considers this interest important and pleasant. Currently, the value of Ctac's share is stable above € 4.

Mr Saasen gives participants the opportunity to ask questions.

Mr Velzeboer of the XEA organisation notes that Mr Saasen mentioned the difficulties in attracting personnel. He asks about the current situation. In another sector, he has noticed that people leave shortly after following a training course to start their own business. He asks if this is also the case at Ctac. Mr Saasen indicates that he cannot provide a clear answer. Some employees stay with Ctac for a long time, whereas others leave more quickly. Ctac is not unique in this regard. Ctac considers it important that employees feel comfortable at Ctac and can continue to develop. The Chairman adds that Ctac's retention policy is very important. Ctac finds it important to have a good working environment, where employees are appreciated and where personal development is possible. Ctac wants to distinguish itself from other parties in the industry and this requires more attention.

Mr Dekker asks what a PIM system is; this term is used in the presentation. With regard to the Masterclasses, he notes that this has the potential to change the male-female ratio within Ctac. He asks if Ctac has been successful in creating more diversification for the future. Further, he asks whether the participants of the first Masterclass appear to feel at home in the Ctac culture. Lastly, he mentions that Ctac has completed some acquisitions. He asks if Mr Saasen believes that the culture of the acquire companies fit well with Ctac. This can be complex as Ctac is also in the process of changing its culture.

Mr Saasen explains that PIM refers to product information management system. In this system, Ctac helps customers record the data of their products in one place within the automated system. This creates data integrity.

With regard to employee diversity, Ctac is dependent on the people who register for the Masterclass. When considering the trainees within Ctac and the schools that Ctac visits, Mr Saasen believes that there is an opportunity to achieve a more diverse Ctac. Ctac does not necessarily look for people with an IT background. Currently, several people are completing a graduate project for the XV platform. This involves a diverse group of people with a male-female ratio of approximately 60% and different cultural backgrounds. Everyone is entitled to guidance and a coach. This is what Ctac aims to achieve with the Ignite project. Guidance has always been a point of attention, not only for junior employees. Mr Saasen sees a great willingness to contribute to this guidance. If the five core values continue to be



promoted, he expects that the people who participate in the Ctac Masterclass will feel at home within Ctac.

For each acquisition, Ctac first examines whether the acquisition is strategically appropriate for Ctac. Then, Ctac looks into the employees that work for the company and determines whether they fit within Ctac. Thus far, Ctac has made a good assessment in this regard. If at the moment of the acquisition agreements can be made regarding how long the company will remain involved after the acquisition and these companies are given an opportunity to preserve their own identity and culture, the acquisition can be better managed. Ctac has been successful in this respect in the three acquisitions; these have not led to a high turnover.

Mr Appeldoorn congratulates Ctac on the fantastic results, especially in consideration of the major change process that has been initiated. This is a good process and, in his opinion, the direction that has been taken is the right one. With regard to the Ignite change programme, he asks about the costs involved. There is mention of an effect in Q2 2022, but that this effect will not be as bad in Q3 and Q4 2022. However, he does not expect the programme to be completed in Q3 and Q4 2022.

Mr Appeldoorn notes that he read that the results were lower as a result of higher costs due to inflation. He asks which costs this concerns and what the expectations are for the coming period.

With regard to Belgium, Mr Appeldoorn mentions that, although the results have improved, the EBITDA is still much lower than in the Netherlands. He asks what the reason for this difference is.

Lastly, Mr Appeldoorn notes that single-digit autonomous revenue growth was included as an objective. He does not consider single-digit to be an ambitious target and asks whether this concerns the higher single-digit. It may be possible to formulate the objective more clearly.

Mr Saasen explains that single-digit autonomous growth is between 0 and 9.9%. The result depends on the extent to which Ctac is able to be an attractive employer and the availability of people. Ctac is working hard to achieve a high single-digit autonomous growth, but does not have everything under control.

With regard to Belgium, Mr Saasen notes that the figures for 2020 were in red. As from 2020, the results have improved and Ctac is well on its way to achieving the same standards for the entire group. Mr Saasen is confident that this will be the case in the near future. Ctac has various possibilities for this. Ctac can adjust the rates of its employees, but also examines whether smarter agreements can be made on the purchasing side with the people that Ctac hires. In addition, Ctac can monitor the productivity of employees. The other costs are more or less fixed. Ctac must search for assignments with a high added value that justify a higher hourly rate.

With regard to inflation, Mr Saasen explains that the impacts in Q1 2022 are higher than Ctac had expected. For customers in Ctac's private cloud environment, the prices are fixed at the end of November each year for the following year. In November 2021, Ctac indexed the costs by approximately 3%, but was subsequently confronted with higher costs in Q1 2022. Together with Mr Geraats, he is investigating how Ctac can follow-up on this situation in Q3 2022 with customers. The cost increase is due to, amongst other things, higher energy and fuel costs and higher wages. It is reasonable to discuss this with customers.

With regard to Ignite, Mr Saasen states that the costs were out of pocket in Q1 2022. This concerns external consultancy costs of € 200,000. He expects to spend the same amount in Q2 2022. No calculations on the internal hours that Ctac invests into this have been made. Ignite is an extensive programme and Ctac is not yet able to implement this on its own. However, as of Q3 2022, Ctac will continue this programme independently.

Mr Van Riet asks whether customer data can be stored on a public cloud not owned by Ctac. Further, he notes that Ctac has divested from housing corporations. However, Nieuw Geluk is also real estate. He asks how these relate to each other.

Mr Saasen indicates that Nieuw Geluk is not a housing corporation, but commercial real estate. Ctac had two solutions for the real estate sector: Fit4Woco and Fit4RealEstate. The latter is still included in the Ctac portfolio.

With regard to the first question, Mr Saasen explains that there are three methods in which software can be stored: on the work floor on a Ctac server, on a server in a data centre where Ctac leases space (private cloud) or in a data centre of Microsoft, Google or Amazon (public cloud). The information on the server can be transferred from one location to another. Ctac sees that customers make use of these 'lift and shift' possibilities faster than in the past.

Mr Velzeboer asks whether additional profit has been generated by Fit4Woco. Mr Saasen replies that he did not expect much from this.

Mr Velzeboer is pleased that Mr Saasen has paid attention to the share price in his presentation. With regard to personnel, he notes that Ctac can attract employees by allowing them to participate in its own shares; this is also beneficial for employees when they retire.

Mr Velzeboer indicates that Ctac aims for two acquisitions at € 150 million. He asks when Ctac expects this to happen. The acquisitions are made on the basis of an earn-out construction. The previous CFO was not in favour of this, and neither is Mr Velzeboer. After some time, friction can arise and this is not desirable. With regard to the price, he notes that it is high. In the meantime, he asks whether Ctac could investigate this further. Ctac is not a stock manager and does not have expensive products in stock. An ICT professional should not have any debts. If there are debts, this is due to the acquisition. If Ctac has a budget that it can fund, no debts need to be incurred.

Lastly, Mr Velzeboer asks what the size of a major shareholder is, according to Ctac.

Mr Saasen explains that he mostly seeks contact with the employees via webinars. He then tries to draw a parallel between a Ctac shareholder, a Ctac customer and a Ctac employee. If participants also become shareholders of Ctac, everyone has the same interest. He tries to encourage this, but employees can decide for themselves.

With regard to the question about acquisitions, Mr Velzeboer indicates that, on one hand, Ctac should not act too quickly if an acquisition occurs and should continue to look further. However, on the other hand, he would like the € 150 million to be realised. Mr Saasen explains that he wants to maintain sufficient momentum, but does not want to act too hastily or pay too much. Careful consideration should be given to the multiple at which Ctac itself is traded and this information is used as an argument to not pay too much. However, developments in the sector happen very quickly and thus waiting too long is undesirable. Ctac makes careful considerations based on sound criteria. With regard to the earn-out construction, Mr Saasen refers to the earlier question regarding processes after the acquisition takes place. If an acquisition happens immediately, there is a greater chance that



people will leave. With an earn-out construction, discussions can arise regarding the profit after the acquisition. However, Ctac has experience with this.

With regard to the target group for the Capital Markets Day, Mr Saasen notes that it is beneficial for Ctac to welcome more shareholders. This ensures more liquidity. Ctac invests in the realisation of this. Mr Velzeboer mentions that the annual report states that the dividend increased from € 0.08 to € 0.11. This would have had more impact if it had been written that the dividend increased by 33%. Mr Saasen take this into consideration.

### **3. Financial statements 2021**

#### **3.a Presentation on the audit procedures PricewaterhouseCoopers Accountants N.V.**

The Chairman invites Mr Van Kessel to present on the audit process and the auditor's report on behalf of PricewaterhouseCoopers (PwC).

Mr Van Kessel explains that he and his colleague, Ms Wagemakers, are present on behalf of PwC as independent external auditors.

It is important that the financial statements are reliable; an external independent opinion contributes to this.

Mr Van Kessel discusses the main aspects of the audit. The audit opinion is more extensive compared to previous years. More transparency is provided by specifically reporting on fraud risks, continuity and climate in the audit report. Prior to the audit, PwC consulted with the Supervisory Board in order to define an audit plan and focus. The reporting framework used for the annual accounts was Chapter 9 Book 2 of the Dutch Civil Code, EU-IFRS and Dutch law.

The regulations are subject to change. Ctac is taking action by including information on ESG in the Board report. A limited degree of certainty is expected to be provided in this regard towards 2023.

When assessing the fraud risks, PwC took the long-term and profitable growth ambitions that are important for Ctac into account. In particular, PwC focused on establishing the existence of the represented revenue of € 106 million. In addition, PwC focused on the fraud risk for elements that are more subject to estimation, such as the acquisition of Oliver IT. PwC challenged, amongst other things, the growth rate and examined the discount rates and forecast. PwC found no material indications that matters were incorrectly accounted for. Another element of the fraud risk that PwC focused on was unsettled revenue transactions. PwC performed assessments based on contracts, but also based on debtor confirmations. For debtor confirmations that were not received, PwC verified payment receipts after the financial year. During the assessment of recognized revenue, PwC also examined the price agreements with customers according to the contracts.

PwC used 1% of revenue as materiality in alignment with the 2020 audit. PwC adjusted the materiality performance in order to provide extra security.

PwC focused on continuity. The credit line has not been used and this brings comfort. PwC also reviewed the forecast and current developments regarding profitability and liquidity.

PwC found no indication of discontinuity.

Climate is a new element in the audit. Currently, climate is not a key issue for Ctac. The energy transition presents opportunities and this has been given attention in relation to ESG. This aspect has not resulted in any issues.

Ctac is centrally organised in 's-Hertogenbosch and can carry out activities for Belgium from this location. The recently acquired business of Digimij and Oliver IT are organised in a more decentralised manner. PwC has considered a mix of audit activities in order to achieve sufficient coverage. Some matters have been addressed in full scope in 's-Hertogenbosch, while other cases have been decentralised with additional activities.

PwC paid additional attention to the acquisition of Oliver IT and revenue recognitions, particularly in relation to the year-end unsettled transactions. PwC reported on this in the audit report.

On 15 March 2022, PwC issued an unqualified audit opinion. The current measures and regulations are valid for the future. It is important to be prepared for new future rules; this has been discussed with the Supervisory Board and the Board of Directors.

With regard to communication, Mr Van Kessel notes that PwC maintained contact with Ctac throughout the year. Steps have been taken in regard to the more dynamic and real-time execution of audit activities. This is a good way of working and prevents later surprises.

When asked, Mr Van Kessel comments on materiality. Within the professional group, certain standards are used to determine materiality. The percentage of 1% of the revenue is a common benchmark, however PwC approaches materiality not only from a quantitative perspective, but also from a qualitative perspective. A reduction is made to the € 1 million materiality for the statements as a whole. As a result, the materiality performance is approximately 25% lower. There are various group units, or components, within Ctac, such as Belgium, Purple Square and Oliver IT. Materiality is allocated to these components. Further, PwC has made agreements with the Supervisory Board to always report on errors at 5% of € 1 million. This is then discussed with the Supervisory Board and Board of Directors. If there is a deliberate error, PwC assesses this differently.

Mr Dekkers mentions that there have been issues with certain processes a few years ago. He asks whether this process has been fully completed. Mr Saasen confirms that this matter has been resolved. Mr Dekker notes that Ctac's French activities have been terminated in 2021. In this regard, he asks whether a potential claim is still pending. Mr Saasen confirms that this has also been fully resolved. The activities started in 2020 and the legal settlement on the dissolution of the entity was completed in 2021. The entity no longer exists.

With regard to the pension scheme, Mr Dekker indicates that the maximum premium is 27.7% of the sum of the pension base. This is stated on page 106 of the annual report 2021. A percentage of 27.7% is low when considering the current low interest rate. He asks whether this was a point of attention for employees. Mr Saasen explains that this regards a defined contribution scheme. The premium scale is determined by law; it is not possible to simply deviate from this.

In the annual report, Mr Dekker read that 51% has been purchased from Oliver IT. 39% is still with the majority shareholder and in Q1 2022, 10% was acquired. He asks if a balance item for the acquisition of this 10% has already been reserved somewhere. The reply confirms this. The put option obligation of € 407,000 is reserved in the balance sheet, as

explained on page 85 of the annual report.

### **3.b Approval of the financial statements 2021**

The Chairman motions to vote on the proposal to adopt by acclamation the financial statements 2021 as presented in the annual report.

Notary Quist reports abstentions from voting on 2,502 shares.

Notary Quist reports that a total of 8,078,388 votes were cast, of which 8,078,388 or 100 percent were in favour of the proposal and 0 votes or 0 percent were against.

The Annual General Meeting of Shareholders approves the financial statements 2021 by a majority vote.

### **3.c Reserves and dividend policy (this item was discussed under agenda item 3d)**

#### **3.d Proposal to pay dividend for 2021**

Ctac increased the dividend to 0.11 cents. *The shareholders can choose to receive the dividend payment either in cash or in ordinary shares charged to the profit for the financial year 2021.* The election period begins on 10 May 2022 and ends on 24 May 2022. The stock dividend conversion ratio will be determined during the days of 23, 24 and 25 May 2022 based on the volume weighed average price of all traded shares. The new ordinary shares will be entitled to dividends for the financial year 2022 and following financial years.

The proposal also includes a designation of the Board of Directors, subject to the approval of the Supervisory Board, as the governing body authorised to adopt a resolution to issue ordinary shares and to limit or exclude the pre-emptive right required for the distribution of dividends in shares, subject to the condition precedent of the amendment to the Articles of Association as mentioned under item 8.a and in addition to any designation of the Board of Directors as mentioned under item 8.b.

The exemption from the prospectus requirement will be applied.

The Chairman motions to vote on the proposal for determining the profit allocation and dividend for 2021.

Notary Quist reports abstentions from voting on 244 shares.

Notary Quist reports that a total of 8,080,646 votes were cast, of which 8,080,646 votes or 100 percent were in favour of the proposal and 0 votes or 0 percent were against.

The Annual General Meeting of Shareholders approves the profit allocation and dividend for 2021 by majority vote.

### **3.e Approval of the policy implemented by Board of Directors and discharge of Board of Directors members**

The Chairman explains that the meeting is asked to approve the policy implemented by the Board of Directors and to discharge all Board of Directors members that were in office in 2021 for the implemented policy.

The Chairman motions to vote on the proposal.

Notary Quist reports abstentions from voting on 327,570 shares and votes against on 1,326 shares.

Notary Quist reports that a total of 7,753,320 votes were cast, of which 7,751,994 votes or 99,98 percent were in favour of the proposal and 1,326 votes or 0.02 percent were against.

The Annual General Meeting of Shareholders approves the policy implemented by the Board of Directors and to discharge Board of Directors members by majority vote.

### **3.f Approval of the supervision of the policy implemented by the Supervisory Board and discharge of Supervisory Board members**

The Chairman explains that the meeting is asked to approve the supervision of the policy implemented by Supervisory Board and to discharge all Supervisory Board members that were in office in 2021.

The Chairman motions to vote on the proposal.

Notary Quist reports abstentions from voting on 328,828 shares and votes against on 68 shares.

Notary Quist reports that a total of 7,752,062 votes were cast, of which 7,751,994 votes or almost 100 percent were in favour of the proposal and 68 votes or almost 0 percent were against.

The Annual General Meeting of Shareholders approves the supervision of the policy implemented by the Supervisory Board and to discharge Supervisory Board members by majority vote.

## **4. Remuneration**

The Chairman notes that the remuneration policy 2021 was prepared as part of the Board of Directors report.

The Chairman asks Ms Karsten, chairwoman of the Remuneration Committee, to provide an explanation.

Ms Karsten explains that she will discuss this under agenda item 4.a. Under agenda item 4.b, the aim is to reach a decision on a new situation moving forward.

#### **4.a Remuneration report**

Ms Karsten explains that the framework used for the preparation of the remuneration report is the Dutch Corporate Governance Code. In particular, the EU Directive (SRD2) has a significant impact on the way Ctac, a listed company, manages reporting. Several shareholders have requested a simpler reporting format. The company understands this request, however Ctac must comply with the guidelines when preparing the remuneration report. This is only a representation of the agreements made regarding the remuneration of the Board of Directors. Ctac considers it important to be transparent and in this regard Ms Karsten refers to what has been written on this subject in the annual report, the financial statements and what has been communicated on the Ctac website.

Ms Karsten comments on an incorrect passage in the remuneration report. On page 47, Ctac indicated that the 2020 remuneration report, which was voted on in 2021, had a positive outcome. Unfortunately, this is not the case. She apologises for this error.

An important point is that the composition of the statutory board has changed. Mr Hilgerdenaar has left Ctac. It is time for new leadership; leadership that can further sharpen the chosen course with fresh ideas and realise the growth objectives. This is being addressed with enthusiasm.

Ms Karsten explains that the situation under which remuneration was determined in 2021 concerns the current and, hopefully soon to be, old policy. A number of comments were made on this policy. Ctac wants to rectify this in the newly proposed remuneration policy. A detailed overview of the figures can be found in the annual report and financial statements.

The fixed remuneration of Mr Hilgerdenaar was his salary until 1 November 2021. This applies to all employee benefits, with the exception of the company car. The variable remuneration was calculated for Mr Hilgerdenaar until the moment that he was no longer a statutory director in accordance with the Articles of Association. The long-term bonus was determined on 1 November 2021. Mr Hilgerdenaar did not have an fixed-term management contract, as is common for board members in recent years. He had an employment contract for an indefinite period of time and had worked for a period of 27 years. Ctac terminated the statutory board membership according to the Articles of Association as of 1 November 2021. Based on the employment contract, Ctac was required to observe a longer notice period. Ctac made a payment of € 188,000; this concerns the continued payment of Mr Hilgerdenaar's salary up to and including April 2022, a continued pension payment, car allowance, disability insurance, employer expenses et cetera. The amount under extraordinary items consists of the severance payment in alignment with the Dutch Corporate Governance Code, i.e. a maximum of € 309,000 for one year and € 188,000 for obligations arising from the termination of the employment contract.

The costs of the redundancy of the former CEO can be found under the heading 'extraordinary items' and are divided into a severance payment and continued salary payments, including pension.

The targets used to calculate, in particular, the short-term bonus, are included in the remuneration report. The numbers correspond with the figures included in the financial statements. The calculation is part of the audit conducted by the auditor. Ctac has taken the period in which Mr Hilgerdenaar had influence on the results due to his position as a statutory director into account. Agreements have been made with Mr Saasen. He was CFO and has been appointed CEO as of 15 November 2021. The bonus for 2021 is calculated for the full year, based on his position as CFO.

The pay ratio has increased compared to the previous year. This is mainly due to the fact that a long-term bonus was paid for the first time. This gives a one-time increase to the remuneration of Board of Directors members. With the new policy, there will be a more gradual and conditional allocation of shares.

The Chairman motions to vote on the proposal.

Notary Quist reports abstentions to voting for 2,566 shares and votes against on 772,109 shares.

Mr Menger, Mr Velzeboer, Mr De Jong (on behalf of Value8 N.V.) and Mr Visser vote against the proposal.

Notary Quist reports that a total of 8,078,324 votes were cast, of which 1,701,491 votes or 21.06 percent were in favour of the proposal and 6,376,833 votes or 78.94 percent were against.

The Annual General Meeting of Shareholders issues a negative opinion on the remuneration report 2021 by majority vote.

#### **4.b Proposal to amend the remuneration policy for the Board of Directors and Supervisory Board**

The Chairman comments on the proposal to amend the remuneration policy for the Board of Directors and Supervisory Board.

The Chairman asks Ms Karsten, chairwoman of the Remuneration Committee, to explain the proposal.

Ms Karsten indicates that the remuneration of the Board of Directors was compared with relevant benchmarks. The expertise of Hay Korn Ferry was used for this. Ctac intends to review the weighing and external re-evaluation of the remuneration level every four years. This corresponds with the cycle in which an established remuneration policy must be re-submitted to the General Meeting every four years. Ctac recognises that there is a very high intrinsic drive related to being a director of a listed company. The remuneration always reflects the intensity of tasks, but also the appreciation that the company has for the director. For directors, it is important that the remuneration matches their peers in the market. This is partly why Ctac has hired external expertise.

In addition to the fixed salary, there is also a variable remuneration. Ctac has listened to shareholders. Points of criticism were that the short-term bonus, in particular, gave room for a bonus payment in the event of less favourable performance. Ctac has raised the lower threshold for a bonus. On the other hand, in case of very good results, the upper limit has slightly increased. The long-term bonus share is now higher than the short-term bonus share.

With regard to the long-term bonus, there was criticism on the current policy stating that the long-term bonus does not have sufficient hard performance criteria and that no maximum was associated with this bonus. With the proposal for the long-term bonus, Ctac has more explicitly formulated hard performance criteria. This criteria is in alignment with the interest of shareholders. The remuneration is also capped at a certain maximum.



The short-term bonus is a cash payment and the long-term variable remuneration is a payment in shares. Additional information is outlined in the proposal.

Ctac has made a comparison between the current policy and future policy. Ctac has prepared a calculation example with regard to the long-term remuneration. Based on the future policy, a more nuanced amount results from the calculation.

The remuneration policy is subject to consultation. The policy has been extensively discussed with the Works Council, which has provided a positive opinion regarding the remuneration policy. A discussion will take place with the Works Council on the formation of the criteria, particularly with regard to the non-financial criteria.

With regard to the proposal for the remuneration of the Supervisory Board, Ms Karsten explains that this was determined in 2017. Ctac continued the remuneration until 2021. The proposal is to not change the remuneration of Supervisory Board members.

Mr Visser states that he will vote against the proposal based on the general comparison with Ordina and ICT Group. He does not know which 17 companies Ctac has included in its reference sheet, however, in his opinion, the two most important companies are Ordina and ICT Group. Ctac significantly differs from these two companies. He clarifies that this does not concern the variable component; he fully understands this. He believes that it is beneficial that this bonus is paid using shares and that investments are made in the company in this way. He thinks that Ctac is positioned higher than to be expected based on a comparison with the sector. He also considers the remuneration of the Supervisory Board members to be high.

The Chairman explains that Ctac based its policy on progressive insight. The remuneration policy will be maintained and tightened. If Mr Visser assesses the policies of other parties at this time, he likely would have come to a different conclusion. The Chairman notes that a lot has changed in 2021. Ctac not only tries to recruit new employees, but also to retain current employees in which starting points need to be created that make it attractive to (continue to) work for Ctac. It would be counterproductive to lower the remuneration policy, which has been in place for several years, in an absolute sense. The signal that this would send is not motivating for the people who do the work. Therefore, the Chairman urges those present to vote in favour of the proposal.

Mr Visser notes that he mentioned two companies that are similar to Ctac. He emphasises that there are no objections to the new CEO; he is pleased that Mr Saasen has been appointed to this position. Ms Karsten mentioned that the fixed salary for the CEO was € 300,000 and € 240,000 for the CFO. Mr Visser explains that he has reviewed the amounts, including profit sharing. Ctac's salary is much higher than Ordina's and thus, he votes against the proposal. Ms Karsten notes that the current policy contained a number of issues that Ctac also did not consider desirable. The old agreements regarding the long-term bonus paid in 2021 were decisive for the outcome in 2021. This is a one-time event. If Ctac had already had a new policy in 2021, this long-term bonus would not have been paid. If shareholders vote against the proposal, the current conditions and salary remain applicable. Ms Karsten explains that the costs for the departure of Mr Hilgerdenaar are one-time costs. She believes that with the new policy, Ctac has a good bonus policy that takes into consideration the concerns of the shareholders. Ctac applies a fixed salary for the CEO and CFO. Ctac determined the amount based on a market comparison and a benchmark with 17 companies. In addition, Ctac has asked for advice from a very adequate and expert agency, namely Hay Korn Ferry. The fixed amounts in the new policy are lower than in the current policy.

Mr De Jong, representing Value8, explains that his main objection concerns the performance criteria. The 17 companies with which Ctac has been compared are, in his opinion, not companies with which Ctac should be compared. A company such as Ordina would be a better choice. It is beneficial to choose a group with more direct peers. With regard to the performance criteria, he questions the extent to which these are helpful. Ms Karsten asks if Mr De Jong has any objections regarding the design of the bonus scheme. Mr De Jong confirms this.

Ms Karsten indicates that the criteria that Ctac reports on, are mainly based on the current regulation, which Ctac wants to change. In the new regulation, hard performance criteria are taken into account. Therefore, Ctac has a need for the new regulation. Mr De Jong states that he is looking forward to the new regulation. However, he does not think that the wording of the proposed new regulation is suitable. Ms Karsten asks for further clarification in this regard. Mr De Jong will consult with the Value8 board and respond to this later. Ms Karsten explains that this could cause the proposal to be rejected at this time, which would mean that the current policy is maintained. The Supervisory Board and Board of Directors of Ctac consider this to be very undesirable. The Supervisory Board agreed to reduce of the base salary and change the other criteria.

The Chairman notes that the fixed remuneration is more than in alignment with the market. It is recommended to replace the old scheme. In consideration of the future, the ambition expressed by Ctac and prevailing dynamics in the organisation, the salary is more than adequate. If Ctac concludes that it can grant an LTI in a year's time based on the new stricter regulation, the shareholders will be satisfied. Again, the Chairman emphasises that the signal effect of the remuneration policy is significant. He considers it unwise for the shareholders to reject the proposal.

The Chairman motions to vote on the proposal.

Notary Quist reports abstentions to voting for 244 shares and votes against on 4,278 shares.

Mr De Jong (on behalf of Value8 N.V.) and Mr Visser voted against the proposal.

Notary Quist reports that a total of 8,080,646 votes were cast, of which 2,483,877 votes or 30.74 percent were in favour of the proposal and 5,596,769 votes or 69.26 percent were against.

The Annual General Meeting of Shareholders rejects the proposal to amend the remuneration policy of the Board of Directors and to adopt the remuneration policy for the Supervisory Board by majority vote.

Mr Dekker finds this voting result painful. The shareholders were satisfied with the structure and the plans established by Mr Saasen, in consultation with the Supervisory Board. He has the impression that there are misunderstandings regarding the old and new scheme and associated figures. He recommends creating a better structure in the future via substantial consultations with shareholders prior to voting.

## **5. Appointment of the auditor for auditing the Company's financial statements for the financial year 2023**

The Chairman explains that the meeting is asked to appoint PwC as the auditor for the Company's financial statements for the financial year 2023.

In case of any inconsistencies between the Dutch version and this English translation thereof, the Dutch version shall prevail.

The Chairman motions to vote on the proposal.

Notary Quist reports abstentions to voting for 1,502 shares.

Notary Quist reports that a total of 8,078,388 votes were cast, of which 8,079,388 votes or 100 percent were in favour of the proposal and 0 votes or 0 percent were against.

The Annual General Meeting of Shareholders approves the appointment of PwC to audit the Company's financial statements for the financial year 2023 by majority vote.

## **6. Reappointment of Ms E. Karsten as a Supervisory Board member of the Company**

The Chairman explains that the meeting is asked to re-appoint Ms Karsten as a Supervisory Board member of the Company for a period of one year, ending after the Annual General Meeting of Shareholders 2023. The nomination proposal and curriculum vitae of Ms Karsten are included in the notes of the agenda, as outlined in Article 20, paragraph 5 of the Articles of Association of Ctac. There was a major change within the Supervisory Board in the past year as two-thirds of the memberships were renewed. Ctac considers it beneficial to retain past experience and knowledge.

The Chairman motions to vote on the proposal.

Notary Quist reports abstentions to voting for 2,244 shares and votes against on 1,326 shares.

Notary Quist reports that a total of 8,078,646 votes were cast, of which 8,077,320 votes or 99.98 percent were in favour of the proposal and 1,326 votes or 0.02 percent were against.

The Annual General Meeting of Shareholders approves the appointment of Ms Karsten as a Supervisory Board member of the Company by majority vote.

## **7. Authorisation of the Board of Directors to purchase own shares**

The Chairman explains that the meeting is asked to authorise the Board of Directors, in accordance with Article 8, paragraph 2 of the current Articles of Association and within the limits of the laws of the Articles of Association, to acquire shares for valuable consideration on the stock exchange or otherwise for up to a maximum of 10% of the outstanding ordinary shares in the capital of the Company. The authorisation is valid until eighteen months after the end of this General Meeting.

The price for ordinary shares to be repurchased must be between the amount equal to € 0.01 and 110% of the stock exchange price at the time of purchasing the shares.

The Chairman motions to vote on the proposal.

Notary Quist reports abstentions to voting for 244 shares and votes against on 1,326 shares.

Notary Quist reports that a total of 8,080,646 votes were cast, of which 8,029,320 votes or 99.98 percent were in favour of the proposal and 1,326 votes or 0.02 percent were against.

In case of any inconsistencies between the Dutch version and this English translation thereof, the Dutch version shall prevail.

The Annual General Meeting of Shareholders approve the authorisation of the Board of Directors to purchase own shares by majority vote.

## **8. Changes to governance**

### **8.a Proposal to amend the Company's Articles of Association**

### **8.b Appointment of the Board of Directors as the governing body authorised to adopt resolutions to issue shares, grant rights to acquire shares and to limit or exclude pre-emptive rights**

Agenda items 8.a and 8.b are addressed at the same time.

Mr Saasen provides additional information on the notes that shareholders have already been able to read. He explains that previously, shareholders expressed a need to modernise the governance structure of Ctac. Ctac has inventoried market practices at listed companies in the Netherlands. Ctac uses a double protection structure with two foundations: Stichting Prioriteit C/TAC and Stichting Continuïteit C/TAC. The aim is to address the desire of shareholders to modernise the governance structure and thus, Ctac proposes to dissolve Stichting Prioriteit C/TAC and, at the same time, retain Stichting Continuïteit C/TAC. In doing so, Ctac is able to modernise its governance structure. There will be a clear division of roles between the General Meeting of Shareholders, the Board of Directors and Supervisory Board. This enables Ctac to comply with the legal obligation to introduce a two-tier board system in a timely manner. By conducting both transactions simultaneously, Ctac avoids an additional visit with the notary. Ctac remains protected against a possible hostile acquisition. With the current stock market prices, it is not desirable for the Company to have no form of protection.

The notes outline the differences between the current situation and the situation following the amendment to the Articles of Association.

The Chairman motions to vote on the proposal.

Notary Quist reports abstentions to voting for 1,344 shares and votes against for 1,487 shares.

Notary Quist reports that a total of 8,079,546 votes were cast, of which 8,078,059 votes or 99.98 percent were in favour of the proposal and 1,487 votes or 0.02 percent were against.

The Annual General Meeting of Shareholders approves the proposal to amend the Company's Articles of Association and to appoint the Board of Directors as the governing body authorised to adopt resolutions to issue shares, grant rights to acquire shares and to limit or exclude pre-emptive rights by majority vote.

## **9. Roundtable**

Mr Van Spronsen notes that, for many years, he has been a very satisfied shareholder. He hopes that the same Board of Directors will be present at the meeting in 2023 as the

amendment to the remuneration policy has not been approved. As a small shareholder, he benefits from good management.

## **10. Roundtable**

The Chairman thanks the participants for their interest and questions. Ctac has made a strong comeback following the change of leadership and has a lot of ambition and desire to win and perform. He considers it extremely disappointing and incomprehensible that the proposal under agenda item 4.b was not approved, despite the arguments presented. Ctac will take the suggestion made by participants into account. The Chairman sincerely regrets that it will not be possible to vote on the proposal again for another year.

The Chairman closes the meeting.

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