



**Sif**

# **Sif Holding AGM 2022**

Thursday, 12<sup>th</sup> May 2022

## Sif Holding AGM 2022

**André Goedée:** Good afternoon, everyone. Welcome to the Annual General Meeting of shareholders of Sif Holding NV.

Speaker: can we proceed in Dutch? Sif is a Dutch company.

**André Goedée:** We will do it in English. That's what we are used to for the last couple of years, as you remember also from before corona.

We are an international company and we have adopted English as our language for the annual shareholders meeting. And this is not the first time. So I'm sorry that if I – if it's inconvenient for you, but I will continue in English.

**Speaker:** I object.

**André Goedée:** It's noted.

Nevertheless, we are delighted to meet you in person after two virtual shareholder meetings in 2020 and 2021. My name is André Goedée, Chairman of the Supervisory Board of Sif, and I will be chairing this meeting. Alongside myself, this meeting is physically attended by the members of the Supervisory Board. In front of me, Caroline van den Bosch, Peter Gerretse and Peter Wit. Supervisory Board Member, Peter Visser, is abroad. He's travelling to the United States. It was the intention for him to address you himself at the point of the reappointment, but unfortunately, we have no communication with him at the moment.

Also present are the CEO of Sif Holding next to me, Fred van Beers, and the CFO, Ben Meijer on the left. The Company Secretary, Fons van Lith; public notary, Joyce Leemrijse on behalf of Allen & Overy; and our auditor, René Frentz on behalf of EY. And the Chairman, Wouter Nadorp and Darrell Schouten of the Works Council of Sif are in the back.

**André Goedée:** Wouter Nadorp will later on in the meeting, help us to give us some explanation of position of the Works Council on the proposed reappointment of two members of the Supervisory Board. I shall be chairing the meeting in accordance with Article 26 of the Articles of Association of Sif Holding NV, and I hereby request Fons van Lith to act as Secretary of this meeting and take minutes of the proceedings and resolutions adopted at the meeting, and to start with making note of the fact that there is objection against if the use of English as a language.

Before I continue, I want to point out to you that we do not expect any safety issues this afternoon. But just in case, if there is a safety alarm, there is no exercise but than it is serious. We will tell you so if after we may have been alarmed by the people of the building. We are at the top floor of the Futureland Centre. It is two stairs down. There is an emergency exit in the back. There is a small corridor there. You turn to the right and there is a staircase two floors down to get outside of the building. And there is a staircase that you came up with at this end, both indicated by a green sign.

So I would request that if there is a safety issue that you orderly leave the room. Don't panic. We will help you to get out of here. And we will convene in front of the building, make note of the fact that everyone is out of this room and safe. Please do not use the elevator for handicapped people. Just use the stairs and make sure that you leave the building safely.

I will invite the Chairman of the Remuneration Committee of the Supervisory Board, Peter Gerretse, to give an explanation of agenda item 3D as we arrive at that item, the remuneration report. A total of 25,501,356 shares were outstanding on the date of the convocation of this meeting, the same number as today's date. All these shares are listed shares.

For the purpose of an orderly meeting, I hereby inform you that the meeting was announced by means of a publication posted at the Sif website on 31<sup>st</sup> March of this year, and shareholders were invited to attend the meeting or to vote by proxy, which is actually what happened.

18,344,763 votes have been cast by proxy through the ABN AMRO Securities portal, the equivalent of 71.9% of the total outstanding share capital. Present at the meeting or represented at the meeting are 411,607 shares, which is equivalent to 1.6% of the outstanding share capital.

We will state the number of votes cast on each agenda item, together with the numbers of votes in favour or against and the number of abstentions. There will be an opportunity to ask questions and answers on each agenda item. Once the question-and-answer session has been completed, I shall assess whether the agenda item has been adopted or not. For the records, I emphasise that the meeting will vote and decide on all agenda items on basis of the agenda and the explanation of the item included in the notice convening the meeting, which has been posted on the company website. These documents are guiding for the content and the purpose of the resolution put to the vote.

As stated above, this meeting is being broadcast and video webcast and an on-demand version of the webcast, and a transcript of the meeting will be available at the company website within 20 – or 72 hours after the close of this meeting. We will endeavour to publish the minutes of the meeting on the Sif website within four weeks of today. The decision reached during the meeting will be communicated immediately after the close of the meeting in a press release and an announcement on the Sif Holding NV website.

So after having told you all this, I would suggest that we move on to item two of the agenda. Sif Holding NV published a trading update on the first quarter of 2022 this morning. You may have already seen this. The update has also been posted on the Sif website. The CEO, Fred van Beers, and CFO, Ben Meijer, will give a brief explanation of the Q1 update in their presentation under item three of the agenda.

The slides used by Fred van Beers and Ben Meijer will be posted on the Sif website shortly after the close of the meeting. The notice for today's meeting also included an invitation for a factory visit just prior to the AGM. A number of persons have signed up for this invitation, and I trust that what you have seen this morning has impressed you looking at the size of the monopiles and the numbers of all the monopiles and other wind turbine equipment that is assembled at factories ground. And I hope you enjoyed the guided tour under the professional guidance of Fred and Ben.

We will move on to item three of the agenda. Agenda item 3A up to and including C will be dealt with jointly. The Annual Report 2021, of which the financial statements 2021 are part, was published on the Sif website on 18<sup>th</sup> March 2022 and made available for inspection at the office of Sif Holding, Roermond, on the same date. The CEO, Fred van Beers, and CFO, Ben Meijer will take you through the highlights of 2021. And the financial impact of these on the

statement of profit and loss and the statement of financial position will be discussed later when you are asked to adopt the financial statements of 2021.

Fred van Beers and Ben Meijer will also give an explanation of the development in the first months of 2022 and of the progress on the expansion project that is tabled under item four of the agenda. I suggest that we deal with item three and four of the agenda jointly because they are so closely connected. So Fred and Ben will basically from the items on agenda item three onwards continue with giving you an explanation on the expansion plans of the factory.

I suggest that there will be time for questions when Fred and Ben have completed their presentation. The report of the Supervisory Board and the Corporate Governance Report will be addressed, although these will not be voted on.

I now hand over to Fred and Ben for the management presentation. Fred, it's all yours.

**Fred van Beers:** Thank you.

**André Goedée:** And you can see the presentation on the screen in front of you.

**Fred van Beers:** Welcome. Also, on my behalf, welcome. [Fred addresses the meeting with a brief welcome in Dutch]. But I will continue in English, as agreed. And I really appreciate you being here. And some of you were able to attend this morning, or for those of you who couldn't make it, we'll fix something later on. No worries. Because we think it's extremely important, and we value a lot the fact that our shareholders do take the time and energy to go and meet us at the site, because that's where it's really happening in the end, isn't it?

So I will take you through the following agenda that we see here on the screen. I have a screen in front of me as well, so hopefully that goes all nicely in parallel. And as André already explained, we will bundle a bit number three and four with the exception, of course, D till H. If we go to the next slide, do I need to announce that, Fons? Or is that also visible for those who are attending on the webcast? Very good. Thank you very much.

So we will start with safety. André explained that already. And then go through what we feel is extremely important, our vision, mission, and core values. Because we are in a transition process, and that's where it all starts in the end or in the beginning, you could say. Look a little bit on the strategy, and then make some notes on the market development before I will hand over to Ben, who will continue with the whole number crunching exercise. And he will do that in such a way that it is exciting and great to listen to. Thank you very much, Ben.

So let's start with the safety. André already explained what's the situation in this building, I will skip that part. But what is – and that's a serious aspect. What is really a concern to us, as management, and that we are working hard on, is the development of our safety KPIs. As you can see in the middle picture in the statistics, the number of incidents is maybe – is stabilising or even – or has decreased a little bit last year. But the number of lost-time injury – injuries over the years is growing.

And we have put a tremendous amount of time in working on culture, in working on a situation that we can openly discuss, safety, that we are not feeling pressed by the fact that we have to deliver our products as a priority. First priority in the company really is safety. But as you can see, the lost-time injuries increase. And to a large extent, that is related to the fact that we are on a change path on how important is safety and what is the effect of safety on almost all. We all want to return home in one piece.

But secondly, we also clearly see the impact here of the fact that, especially in Roermond, the facility is what it is, but the products that we are producing are growing every order and becoming bigger, heavier, and more difficult to handle. And that is shown, to a large extent, in these numbers. Luckily, the lost-time injuries so far are not serious and have wounds that are all 100% recoverable, luckily. But we take this very serious these statistics, because in the end, it's about people, people that want to return home in one piece.

The other element that relates to health and safety relates to the COVID situation. We tend to forget, of course, that given the strange world we're living in today, you could say, with the Ukraine war going on, that COVID has kept us busy for two years. And also in this company, we've seen the effects of COVID. We've enabled to mitigate the risks very well, I would say, until the fourth quarter and the first quarter this year when we saw a ramp up with the rules going down a bit.

Actually, the number of people affected by COVID increased, and that resulted, as you will see later on in Q1 numbers also, in a higher sickness rate for the first quarter. But luckily at the moment, I can tell you the situation is good in the sense that we have a low number of affected people. The flu didn't help us either. But that's the way it is. It's going better luckily now. And we hope that this is behind us. But I think we want to view – we discussed this. It could well be that in November we are faced with COVID again.

Our vision, mission, and core values, because that's the foundation of what we're doing, and that's the goal that we're aiming for. And I'd like to spend a few words on that. Because the vision to accelerate the growth of the transition through offshore wind is really what makes us tick as team and is really what we've noticed what attracts people to start working with us in a very competitive environment from a labour market perspective.

It's not so much yet that we see this happening in the factories, but in the staff and in the office workers and in the young generation, this is really important; how can I make a difference in nowadays world in what I do in my job.

And we feel that's important. And how do we do that? We do that by being the best total solution provider of monopiles, whereby technology is really important. It's not a simple game of just welding a few pieces of steel together. It's the total process of engineering. So design, production, quality, sustainability, and reliability that makes us successful or not. And this is what we think should be valued a lot more.

In the US, Sif is perceived as a – now I have to be precise – a climate tech company. So we're being seen in the US as a climate tech company. And I like that a lot. They see us as a relatively new company. And they really see us as a company that makes a difference in climate change, and really good to hear. So hopefully, when you go back home, you all take this with you. We are here to change and help climate transition process.

And we have done that by delivering 2,200 monopiles, which is actually the equivalent of 12,000,000 households now having green energy based on turbines sitting on our monopiles. That's quite a nice wow factor, for me at least. And hopefully it does something with you guys here in the room as well.

Market share still is very good, and we want to keep that position. We'll come back to that later – when we explain our plans. And as said already, we want to do that by being the state-of-the-art technology-driven company.

And the history, we've seen this picture on slide 6 many times. And we simplified it a little bit. But the market has as grown year-on-year. And we've been on that journey from the beginning, where we started with two megawatt turbines 20 years ago. Now we are looking at tenders, whereby 80% of the turbines sitting on the monopiles is 14 megawatts or more. So a tremendous growth, which has massive implications on the product.

You can see a few KPIs in the bottom line of this sheet 6. Diameter has grown significantly. For those of you attending this morning in the factory, we have shown it to you and the difference between Maasvlakte 2 and Dogger Bank. The length has grown, and that all thanks to the bigger turbines. We'll come back to that later what that means for us in the future.

Because the ambitions to speed up this energy transition are increasing day on day, you could actually say. Here on slide 7 we have a list of 12 countries in the EU and the US as a country, of course, and United Kingdom, whereby you see also the updated data, whereby ambition levels have been increased. And that goes with massive numbers. We all know, I guess, the numbers from the Netherlands being a Dutch company is that we increased 10.7 gigawatts in the last quarter of this year.

The UK has done it again, twice already from 30 now to 50 gigawatt, up and running by 2030. In all honesty, we haven't got a clue how this is going to materialise. But what we do know is we have to be quick in upscaling the total supply chain of the industry to actually make this happen.

And how is that looking down? Because we translated these numbers to the graph on slide 8. And there's a study that we have been executing, I would say, continuously, but especially over the last two years with a lot of detail and energy and interviews with the market. We see the ramp up now in the number of monopiles, as you can see in the left graph, growing rapidly from around 600 a year to more than double that, 1,200 to up to 1,500 monopiles, or foundations a year that have to be delivered.

80% of those foundations will be monopiles. And this graph does not – you see it going down from '28 onwards. That's not because the market is diluting. That's simply because of the fact that we only incorporated those projects that we know are there out in the tender, or in an ambition phase. But we know from the total gigawatt ambitions that this line will only increase up to what I already said, 1,500 foundations in a year.

So who's going to make them? 80%, the orange bar, of those foundations will be monopiles. Why? Because it's the foundation of choice, like it has been in the past. And all the developers that we've talked to, 17 in total, in the various countries and various stages of development, they all agree with this and express that 80%, if possible, everything will be based on monopiles.

How big will these monopiles be? That's on the right side of this graph. And here, you clearly see that the diameter of monopiles, which is an indication of the loads, the monopile compare from a turbine size and a load perspective, will decrease for the below nine metre segment rapidly and will disappear more or less from '28 onwards.

Sif can produce monopiles up to nine metres, nine metres – bigger than nine metres, 9.30 metres to be more specific, is not doable in our Roermond factory. Here, at Maasvlakte, we can go up to 11.5, but at Roermond site, it's only till nine metres. So we have to do something here to make sure that we not only can continue our business, but actually can also ramp up to such an extent that we can facilitate the increased ambitions with a market share still the same around 30-40% that we have today.

Of those monopiles, and that's on the right side, then you can also see the blue bars. The blue bars represent the monopiles between nine and 11.5 metres. And that's why we came in our plans, that we will explain more about later on. That's why we came to these 11.5 metres because that's representing 80% of the monopile market. And as you can see from a volume perspective is substantially big. That it justifies a dedicated factory setup around that number.

How is competition doing? Well, in – I think it was only two, three years ago that we had a simple slide that showed four, maybe five alternatives for Sif. The list is growing and we decided to change the slide (slide 9) for that reason, because it didn't fit anymore. And it's also quite dynamic. On the far-left side, you see the smallest bar and that's actually representing China. There was an initial plan by Titan, who took over at Bremerhaven, the facility there to start a small factory in Germany. But that seems to stop – have stopped. That is not active anymore.

But what we do see is that Dajin from China has started actively offering monopiles now for the European markets. And we have reasons to believe that there will come announcements this year that they will start supplying the first monopiles from China, relative small size but China is coming to Europe, which is a bit an interesting development, given the duties on CO2 emissions, etc. But they will – they want to play a role here. That's only Dajin. And it is relatively small. But still we take it very serious, like we do always with all of our competitors.

And the other one that I like to highlight that in the US activity levels are high. We are also very actively looking at possibilities and possible partners how we can team up with them. We will not do that before we have made sure that our European home market is secure and is well-positioned for building those bigger monopiles that we just talked about.

Haizea is active and has made some announcements, although, we have – we all have to see with all of them what the – to what extent it will materialise. But I think the important news is two things here. One is, this underpins the fact that monopiles are the foundation of choice, because so many people are stepping in, the market is really there and everybody's coming to the same conclusion. That's one important message that you can take out of this.

The second important message that I take out of this or we take out of this, that even if everybody is 100% successful, it's still not enough to facilitate the ambitions that have been set. So there is more need for more capacity if all these ambitions would materialise according to the plan set.

So what are the highlights from last year? Turn to slide 10. Because it's – a year has easily gone and it looks very nice when you see the products here at the Maasvlakte in the storage area, where they didn't come without some efforts. And I'd like to highlight a few things.

First of all, is we actually made and produced monopiles. And that's, of course, our core business. We produce the monopiles for Hollandse Kust Zuid. And we started up the monopiles and transition pieces for Dogger Bank A, but it came with a massive effort.

The Dogger Bank A monopiles are the biggest we ever produced. And I couldn't find a picture anymore. But we actually had to empty the entire factory in Roermond and rebuilt completely our production line in the assembly halls from Roermond to actually be able to produce those monopiles.

So switching from one project to the other comes with a lot of effort and preparation work that had to be taken care of. And I think it's the right moment also, send again a big thanks to our team and our people who made this happen overall in a period and it came with problems and it came with some delays, but we made it happen. And we did deliver without any problem the products so far for these projects.

The second thing we completed was the acquisition of KCI. When talking about mission, vision, and our strategy, I mentioned explicitly the total solutions that we are aiming for. We are really moving away from being a bill to print manufacturing company towards a total solution provider. And in that process, engineering is key, design engineering. And the design engineering team within KCI is developing really nicely. So we have been able now to give some support to the sales team of Sif in offering design services. And we expect that to materialise further next year in concrete offers and tenders that we can start offering now based on that design engineering.

The second thing it does is that we have a lot better insight on what are the drivers within design engineering that influence the design of the monopile that we can prepare ourselves for in the setup also from a new factory, what sort of variety do we – will we see coming from the new generation monopiles?

So KCI has been completed. Their oil and gas business has been suffering so far, and we are working on that to really boost that again. But the initial reason for buying them, structural design of monopiles has been successful so far.

The third part is that we offered and boosted the marshalling and logistic services according to the plan. We did the Kincardine – the Scottish project for floating winds, and successfully built – assembled the turbines to the floaters. One of the turbines has a problem and we will get that floater back here at our quay sites to do the actual repairs on one of the turbines, which could be actually an interesting business case for the future, something that's spinning in some of our heads.

And that's thanks to the great facility that we have. 600 metres deep water sea quay site, second-to-none in Europe, and in all honesty, explained to us by some of the bigger installation companies. The only place in Europe where the next generation installation vessels can actually come without limitations. And that makes this site really, really valuable for the markets.

Fourth point is we did for that reason, because we see the marshalling and logistics, we see the expansion coming to the market. So we decided to extend the quay site with another 200 metres. So we have three positions now, where installation vessels can be accommodated. And we did built the Roll-on/Roll-off quay site that was necessary to load off blades – or not blades, the tower parts for the Hollandse Kust Zuid turbines that are now being assembled here at our site as we speak for the coming one-and-a-half year, which is a nice contribution to our base profit.



So the other thing – it's good to do something and deliver things. It's also nice to book actually new ones because that helps you on the long run. Slide 11. And what I'd like to express here on the Dogger Bank C is the strategic value of this order. It's nice to book an order and it's nice to fill your order book, but it's even nicer to have actually an order book that is very reliable, with reliable customers with a very low risk of be – of facing any delay. And also, with a nice contract that deals with delays, should they occur, that we get paid – so that we get paid for that delay. Because that's what we learned over the last years that the projects can delay or can shift a little bit.

And then you're sitting here with an idle factory for some months. And that's something we're happy to do as long as somebody's paying for it. And that somebody should not be us as company or shareholders. So this is something that we have been able to agree, and that's what makes Dogger Bank C very important. We have A, B and C with the same customer now, that gives us a steady flow of output and really gives us also the time to focus on the future, besides delivering the order book.

And then we're proud of having been able, of course – and nobody else should have gotten this order. That is the 12 monopile for Maasvlakte 2 in front of us here that we are now loading out to the site.

So with that, if I'm rightly informed, I come to the point that Ben will take over the floor and will take us to the wonderful world of numbers. Ben, please.

**Ben Meijer:** Thank you, Fred, and good afternoon, everybody. And I have to disappoint you. I'm going to start with some non-financial numbers, which are on the screen, which we show over here.

On the left side of slide 12, you see – and these are non-financial KPIs, which we consider very important. And also on these non-financial KPIs, Ernst & Young has also give limited assurance. I think it's a step forward compared to the previous years.

On the left side, what you see is the net CO2 emission from Sif. And basically what you see is for 2020 and 2021, you see a zero number, which is very positive. And it's all related, for the people who had the tour earlier this afternoon, to the Haliade, to the big wind turbine we have on our premises.

The second KPI is related to our contribution to the energy sector. And I think this one is in the end, why we are in this business, is basically if you look at our monopiles, to how much sustainable energy in offshore wind parks that result. And for 2020, we're talking about 1.3 gigawatts. And for 2021, we're talking about even 1.9 gigawatt. In total, for these two years, you're talking about three gigawatts. And to make the number more tangible basically, then you're talking about three million households. And I think this is in the end giving pretty good picture. If you look at this one, we're in the business for two years. For the last two years, indeed. You're contributing to the energy of three million households. I think it's an important message.

Looking at LTIF, lost-time injury frequency, we see also what Fred was mentioning the trend we are not happy with. So we see indeed a performance of almost close to five in 2021. And we are taking measures indeed to improve this important performance.

**Speaker:** I think it might be, say, a more meaningful number than the weights of monopiles you are communicating now

**Ben Meijer:** Can you repeat one more time your question?

**Speaker:** If you have an order, then usually it's mentioned how many kilotons of steel goes into it.

**Ben Meijer:** Yeah.

**Speaker:** But what actually might be more useful is to actually communicate how much energy there is, because in the end, you want to facilitate as much capacity and not so much as many kilotons as possible.

**Ben Meijer:** I think it's a good remark. And I think in the end, both are relevant indeed. If you look at the tons is, indeed, more about finance related KPI, what's the throughput in the factory and also what's the driver for the financial performance. But from a sustainability point of view, I think it's a good metric to include. I understand your comment. Is it answering your question?

**Speaker:** Yeah. But it's also, from a financial perspective, if you say the more capacity you – it has per kiloton, actually the better that is in a way, as in the end, the larger turbines are more efficient – in the end, you want to see how much it costs to generate at all and then megawatt. And that's much more important in the end.

**Ben Meijer:** Fred?

**Fred van Beers:** Yeah, I think what is different here is that the choice on the turbine is not made by us. So it's the developer that is selecting a turbine, and then depending on the turbine, but also sea bed conditions we are faced with a monopile. And that is expressed in kilotons. So it gives you – and that's why that's important as a primary versus a secondary one.

**Speaker:** Okay, thank you.

**Ben Meijer:** Okay. Next slide, 13. We move more to the financials. And if we look indeed how everything turned up into the financial numbers, I would like to start with the order book. And what you see on the left graph is basically a solid order book position at the end of 2021, with an order book that is filled for 430,000 tonnes, which includes a little bit more than 30,000 tonnes regarding a contract, where we are in exclusive negotiations.

If we look at the contribution margin per tonne, we always say contribution margin is a better picture of the financial performance of Sif compared to sales and turnover. Regarding sales and turnover, it's including steel prices, and we are basically just a pass-through all the steel prices to our customers. Contribution margin is excluding the impact of raw materials, logistic costs, subcontracted work and giving therefore a better indication.

And if you look at the graph over here, what you see is, indeed, performance is increasing to a number of €637 per tonne in 2021. It's a good trend. But also we have to mention in 2021 there was a favourable product mix with more monopiles being produced and less transition pieces.

If we look at the workforce, the third graph, we see workforce has slightly decreased. And basically two things I would like to point out. The first one is that KCI workforce, the number of 45 is included in the permanent number. And also what you see in this graph is the flexible

scale we are working with. What you see is depending on the output level, that the flexible numbers are increasing or decreasing.

And the situation you see over here is a year-end number. It's not an average year number. It's the situation per year-end.

Financial results very briefly on slide 14. What we see is overall results in line with expectation; solid EBITDA performance, also in line with what we have communicated. And basically, it's driven by higher production volume, plus 4%, higher contribution margin per tonne, overall resulting in an adjusted EBITDA, which is corrected for one-off items regarding the expansion plans and also excluding the positive impact from the badwill on KCI, the Engineers transaction of almost €40 million, €39.4 million.

Earnings per share have moved up from €0.29 to €0.45, resulting later on in a dividend proposal of €0.19 per share.

Progress Q1, slide 15, overall, again, in line with expectation in our point of view. Adjusted EBITDA went up from €8.6 million to €9.6 million, basically driven by higher volumes – cost control and higher volumes. What we do see if you look at the contribution margin per tonne, and if you exclude marshalling and if you exclude the impact of KCI, the Engineers, we see that the contribution margin per tonne is a little bit lower. And this is related basically that we are producing more transition pieces relatively in the first quarter of 2022 compared to 2021.

Solid cash position, working capital still negative, which is positive in our point of view. And the order book is well filled, 180,000 tonnes in total for 2022, and 270,000 tonnes for 2023 and beyond. And this is excluding the impact of the launching customers which is all subject to final investment decision.

Last slide nr 16, briefly about the operational situation of today. Couple of things I would like to point out. First one is we are confronted with uncertain global situation. What we are very happy with is that the steel availability is secured regarding the current order book. And regarding energy costs – and what is important to mention is from a steel price perspective, also higher steel prices do not form any risk for Sif, is pass-through. So no negative impact over there.

Regarding energy costs, it's a slightly different story. The impact is less limited for Sif. Total energy cost in 2021 amounted to €3 million. Based on the current energy prices and what we have fixed so far, we foresee a negative impact compared to 2021 of somewhere between €3 million to €5 million.

Tender activity remains very solid, very high. And also what we see what is coming is in the oil and gas-related business, we see increased activity also at KCI, the Engineers.

Last item, that's a challenge for us, it's personnel in all the different departments indeed. It's a key challenge to attract and also to maintain good, high-quality people. That's a challenge we are facing with together with a lot of other companies, a lot of other industries, and taking measures indeed to deal with as good as possible.

Now I would like to hand over to Fred before we take questions.

**Fred van Beers:** All right. And then the floor is open for questions or continuation of the meeting. I don't know yet.

So when I push the button now, we enter an exciting part. And that is – at least I find it exciting. And that is that we will show you a small video. And it's the first time that we actually showed this video to audience. I saw it this morning first time. Someone has been working on. I saw a few versions before. It's a small video that tries to explain a little bit what is driving us towards a substantial investment, and how we believe that will capture our future. So if I push this button now, it should start working. Let's see.

[Video]

Any questions? So this – well done. So that I think gives a nice impression of what basically the plan is all about and where we come from. And of course, there's a lot to be added. And I will take you through that a little bit to the extent that I can disclose that we're able to disclose at this moment of time. Slide 17.

On the left side, you see the Maasvlakte as it is today. And you just saw a video, and you see a picture here again of what we are aiming for here. Important to say is this four – and to stipulate again, four monopiles a week, because that's the – is the tact, as we call it, the speed with which the parks, the wind farms are being developed. And that is the big differentiator between us and competition, who, in our analysis, and so far also communicated to the market is able to deliver tonnage. But coming to your point on megawatts is not able to deliver four monopiles a week. They can deliver one to two foundations a week.

And if you have a wind farm of 80 to 100 turbines, you can only produce one or maybe two a week. It takes a year, 1.5 year to produce one wind farm. And we believe that is, first of all, too slow for the developers and for the speed with which the parks need to be developed. Secondly, a financial risk as well, because it basically means that you're working on one project a year as a company. And we believe already that two or three projects a year is bringing its challenges, but it's a little bit less than only one a year. So volume and speed with which you produce is key in this business.

That also means 500 kilotons is the volume we go for. I explained already earlier why 11.5 metre, because that's capturing 80% of the market. And the other thing is that the automation level will be a lot higher. So in order to do this, we feel and believe that automation to the next level in this industry is absolutely needed and also possible.

And Wouter, who is also – his main job now as Chairman of the Works Council, he's one of the guys in the team who is evolving expert looking also at ways how we can achieve this. And there's a dedicated technology team within our company that's working on this.

So where are we in this whole project? Slide 18. It's now all to you Wouter to make it successful. So there are a few working streams, so to say, that we're working on. First of all, the technical study. We've been communicating on this technical study for one-and-a-half years now, I think, or nearly two years. And we – and that's for a reason. Because this product will be a completely new product compared to the products we have made so far. It may sound simple but going over the nine-metre mark comes with a lot of different challenges and dynamics in your production process.

And that's why the technical study was so important to go through. That's green. We achieved that. We completed that. We know what we want and how we need to do it. The same on the market study, completed. No reason to stop or hesitate to progress.

The business plan with launching customers that we will – that's the fourth bullet. We have found customers with whom we are in exclusive negotiation, as we speak, for some time now, to not only safeguard that in the first years of production, the factory is full. But then it's also booked at a price that justifies a substantial investment and with commitment to help financing the CapEx.

So I've heard a word ASML. It's not a direct comparison to the ASML business case, but we do have customers on board that have committed to this investment, have committed to the output at a price that justifies a good earn back and a good earn back time for this investment.

What is in yellow is the financing. Why? That has many reasons. The main reason here is the building cost of a new factory. You've seen on the video that we will build quite a few extra facilities. They're build out of steel. And steel prices are going through the roof. Luckily for us in the orders that it's a pass-through. But unfortunately, we can't put a pass-through on steel when building our own factory. That's what we have to pay for ourselves. So we have to be – and we are now really in the process of looking what does this mean.

We have a dedicated team of about eight, nine people now that has nothing else to do but look at building this factory what does it mean, what supplier selection do we need to do, how do they look at the transition costs from steel to factory haul, what arrangements can we make in order to minimise the risk of overruns in this factory build process. And that's why it's still on orange mainly.

Supply chain. It's very nice to have a factory, but if the supply chain cannot deliver the steel plates and the flanges that you need for that new factory with 2.5 times bigger output in kilotons, you have a problem. So we have negotiated and discussed extensively with our partners in the supply chain, are you able to supply and what can we agree on that. And those agreements are in place, are being finalised now as we speak. It's very important to have that safeguard.

Resources is on orange, not – yes, we have a challenging market, but we also feel that we have a need for more – for different people. Process operators. We can look really at gender diversity here as well, so that we can look at a good mix and balance between male/female in different process operators besides making use of all the knowledgeable and experienced welders and grinders and builders that we have today in our company.

The resource plan is now being made. We have a new very experienced HR director on board that's working on this plan. And we do not expect that strategy to hold up the final investment decision. Because that's the last bullet. Basically, those two yellow ones need to turn into green. We do expect that to happen as we also published this morning in July still, this year. And the minute we feel ready for it, we will come back to you and to the market with an announcement on Capital Markets Day to take you in more detail through this whole programme than I just did in this presentation so far. That's it.

## Questions and Answers

**André Goedée:** Questions. Could you please state your name then we can also take that up in the minutes of the meeting. Thank you.

**Speaker C. Stevense (translated from Dutch):** Thank you for a very interesting factory-visit. A question on the expansion plans: in the annual report you refer to new, larger projects and products that require investments in expansion of production facilities. How do clients commit to these investments?

**Fred van Beers:** All right. So I will literally translate now. The question – if I may summarise a little bit - is you want to involve new customers. But will they then, because of a negotiation position, put you under extra pressure because it's quite a plan that we need to turn around. Correct? And are these customers then putting us in an unfavourable position from a pricing perspective? Yeah, that's I think the bottom-line summary of the question.

The answer is no. And that may sound strange, but what we also explained is that the demand for monopiles is huge. And customers, the professional developers to start with, do realise that this shortage could mean that they cannot realise the wind farm.

So there are a lot of customers talking to us, "Can you please provide us with capacity reservation slots and we are willing to pay for that. We are willing to pay for that to the extent that it does not become more expensive to use a monopile in comparison to a jacket." So it has its limitation from a market perspective. But we clearly see that these customers are very keen and are willing to pay for the fact that they can secure production capacity.

So yeah, I would say it's a balance, a healthy balance between us needing customers to help us build this new factory and customers very eager to actually secure slots to make their project fly.

**Speaker C. Stevense (translated from Dutch):** Do you expect new competition from China?

**Fred van Beers:** So the question – if I may summarise the question is, to what extent is the entrance of Chinese suppliers a big risk for the European – for us as a company? Or is it actually maybe helpful because they can come into trouble?

Well, the first Chinese deliveries, and that's some decades ago, were not successful. Due to the fact that there is not enough supply in Europe, customers are willing to consider the Chinese supply again. The company that I just mentioned, Dajin, is already active in China for 15 years or so, because China is the biggest offshore wind country globally and they have local production capacity at slightly different rules and regulations we now have the impression.

But Dajin is claiming that they can enter this world or this market in Europe. Let's see how that works out and we keep a close look on it. What we do know is that they have to transport these monopiles from China to Europe. We know it – we have experience on that. We did transport monopiles from Europe to Japan, and that was not cheap and came with quite some challenges on timing and what have you.

So, we are not afraid of the competition, but we do take them seriously. What we do know is if a European developer can order in Europe, he will order in Europe.

**Speaker C. Stevense (translated from Dutch):** Are language differences not causing the increase in incidents you are reporting?

**Fred van Beers:** Yes, the question is the increase in lost-time injuries. Is that maybe related to the fact that language is becoming an issue since we are working with a lot of foreign temporary workers and permanent workers? It has been a problem for many years, also in those years that it was lower the number. Definitely language is a challenge. We do – when we hire somebody, we ask them all or test them all whether they speak either German, English or Dutch, the latter being the least.

And why? Because not only for safety reasons but also from operational perspective, it's very important that people communicate in the workforce. And then we have noticed that if they only speak Russian, it becomes very difficult to also from an operational perspective to communicate with each other, let alone from a safety perspective.

But the big size of the products now and the limited room for manoeuvring we have in Roermond does result in an increase of lost-time injuries, which means somebody is out of the factory for more than 24 hours. But the total number of incidents is not increasing or it's even lower.

So it's the seriousness of the incidents that is shifting a bit and that's of course not what we want. But language – and language we actually discussed also yesterday in the Board meeting, will be paid extra attention to again. We consider now to introduce Russian or whatever language training and a buddy system with more experienced people in the factory to mitigate further the risks.

**Speaker C. Stevense (translated from Dutch):** The average age of staff is increasing. Can people continue work after pension dates? Can you adjust working methods to facilitate them?

**Fred van Beers:** So the question is, whether we are doing something special, given with our employees, the elderly ones, and after their pension since the average age is – age of the population is increasing. Well, I think we do a few – try to do a few things. Attract younger people first of all. Attract temporary workers to come on board on a permanent basis, which are, in general, more the younger people. That's what we do.

Look at gender diversity. So also female, we believe, workers are interesting to look at here. And then third of all, very important, the experienced people that go into pension or after 55 have the ability to work only in day shift systems, make them the buddy or the trainer on the floor or make them a coach for the younger teams. And we do in that sense also have a few retired people, employees, former colleagues that do come back to us on a temporary basis and on a non-permanent basis. I mean, 20-hour or so working a week to help educate our newcomers.

**Speaker C. Stevense (translated from Dutch):** Can you already make a good assessment of the required capex in the current instable global environment?

**Fred van Beers:** The question is, can you manage the instability – the geopolitical instability in the world? And to what extent does that affect your decision making? And can you take a balanced decision based on that?

It's a difficult one. And as I just tried to explain this is the main reason why we're also not disclosing anything yet. Although, we do keep FID in July still is going to plan. But that's

keeping us very busy at the moment, basically meaning that you need to take a very balanced decision on the contingency level of your CapEx.

**Speaker C. Stevense:** Okay. Thank you.

**André Goedée:** Thank you very much. Any other questions?

**Fons van Lith:** If not, then I have questions from people at home or in the office.

**André Goedée:** We have a question here from Add Value.

**Jordi Fierlings (Add Value Fund):** I have two questions. The first one regarding the contribution margin this quarter. It came a bit as a surprise to us that the contribution margin this quarter was relatively low, also considering that you've been working on Dogger Bank A this quarter. And if my memory serves me correctly, you've been working on the same project the last quarter. Whereas the contribution margin in the last quarter, I believe, was above 600 euro per kiloton. So maybe you can elaborate a bit like on the dynamics that caused this change. And then maybe longer term, like in the negotiations that you're having right now, like what do you see in terms of contribution margins? And what do you think that you can go to in the distant future?

And then point two on the EBITDA hit from higher energy costs. Just as a clarification, in the press release, you write that you are offsetting higher energy costs with more efficiency in the factories, if I'm correctly. And does that mean the €3 million to €5 million EBITDA hit? Or is that like additional cost above that €3 million to €5 million EBITDA that you can neutralise?

**Ben Meijer:** Starting with the last question, Jordi, regarding the energy impact. As I mentioned indeed impact between €3 million to €5 million. And therefore, we say right now the forecast is, from an adjusted EBITDA perspective, that we still expect to be doing slightly better compared to prior year. This includes this negative energy impact. So basically what we're saying is negative impact from higher energy costs can be absorbed by, amongst others, increased production efficiency.

So, it's not coming on top. It is required, indeed, to still make sure that we can realise an adjust EBITDA level, which is indeed slightly above prior year.

And regarding your first question regarding the contribution margin, if we purely look at the monopiles, so basically what you see is, last year a big project was Hollandse Kust Zuid. Hollandse Kust Zuid was a TP-less design. It means a monopile without a transition piece. And we had a lot of subcontracted work within our scope.

And on subcontracted work, we make a little bit of margin, but it's not included in the volumes. So in the end, it's impacting, indeed, your contribution margin per tonne. So compared to prior year, if we purely look at the monopiles, excluding transition pieces, we see we are roughly at the same level as prior year in the first quarter.

Then regarding your question compared to the fourth quarter, it's dependent on the product mix. So, also in the first quarter (of 2022), we had produced quite a lot of transition pieces. And it's also related to the phasing of a project. And if you move towards the end of the project, and if the loadout is successfully, you always have a release of contingencies, indeed, and this is impacting also your quarterly numbers.



And then on the long-term regarding contribution margin, I think really long-term and also regarding the new factory what we have mentioned, first what is important is the payback of the new factory between three to four years, but we will not give any contribution margin numbers at this stage. But in the end, this is a crucial driver. We've mentioned the payback of three to four times is important. It's also to make a healthy investment; and to realise that, contribution margin per tonne on the MPs and the TPs is a crucial factor.

Is that answering your question, Jordi?

**Jordi Fierlings:** Yes.

**André Goedée:** Thank you. Fons van Lith will now read some of the questions of the VEB that has been sent to us, and we'll try to answer those questions as well.

**Fons van Lith (question by D. Tomic, VEB):** It's quite a few but let's go. Did clients guarantee minimum yearly order quantity of monopiles, number of monopiles for several years after 2025? If so, what percentage of future yearly production capacity?

**Fred van Beers:** We cannot disclose that at this stage. It would be competitive information. But what we do look for is a healthy baseload, for the first years of the new factory, meaning '24, '25, if possible early '26.

**Fons van Lith (for VEB):** In the Q1 press release, Sif noted that several new parties from the Middle East and Asia are offering the services for monopile production to developers for offshore wind farms. Competition is clearly increasing. Does this new development change the analysis on the expansion plans with respect to the financial perspective for Sif, the necessary CapEx? And how the CapEx financing should be effectuated? Does Sif expect these new parties will also focus on the new generation of monopiles, for which Sif is currently approaching the final investment decision?

**Fred van Beers:** The answer is no and yes. No, it does not affect our position. We do – we have done a complete remapping in April this year, including Lamprell for example from the Middle East as well. And as I said – I just said the total offering with them all being successful is still not enough to supply the demand that's out there in the market. So no, it doesn't affect us. And yes, what was on the question, the last one I forgot.

**Fons van Lith:** Just clicked it away. That's the new entry of Asian and if this affects the exploitation.

**Fred van Beers:** No, it does – if we take them serious, but it will not influence the decision we're taking as we see it today.

**Fons van Lith (for VEB):** Then there's a few more. According to Sif, the future demand for larger monopiles is substantial. What commitment have clients given to Sif for the financing of the expansion plans?

**Ben Meijer:** Yeah, I think on this one, we have communicated before. Without giving exact numbers at this time, we are talking about substantial funding. And I would like to leave it at that message.

**Fred van Beers:** But we will give more details when we do have the Capital Markets Day.

**Fons van Lith (for VEB):** Okay. And a question related to that is, if future down-payments need to be a permanent financing source for Sif, meaning the future down-payments need to be on a higher – on a substantially higher level than compared today.

**Ben Meijer:** Over on this one, what we do for every project is independent of the customer financing. We're talking about every project we make a detailed cash flow forecast. And overall, what is our principle, if you make a detailed cash flow forecast that we should not go below zero. So you would like to make sure indeed that you get sufficient advance customer payments, that subsequently you also have the money, for example, to pay the steel suppliers when you have to order the steel. And that is for us very important. So overall, tight working capital management is being done on a project-by-project basis.

**Fons van Lith (for VEB):** And last, for the moment, why is Sif convinced that you can make substantial higher margins on the new generation monopiles than for the current ones?

**Ben Meijer:** Overall, an important factor over here. The question is, to repeat it one more time, why is Sif convinced that a higher margin can be made on a newer generation monopiles compared to the current one. And an important factor to answer that question is also what Fred was mentioning is the supply-demand imbalance what we foresee also for the next couple of years. That's a key driver.

**Fred van Beers:** And if I may add, the other element is I mentioned it already, a monopile above nine-metre is a completely new product. And that's also realised by customers, that means a different price setting. You cannot compare the present monopiles with the future monopiles. It's a different animal. And that's recognised also by the customers.

**Fons van Lith (for VEB):** And then a new last question. Floating construction gains ground in the industry. Is Sif able to become market leader in this segment as well, both from an R&D and production perspective.

**Fred van Beers:** No, the floating market – first of all, you need to be able to define the markets for floaters and what is the product. That is not clear yet. There are about 150 to 200 designs under study at the moment and nobody has the golden answer to the golden question so to say. We do, however, contribute with some engineering support and we look at ways depending on the design, whether we can either facilitate through our facilities at Rotterdam here in the assembly process or deliver subparts, semifinished products to a floater solution. It will be also a highly local market because these things are not easy to transport.

**Fons van Lith (for VEB):** And did you investigate whether clients are prepared to invest in Sif by means of an equity stake?

**Fred van Beers:** As we said many times, within the all analysis we have, we take all options into account. We will come back more specifically on that at a corporate – Capital Markets Day.

**Fons van Lith:** That was it for the moment.

**André Goedée:** Any other questions?

**Bastiaan Rogmans (Add Value Fund):** Just one question. You mentioned in the presentation that you're becoming a total solutions provider in the industry. What things do you miss still to become this total solution provider? And then maybe a side question related to that. Last week, I saw a news item where you're working on a project together with Pondera and GE, if

I'm correct, on hydrogen energy. Could you maybe elaborate a bit more on what Sif does in that project?

**Fred van Beers:** That's two questions. I will start off with one.

**Fred van Beers:** Now to start with the last one, we are in constant – as you know, very good dialogue with General Electric. They have their test turbine sitting here. They've asked us also whether we can facilitate the second turbine. So that's what we're seriously considering now. You may have seen our publications on that one as well. As long as it doesn't hinder our primary process, we're more than happy to facilitate the 15-megawatt plus turbine on our premises.

And with those two turbines, we can actually also see whether we can help, and this is very important for KCI the Engineers also to see whether we can take a position in all hydrogen development process; how do you manage the process of green electricity at sea and turn that into hydrogen in a controlled and manageable economically viable way. And that would mean that we are looking now whether we should set up a test station here also for hydrogen at this premises, not managed by Sif, but Sif as a partner in such a concept.

And for example, we're also studying whether we can have our future transport between Roermond and Maasvlakte done by hydrogen-driven inland waterway vessels. So we – so that we – that our whole value chain is becoming green. That's on question number one, total solution provider.

This could be part of a total solution as well, that we, in our designs, facilitate the technical requirements for a local hydrogen fabrication in the monopile or in the transition piece. So the link between engineering, sustainability and production is one area, where we're looking at. We talked about marshalling and logistics already. The other one that we are looking at is cradle to cradle. We are producing monopiles. But these monopiles, one day will need to come back from the sea and go back into the steel and in the recycling process.

So what – to what extent can we develop, and there's also the engineering again, ways that we can scrap monopiles together with our partner, Dillinger steel, who can bring them back into the into the steel mill and reuse them – reuse the steel. So these are a few examples of what you can think of in a total solution concept.

**André Goedée:** Any other questions? Well, if there are no other questions, there's one remark that I would like to make, because I can assume that it is rather frustrating that if we talk about and show you a very attempted video about the new investment and the new factory that we are so reluctant to provide you any details on the project itself.

It's now almost 1<sup>st</sup> June. We're talking about an FID in July, possibly a Capital Markets Day in July. That means that you can understand that we are very close to reaching a point where we can actually say this is an achievable project. We are a bit secretive as far as the results of our discussions with the various parties that has provided the financing for this project. Because you realise that we have a lot of competitors that are extremely interested in understanding where we are in the project – in the process.

We have shown you a number of competitors that we're dealing with. And another number of competitors is, of course, looking at are we ahead of the field as far as developing a factory

that can actually produce a monopile with a diameter of 11.5 metres with possibly extension into 15 metres.

So we have to be very careful. It's a very balanced act. And of course, we would like to shout out where we are. But under the circumstances, I hope you understand that we have a bit of an issue here to not give you every single detail of where we are in the process. But we hope in a relatively short period of time to give you more openness about that part of our new plants.

So, if there are no further questions, I would like to propose to take under the – take up the report to the Supervisory Board and the corporate governance report, and address these jointly. These are enclosed in the Annual Report of Sif on the pages 49 to 57. That's as far as the corporate governance goes, page 58 to page 60 report of the Supervisory Board.

The content includes a list of points of the corporate governance codes from which Sif diverges and why this is the case. So it's basically if you do not comply, explain.

I'm pleased to now offer you the opportunity to ask further questions you may have on the report of the Supervisory Board and the Corporate Governance Report. Questions? No questions.

We can move to item 3D of the agenda, which is the remuneration report. And I've promised you that Peter Gerretse will take you through some of the details of the Remuneration Report. This is a decision-making item and you're requested to cast an advisory vote. The Chairman of the Committee, Peter Gerretse will elaborate on the report, but it is also included in your Annual Report on the pages 61 to 65. Peter?

**Peter Gerretse:** Good afternoon, everybody. The Remuneration Report was subject to the Auditor's Report and was published 18<sup>th</sup> March of this year. And to be clear, the Remuneration Report explains more or less how does remuneration comply with our remuneration policy.

So it explains how it contributes to the long-term performance of the company, and how financial and non-financial criteria were applied. And following last year discussions, we have decided to present certain information differently as compared to previous years. And this specifically applies to the summary of the Executive Board remuneration and the achievement of the performance criteria for the annual bonus, as presented on the page 62, 63 of the report.

And I hope that everybody has read the Remuneration Report. And I'm ready to answer any questions concerning this item.

**André Goedée:** Questions?

**Peter Gerretse:** No questions. Then there are no questions, so I have the voting results here for this resolution. And I will mention them to you first. The number of votes in favour cast via the portal were 80,197,609. The number of votes against – this number of votes cast against via the portal 164,489. And we have 665 abstentions.

And now the question is to the shareholders present here, if any of you wants to vote against or abstain from voting this resolution?

**Fons van Lith:** Maybe before we take a decision, one incoming questions from VEB, Mr Tomic. He appreciates that in the Remuneration Report, the maximum bonus is reflected per performance criterion, as well as the score per individual criterion, which is an improvement compared to previous reports.

**André Goedée:** Okay. It's a statement, not a question.

**Fons van Lith:** So far, the question will come. This was a statement that he is happy. It was on the request of the VEB. But shareholders would like to be able to judge on the final targets for the annual bonus awards. How do they compare to previous targets? So the predetermined target compared to the realisation. That's the first question.

**Peter Gerretse:** And what the target was for the year under review?

**Fons van Lith:** Yeah. And what the targets were for the last year.

**Fred van Beers:** Yeah, but compares to the targets before.

**Peter Gerretse:** That I don't have at the moment here. I must say I don't have the figures here. I have the figures here of last year and what the targets were, that's the targets for 2020, 2019, I don't have them.

**Fred van Beers:** No. So, they would appreciate you to give that in advance, so the targets for this year.

**Peter Gerretse:** We have said in the past that we are not giving these criteria in advance because we are a listed company. So, we give a lot of competitive information to the market if we now say what the targets are for this year for instance for 2023. So, we will – and that was the compromise. We will give you the results at the end of the year; the targets and the results against these targets.

**Fons van Lith:** And that answered the question because the question was if we are prepared to reflect it in the next remuneration report as well.

**Peter Gerretse:** Yeah, we will do it but at the end of the year. No other questions? No.

**André Goedée:** That's it.

**Peter Gerretse:** No other questions? Then the question – yeah, that's good.

**André Goedée:** Thank you, Peter. Having said all this, then I conclude looking at the number of votes through the portal and the number of votes present here in the room that this resolution is adopted. And the voting results will be reported in the minutes of the meeting. And the Remuneration Report will be published on the Sif website as a separate document after the close of the meeting.

So, we will now move on to item 3E, the discussion on the financial statements for 2021. The financial statements are part of the Annual Report 2021. And this was published on 18<sup>th</sup> March 2022, including an unqualified opinion issued by the company's auditor. The auditor is present in the meeting and can answer any questions from shareholders when I invite him to do so.

The CFO, Ben Meijer has prepared the financial statements. The auditor will begin, as usual, by giving a short presentation on the financial audit of Sif. Before I pass the microphone to the auditor, René, I wish to state that the company has cancelled the obligation of EY to observe confidentially for the purpose of the AGM.

The auditor has the obligation to correct any materially incorrect statements and/or announcements in relation to the financial statements, or the independent auditor's report. EY will be asked the correct and material misstatement during the AGM to be entered in the

minutes of the meeting as distributed. And EY will also discuss the audit process and the procedures in relation to the financial statements.

The Executive Board will discuss the annual report, financial statements and the most relevant matters as enclosed in the report of the Board – to the Board of EY. René?

**René Frentz:** Thank you, and good afternoon. My name is René Frentz, audit partner at EY. Would like to briefly highlight the scope of our work, the strategy, as well as the conclusions reached.

We have been engaged to audit the financial statements. And as such, we assess that the financial statements provided a fair view, that the other information is consistent and also meets the regulatory requirements.

In 2021, EY also provided limited assurance on selected ESG information, which was done by a separate sustainability reporting group. We started the audit with our audit strategy, conducting a risk assessment and determine audit materiality. We discuss and agree the audit plan with the audit committee at the start of our audit.

As in any audit, we address the risk of management override of controls. And for Sif, we link this to revenue recognition, as management is required to make a number of estimates and as bonus targets are based on profitability. Based on our audit, we conclude that these estimates are in acceptable range and that the accounting policies were appropriately applied.

We have executed our audits according to plan and COVID had limited to no impact on the audit execution. We have issued an unqualified audit opinion, as included in the Annual Report. We would like to thank Sif and its shareholders for their trust and the professional cooperation. Thank you.

**André Goedée:** Thank you very much. Well, maybe you can stay here for a minute, René. Thank you very much. Because you and also Ben will be pleased to answer questions, if you have them on the Auditor's Report and the financial statements of 2021.

**Speaker P. Spanjer (translated from Dutch):** can you elaborate on security and confidentiality during the audit?

**René Frentz:** Maybe also to translate the question in English. So, the question is, let's say, what about confidentiality, reliability and IT aspects resulting from that, right? I think to start off, let's say all the information we get falls under confidentiality. We work on electronic audit files and nobody has access to those files apart from the audit team. So, in that sense, it's secured. But I'm not sure that's your question.

**Speaker P. Spanjer (translated from Dutch):** How is cybersecurity organized? How do you prevent trolling or other violations of security?

**René Frentz:** So, it basically refers to data security, cyber security. That's your question. From an audit perspective, and maybe Ben also wants to comment from a company perspective. But from an audit perspective, indeed, we have IT experts supporting the audit, and we call IT general controls for the entire environment. We do have an assessment of that as part of our audit process.

**Ben Meijer:** Maybe I can add one comment on this one also from the company perspective, indeed. So if you look at IT security, it's a key topic for every company also for Sif. And on

this one, we have taken also the last couple of years, quite some measures. First one is starting more with the infrastructure to make sure you have appropriate firewalls in place. And a second risk was – of crucial importance is to have user knowledge, user awareness about what IT risk, what it can do if you don't pay sufficient attention. So continuously, we are working on that to make sure that our users are aware of the risks that we are facing.

And a final step we also make use of external IT experts who are also helping us and is to make sure that we have a proper IT environment. And you can never 100% assure that this will not happen but to minimise the risk. So, from that point of view, we're taking different measures, indeed, to control this IT security related risk.

**Speaker P. Spanjer:** Okay. You use also the system of fake email – to send fake emails to check if the staff use that fake emails or not?

**Ben Meijer:** Now, for example, what you do also when you have a user awareness, sometimes what you do is indeed you send an email, and you try to see, okay, people, do they – how do you say it? Are they being fooled by the email? And it's more something you do yourself, indeed. And in the end, it's helping to increase the awareness. That's I think the point you're making if I understand correctly.

**Speaker P. Spanjer:** Thank you.

**André Goedée:** All right. Thank you very much.

**Ben Meijer:** André, I have one question from the VEB: the item subcontracted work and other external charges increased compared to prior year with more than 50%.

And it's a very relevant increase that they have noticed when looking at the financial statements. And this is exactly related indeed to the item we were discussing. So last year, we were having a specific project, Hollandse Kust Zuid. And this project was a project without transition pieces. It was a TP-less monopile as we call it. And it basically meant that the secondary steel was part of our scope. It was part of the subcontracted work. And that is the reason for the increase.

So basically – and it's coming back, also to the remark that we say, if you look at the financials of Sif, contribution margin, it's not saying everything, but it's giving a much better picture about the activity of our company than for example, when you look at turnover. Because this item is basically you have more subcontracted work, but it does not mean anything about the added value of Sif. So I hope this is answering the question.

**André Goedée:** All right. Thank you very much. Pursuant to Article 30.5 of the company's Articles of Association, the general meeting of shareholders is now requested to adopt the financial statements.

**Ben Meijer:** André, I'm just getting in two more questions. Shall I?

**André Goedée:** Okay. So let's go on.

**Ben Meijer:** Question one, working capital improved markedly in 2021. Invoicing was faster. Client payments were received early and prepayments were higher. Does Sif expect higher prepayments to be sustainable over the coming years?

It's coming back to the remark I made. Working capital is very volatile. Last year, by the end of the year, we were positively surprised by an unexpected payment of more than €35 million,

which was scheduled to come in the first week of January but came in the last week of December. And I just mentioned this number to also indicate to you how volatile the working capital and the cash position can sometimes be.

Regarding position for the years to come. On this one, strict working capital management is key for Sif and also on a project-by-project basis, we would like to make sure that we also end up with a positive cash balance. So, on a project-by-project basis, a negative working capital position. That was it, André.

**André Goedée:** Okay. Well, then I would like to continue with the results of the votes. And the number of votes in favour cast via the portal is 18,337,397. The number of votes against via – cast via the portal is 150. And the number of abstentions cast via the portal is 7,216. Well, together with the 411,607 votes present here in the room, I conclude that the resolution is adopted.

So, I suggest that we move on with item 3F of the agenda. That's the discussion on the profit and dividend policy. Sorry? No. Okay. Then we go back. Let's see if there are people in the room that would actually favour or are against the adoption of the – what is it – the resolution.

None. Then for sake of time, I suggest that I reverse to what I just said and that we adopt that in the minutes, which means that the resolution is adopted. You agree?

**André Goedée:** Thank you. We now move on to agenda item 3F, discussion of the profit and dividend policy. Allow me to remind you that our dividend policy envisages a pay-out ranging between 25% and 40% of Sif's net earnings in any year that we achieve – think to achieve by running a project business mainly in Europe with volatile but mostly negative working capital requirements and predictable maintenance CapEx.

Sif is active in a relatively young market, that is emerging in a fast pace in other parts of the world as well. With Roermond exceeding the present supply capacity, expected cash flow generation will be healthy for the period until at least 2024. The increasing size of the turbines will impact the specifications and demand for foundations as well as you realise by having been able to look at the plant.

What it means to Sif in terms of gross CapEx requirements is subject to a study we are undertaking and which is tabled on the agenda for later as well. We expect to share the results of this study with stakeholders during a Capital Markets Day later this year, which is basically what I said to you earlier.

Looking at our current net debt and anticipated cash flow generation and at the unfinished study into CapEx – future CapEx requirements for our expansion plans, we consider the dividend policy we have defined while listing at Euronext in 2016 is still adequate and appropriate. In addition, Sif did not have to apply for governmental support. We did not apply for governmental support during the corona years, nor for banking or tax facilities due to negative impacts from that COVID-19 pandemic.

The dividend policy includes a pay-out of between 25-40% of net profits to the shareholders. And as long as we have no certainty on the financing of our expansion plans, we choose not to deviate from the policy and to propose to return part of the net earnings in 2021 to our loyal shareholders. We propose a dividend of 42% of net profit or €0.19 per share in cash. Ex-dividend date is 16<sup>th</sup> May. Dividend record date is 17<sup>th</sup> May.



Pay-out of dividend to financial intermediaries is 19<sup>th</sup> May. But before we move on to the voting, I open the floor to questions or remarks you may have in respect to the dividend policy or the dividend proposal. The dividend proposal is a voting item. But we will certainly take notice of your eventual questions and remarks on the policy.

Let me have your questions, please. Well, if there are no questions, no questions from VEB as well, then pursuant to Article 34.1 of the Company's Articles of Association, the general meeting of shareholders is now requested to adopt the dividend proposal. And I'll give you the voting results. And that becomes the boring part.

The number of votes in favour cast via the portal is 18,343,938. The number of votes against cast via the portal is 150. The number of abstentions cast via the portal is 675. The number of votes present here or represented here in the meeting is 411,607. And I understand that I have to ask you the same question. Is anyone in the room against adopting this resolution? If not, then my conclusion is that this resolution is adopted. I look at the public notary. Right.

We move on to the next item of the agenda, which is the discharge of members of the Executive Board for their management in 2021. This agenda item relates to the resolution pursuant to Article 25.1 of the company's Articles of Association to discharge the members of the Executive Board from liability for their management in the 2021 financial year.

This discharge from liability relates to the management conducted for as far as known from the Annual Report 2021 and other information made available to the general meeting of shareholders. We are ready to take questions on this particular item on the agenda. If there are no questions, I look at the Secretary for questions from the VEB. No questions coming in.

**André Goedée:** Okay. Well, if there are no further questions, I can now inform you of the voting results. The number of votes in favour cast via the portal is still 18,336,812 on this particular item. The number of votes against cast via the portal is 150. The number of abstentions cast via the portal is 7,801. Present in the room are 411,607 votes. And let me hear anyone that is against adoption of this resolution? If not, then I conclude that all of the votes present or represented at the meeting here at present in the room are in favour and there are no abstentions. Then with agreement of the notary public – public notary, this resolution is adopted.

The next item is the discharge of the Supervisory Board. This agenda item also relates to the resolution pursuant of Article 25.1 of the company's Articles of Association to discharge the members of the Supervisory Board from liability for their supervision in the 2021 financial year. This discharge from liability relates to the supervision conducted for as far as known from the Annual Report 2021 and other information made available in – to the general meeting of shareholders.

Are there any questions on this particular item? The majority of the members of the Supervisory Board are here present in the room. If there are no questions, then let me ask you if there are any of the votes here in the room that are against adopting this resolution? If not, then let me give you the results of the votes.

The number of votes against cast via the portal are 188,685. The number of votes in favour cast via the portal are 18,148,287. The number of abstentions cast via the portal are 7,791.

And together with the number present here in the room or represented here in the room are 411,607. Based on these numbers, it's my conclusion that the resolution hereby is adopted.

As you remember, we had an agenda item four on the agenda that related to the strategic plans, and the adjustment and expansion of Sif's production facilities. I would like to basically remind you what has been said by Fred and also Ben on this subject and what you have seen in the video. We have decided earlier on in the meeting to basically combine these two agenda items in one.

I could ask you if you have questions still at this moment in time about the plans of – strategic plans of Sif to expand the facility for the next generation of monopiles. So, I would like to – I look at the room and also basically to people that are listening in and viewing this meeting. If there are, at this moment, any questions that we need to answer that you have not understood so far from the presentation?

Well, if there are no further questions, then I suggest that we move on to item five of the agenda, which is a non-voting item. And that is the composition of the Executive Board, which is basically something that we would like to inform you about, which is the notification of the reappointment of the CEO. The Executive Board of Sif is composed of Fred van Beers, CEO, and Ben Meijer, CFO.

Fred was appointed Executive Board member during the SGM of September 2018 for a period of four years ending on 1<sup>st</sup> September 2022, which is not today but in a few months. But as that is the case, the Supervisory Board is happy with Fred's performance during the period from the 1<sup>st</sup> September 2018 until now and notifies the AGM of its intention to reappoint Fred van Beers for the period 1<sup>st</sup> September 2022 until the closing of the AGM in 2026.

Under Fred's leadership, the volatility in Sif's order book decreased and predictability and earnings increased. With the plans as presented under the previous agenda item, basically under agenda item three and four combined, Fred is preparing Sif for the next phase in offshore wind and to benefit from the bright market outlook. The Supervisory Board would welcome Fred to continue in the strategic direction that has been chosen.

We will consult the Works Council and start discussions on a continued engagement, subject to the remuneration policy of Sif shortly after closing of today's AGM and inform you later on about the outcome. I would like to invite Fred basically to give us a little bit of a feedback on your experience in the last couple of years during your performance as a CEO. Keep it short, please.

**Fred van Beers:** Yeah. Well, I'm well prepared for this.

**André Goedée:** Well, that's the case. We didn't need you to be prepared.

**Fred van Beers:** Exactly. So well, thank you, André, for the nice words that you just expressed. Few things I can express here is, first of all, in retrospective, a very short period. It kept me really busy. I think we're on a tremendous journey. It has been exciting to really make – to be part of that move. And I'm very motivated, subject to Works Council discussions and approval.

But I have some positive vibes on that one. I think I can express that I'm more than happy to continue on this journey. And I would be more than willing to actually not only take the plan through FID, but to really implement it and may – and turn it in a big success for the company. It has been a roller coaster now and then, given all the changes we've seen in the market and

the jobs we had to do and the work we have to do in the company. But with great rewards. So, thank you very much for the trust.

**André Goedée:** Thank you very much, Fred. Applause. But apart from the applause, you may have questions about our proposal to reappoint Fred. If there are any questions. And there are questions. Mr Stevense.

**Speaker C. Stevense (translated from Dutch):** Mr Van Beers, have you been approached by executive search consultants?

**Fred van Beers:** So, the question is whether I've been – that there were attempts to poach me? No, not to my knowledge, or that didn't come that far. Maybe that was – that's also an answer.

**André Goedée:** Thank you very much, Mr Stevense. A very relevant question, and I'm pleased that you asked it and not myself. If there are no further questions, then I'd like to move on to agenda item six, which is the composition of the Supervisory Board and the reappointment of two members of the Supervisory Board.

In accordance with the rotation schedule, Peter Visser and Peter Wit are due for resignation. And we notified the AGM hereof during last year's meeting, if you remember, both Peter Visser and Peter Wit are eligible for reappointments. In connection with the end of the appointment term of Peter Visser, the right of nomination by Grachtenheer 10 BV, the predecessor of Egeria Group AG applies. This right of nomination relates to the relationship agreement between Grachtenheer 10 and the company. Grachtenheer 10 BV has nominated Peter Visser for reappointment.

I would like to add that given phase two into the study for expansion plans has entered, Peter Visser has temporarily withdrawn from discussions in the Supervisory Board since February 2022. Other than those on the periodic results of the company. Peter Visser is not present at today's meeting since he is abroad, as I mentioned to you earlier. He was supposed to participate through a Team's connection. And I was going to invite him to introduce himself and to share his thoughts about his reappointment with you, but unfortunately, he cannot do that himself. We have provided a short summary on his background. It is available to you if you would like to have it. Please ask Fons if you want to take it with you.

We are in fact very pleased. It may be a paradox, but we are very pleased with Peter Visser's presence in the Supervisory Board. We know that he has a bit of a conflict of interest being a shareholder and a member of the board, Supervisory Board. But Peter I can guarantee you is an individual, as a Board member that is very, very committed to the wind industry. You may know that in his history, he has also been on the Board of Vestas in Denmark. His company is already shareholder of Sif since the year 2005 when they acquired the company.

We have seen him as a very loyal colleague in the Supervisory Board with a lot of knowledge of this industry, very loyal to the – to professional approach on the development of the company. And as we are now in a phase that we have to make decisions on a huge investment in the strategic development of the company, it is understandable that he is a bit in a conflict of interest with his position as a shareholder and his position as a member of the Supervisory Board.

Well, I'm quite sure that we are, in a few months, ready to have that resolved and that he can continue to normally function as a full member of the Supervisory Board, which we very much, as a team, appreciate, because we are a team, including Peter Visser. And that's also the reason why we would like to continue as a team and that also includes Peter Wit.

And I would like you, as you are present in the room, to explain to the gentleman present here – ladies and gentlemen – what your experience is of your previous period and why you would actually appreciate to be a continued member of the Supervisory Board.

**Peter Wit:** Thank you, André. In view of the time, I will be brief. I think my CV as such is part of the Annual Report and was available at the outset of this meeting. In terms of the last four years, I have served Sif as the Chairman of the Audit Committee, involved with risk, IT, control and certainly at the moment notably the financing and also reviewing the plans for the financing of this potential expansion that has been discussed extensively today.

And I would very much like to continue doing that in this coming period, which I think is quite crucial to the future of Sif. And in this respect, I think with this whole team here, we are – as we feel it working on the right side of history in helping the world make this energy transition. But that needs to be done in a way that fits the various stakeholders, including the providers of, let's say, equities most certainly but also all the lenders to the company.

**André Goedée:** Thank you. Any questions?

**Speaker P. Spanjer (translated from Dutch):** I have a question for Peter Visser but regretfully he is not present today.

**André Goedée:** Well, we also have to deal, of course, with the Works Council, and the Works Council abstains from any recommendations and has expressed his supportive views on the proposed reappointments. But I would like to invite Wouter to elaborate on the views of the Works Council, maybe brief, Wouter, you can use the microphone there or you can come up here. No, well, maybe it's better to come up here, then everyone can have a look at you.

**Wouter Nadorp:** Thank you. Good afternoon. First of all, thank you for the invitation to share our vision on behalf of the Works Council and intended reappointment of Mr Visser and Mr Wit. At this moment, Sif is preparing the projection of the next generation of monopiles. Extensive market research is done, and at the same time, Sif is also looking what this means for the production facilities here in Maasvlakte and also in Roermond.

The management discussed this many times with the Works Council, and of course, also with the Supervisory Board. At this phase of the project, experience knowledge and continuity of this plans is very important. Therefore, we, the Works Council advise to reappoint Mr Visser and Mr Wit. To reappoint them will not disturb the process and keep the good cooperation with the Board.

Of course, we think diversity within Supervisory Board is very important for the current choices that Sif has to make. We believe right now that continuity is more important for the – within the Supervisory Board. Thank you.

**André Goedée:** Thank you very much, Wouter. Well said. There's a lot of talk nowadays about Supervisory Boards and how close they are to the companies. And of course, we know that in today's environment with corporate governance so high on the agenda, Supervisory Boards are very close to the company. And it is far from right now from situations where people said, well,

Supervisory Board, they're a long distance away from the management of the company. They have eight meetings a year at the most. And that's about it.

Well, I can tell you that Sif as a Supervisory Board that is almost on a weekly basis in touch with the management. We are a sounding board to the management. We have enormous amounts of meetings, Teams, either physically based on the plans of the company, the strategic plans, and the expansion of the factory. We are all, including Peter Visser, as I told you earlier, very committed to the future of Sif.

And as far as that is concerned, I am always surprised how much of a team our Supervisory Board has become in the last couple of years, working together with this team, Fred, and Ben, and making Sif a better company and basically helping Sif to approach the future with its unique facilities. Because what we have here and what you have seen this morning, what you can see from this room if the shades are open, this is a unique location. Sif is basically, with its factory, as close to the market as it possibly can be.

And if you have seen the plans of the Dutch government with expansion plans for the North Sea for the next couple of years, up to 2030 with all these investments in new fields north of where we are at the moment close to Denmark, then we don't have to think much about the United States or Japan. The home market is our first interest, particularly the monopiles and the larger diameter monopiles are the instruments for the development of these new investments.

So as a team, Supervisory Board, we have enjoyed to working with the management team and we look forward in this setup to continue working with the management board, typically based on the plans that we are viewing at the moment, and we hope that, in a few months, we can basically look at you and tell you that we have been successful in achieving those plans.

So, I really want to add that and not just take you to the vote without giving you my view on the performance of the Supervisory Board. But take it for what it is worth.

I would like to take the time now to basically make it formal that we reappoint Peter Visser and Peter Wit as members of the Supervisory Board for a new four-year term ending at the close of AGM 2026. I would like to have your votes on the reappointment of Peter Visser. And I'm particularly looking at the votes present in the room, either present or represented. You have a question.

**Speaker P. Spanjer (translated from Dutch):** can you elaborate on the governance, especially in relation to the position of mister Visser as a member of the Supervisory Board and as a representative of the largest shareholder in Sif?

**André Goedée:** It's a very relevant question. Position of Peter Visser. The answer is very simple. If we have combined meetings. We talk about basically the financial results, and he is present in the room. But as soon as we talk about strategic plans and issues that are sensitive in regard to his position as a shareholder, I will ask him to leave the room. Or if – and because we also have sessions that are simply only about the strategic plans of the company, he is not invited. And he is very well understanding what his position is. We never have an argument on whether he is present or not if it is – due to the discussion on relevant items.

So I can safely say that Peter Visser is very much aware of his position, and we are very much aware of his position as well as a Supervisory Board. And I'm very happy that I have a

relationship with Peter Visser that I can basically ask him to leave the room without hurting his feelings. Is that answer to your question?

**Speaker P. Spanjer (translated from Dutch):** It does but I will abstain from voting on his reappointment.

**André Goedée:** That's noted. It's excellent. But that means that as far as the voting results. The votes casted via the portal in favour are 17,906,894. The number of votes against cast via the portal are 435,223. And the number of abstentions cast via the portal are 2,646. From the 411,607 – sorry? We deduct 200 that are abstentions. You're not against but it is an abstention. We will – for each of the items, later on in the minutes of the meeting, we will give you the exact number of votes, including the votes casted here in the room, which also means that the abstentions for this particular item will be shown in the minutes of the meeting, which you will have after the meeting.

But based on the total, my conclusion is that this resolution is adopted, whereby we can basically inform Peter Visser that he has been reappointed for the next four years.

Then I would like to move on with the reappointment of Peter Wit. The number of votes in favour cast via the portal are 17,921,735. The number of votes against cast via the portal are 420,382. The number of abstentions are 2,646. We have 411,607 votes present or represented here in the room.

Could I have anyone against the reappointment of Peter Wit? I see no hands, which means that you are all in agreement of the reappointment of Peter. And based on the previous numbers I mentioned, Peter, it means that this resolution is adopted and I want to congratulate you as you're reappointed.

Next year, Caroline van den Bosch, here in the first row, and myself, will have served Sif for a term of more than seven years and almost eight years, respectively, and we are due for resignation. At that occasion, Sif will pursue the changes of the – to the composition of the Supervisory Board to comply with the recommendations and regulations on diversity.

In other words, if Caroline is not reappointed, then basically she will be replaced by a female member that will have the same capacities, and if I will not be reappointed, which is still a possibility, then I will be replaced by a female candidate that will have the capabilities to fulfil basically, or to assure that we will have a team that has all the expertise necessary to basically continue the support of the management onwards.

I can ask you if you have questions about this particular item indicating what is at stake for next year?

If there are no questions, then we will move on to agenda item 6E, which is the approval of the remuneration of the reappointed Supervisory Board members. And the present remuneration as you have seen in the report and you also know from previous years, it hasn't changed, is €45,000 for each member per year. The proposal – and that number – that goes back to 2016.

But the proposal is to maintain the remuneration at the level of €45,000 for each calendar year as a member of the Supervisory Board. That is a voting item. The number of votes in favour cast via the portal are 18,341,117. Against cast via the portal are 2,500. And the number of abstentions cast via the portal is 1,146. We have 411,607 votes in the room present or represented. And I would like to understand if there is anyone against the remuneration

proposal for the reappointment – reappointed members? Which means that if we add that to the votes casted via the portal that the resolution here was adopted. So, no raise, sorry.

We move on to agenda item seven, which is the authorisation of the Executive Board. The next item is the authorisation of the Executive Board to acquire and issue shares or rights to subscribe for shares in the capital of the company and to restrict or exclusively pre-emptive rights specified in the Articles of Association.

This resolution grants the Executive Board the authority for the period of 18 months from 12<sup>th</sup> May, so from today onwards, and with the approval – the explicit approval of the Supervisory Board to acquire shares and the capital of the company other than for no consideration, including by means of derivatives, stock exchange transactions, private direct transactions, and block trades, etc.

The authority of the Executive Board to acquire shares in the capital of the company is subject to a maximum of 10% of the issued and paid-up capital of Sif on 12<sup>th</sup> May 2022. And at a price between the nominal value of the share, and 110% of the average closing price on the last five stock exchange trading days prior to the acquisition of shares in the capital of the company.

It's a lot of information in one sentence, but that's what it is. The resolution replaces the authority of the Executive Board granted to the Executive Board on 12<sup>th</sup> May 2021. Does anyone present in the room have questions about this particular agenda item? Go ahead.

**Speaker P. Spanjer (translated from Dutch):** how many shares were acquired and for what purpose?

**André Goedée:** No shares – if there are no other questions, I can inform you of the voting results. The voting – the votes in favour cast via the portal are 18,341,117 against 1,150. Abstentions 2,775. And then there's the question of the 411,607 in the room. Anyone against this particular resolution? If not, then it's my conclusion that this resolution is adopted.

Another formality is the authority to issue and to grant the right to subscribe for shares. And this agenda item relates to the resolution to renew the authority of the Executive Board to issue shares in the capital of Sif or to grant rights to subscribe for shares in the capital of Sif for a period of 18 months from 12<sup>th</sup> May 2022 and with approval – explicit approval of the Supervisory Board.

This authority however is limited to 5% of the issued and paid-up capital on 12<sup>th</sup> May 2022. And an additional 5% of the issued and paid-up capital of – on 12<sup>th</sup> May 2022 in connection with acquisitions, mergers, demergers, or strategic alliances. Do you have questions on this particular item?

Then we are ready to move on to the votes. The number of votes in favour cast via the portal are 80,338,967; against 4,150; abstentions 1,646. From the 411,607 votes in the room, are any – is anyone against this particular resolution? Not, then I conclude that this resolution also is adopted.

Then we have the final formality and that is the authority to restrict or exclude statutory pre-emptive rights of shareholders. While this relates to the resolution to renew the authority of the Executive Board to restrict or exclude pre-emptive rights of shareholders, it is proposed that this authority be renewed for the period of 18 months from on 12<sup>th</sup> May 2022 onwards and

require the approval of the Supervisory Board. Does anyone have questions on this particular issue?

Well, if there are no questions, and I see no hands raised, then we move on with the voting results cast via the portal is 18,338,967 in favour; against, 4,150; abstentions, 1,646. The question is, out of the 411,607 votes present in the room or represented here, is anyone against? I see no hands, which gives me reason to say that this resolution also is adopted.

We get close – we're getting close to the end of this meeting, which means that I have to basically move on to any other business as item eight on the agenda. And it may be that during this meeting, issues have come up that gives you a reason to ask or answer questions at this last particular moment of the meeting.

So, if you have questions on anything that has been set or performed or basically shown you at the meeting or this morning during your visit to the plant, then this is the time to basically ask the question.

Well, that gives me the indication seeing no hands and hearing nothing from our Secretary that anything has been asked to from the people listening in or looking at this meeting, that we have been pretty complete in our presentation in the visit this morning in the questions – in the answers that we have given to your questions.

Then what remains is that I would close the meeting – like to close the meeting. But I want to particularly thank you for being present here because we individually discussed that it is extremely difficult to get here. There is no public transportation. We hope that the City Council of Rotterdam will do something about that. But whether there is a bus or train that is being installed between Rotterdam and this place, I doubt it next year, which means that there is another sort of, I would say, a challenge for you to be at this location next year if we decide to do it here next year.

But we have had the meeting in Roermond and we had the same challenge in Roermond. But what I would like to say is thank you very much for being with us, which is very much appreciated with asking your questions, which is also very much appreciated. It is also good that you challenge us from your perspective, because it gives us also a warning to take your questions into consideration in our next development of the company.

I wish you all the best. Stay safe. Stay healthy. I sincerely hope that we can have a physical meeting next year again. Fred mentioned that we may see COVID-19 take on during later in the year when it gets winter again. Well, let's hope not. Let's hope that next year if Sif will be at the point that we are basically – well, I would say, building what we want to build and that we have safely secured the financing for our project and are actually underway realising our dream.

When you leave the building, there is, what we call, a cultural dividend at the door. Don't forget to take that with you. At least you walk out of here with something that will give you a bit of a flavour of Limburg. Because I've been told that you are sent home with a bunch of asparagus and some wine to drink at it, and I hope that they will be very happy when you get home with this trophy that you take away from this meeting.



Thank you very much. I would like to thank the management for answering all the question. I would like to thank our public notary for following all of the issues. And I would like to thank our representatives and EY, for helping us in concluding this meeting.

Thank you very much. I hope I have not forgotten anything. Then, I would like to close the meeting. Wish you a safe trip back home. Thank you.