



## Share/option scheme General Meeting of Shareholders

17 March 2010



## Objectives

- To invest in senior management loyalty and adding long-term focus to their employment terms and conditions
- To promote positive development in value of Sligro Food Group shares for all shareholders
- To encourage (additional) employee participation





## Scheme

- Key team members to be awarded 4-year unconditional options that cannot be exercised during vesting period
- Exercise price = closing price two days after AGM (= 1<sup>st</sup> ex-dividend price)
- First award: March 2010
- Any option gains to be at least 50% reinvested in Sligro Food Group shares (to be held for at least 4 years)
- Must comply with 'best practice' provision II.2.4 in Code



## Numbers

- Sligro Food Group N.V. Executive Board:

Average fixed salary  
\_\_\_\_\_ x factor <sup>1)</sup> : 100%  
1<sup>st</sup> ex-dividend price

- Sligro Food Group (NL) B.V. Executive Board : 50%
- Other key team members : 25%

1) Rounded off to nearest hundred



## Factor

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- Depending on total shareholders' return <sup>1)</sup> over rolling period of 3 years compared with peer group:

	%
7 – 10	0
6	25
5	50
4	75
3	100
2	125
1	150

1) Share price movement + dividend



## Peer group

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- Aalberts
- Arcadis
- CSM
- Imtech
- Mediq
- Nutreco
- Vopak
- Macintosh
- Beter Bed

### Reserve list

- Crucell
- USG People
- Ten Cate





## Exercising of options

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- Four years after award (if positive)
- Gains are taxable (52%)
- 50% of net gains to be used to buy shares at 90% of market price at time of exercising
- Shares to be blocked for four years
- Other 50% to be taken in cash or shares bought at 90% of market price at time of exercising <sup>1)</sup>

1) At participant's option (shares blocked for four years)



## Transitional arrangements

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- Awards not based on peer group in 2010, 2011 and 2012. Instead, 75% schedule to apply.
- Comparison with peer group from 2013 (2010–2012)





## 'Technical' details

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- Linked to membership of key team in year of awarding
- Supervisory Board to decide on options awarded to Sligro Food Group N.V. Executive Board
- Other participants linked to above decision
- Scheme must be approved by AGM



## Treatment in financial statements

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- Estimated annual costs (IFRS): €0.7 million <sup>1)</sup> (net)
- Buy-back of shares at time of award
- Share repurchases to be charged to shareholders' equity
- Full disclosure by Executive Board of N.V. in annual report
- Disclosure for those required to disclose under Major Holdings in Listed Companies Act ('WMZ')



1) Provisional estimate (calculated via Hewitt)





## Example

A. Average fixed salary of N.V. board member	308,000
B. Price	23
C. Factor (example)	75%
D. Awarded to N.V. board member	
$\frac{A}{B} \times C =$	10,000
	Max. <sup>1)</sup> 20,000
Awarded to SFG NL B.V. board member =	5,000 10,000
Awarded to other key team members =	2,500 5,000
End of vesting period	1 April 2014
Total number awarded in 2010	155,000 (0.35%)

<sup>1)</sup> No. 1 in peer group over 3-year period

