

BOARD DIVERSITY POLICY
of
PEPCO GROUP NV
(the 'Company')

dated 10 December 2021

Adopted by the Board of Directors on 10 December 2021

Pepco Group NV is committed to cultivating a workforce that reflects the diversity of the communities and customers that it serves and strives to diversify its workforce both through its recruitment efforts and through active talent management and development activity to support its existing workforce. The Company has a zero-tolerance policy towards discrimination based on ethnicity, religion, gender or sexual orientation. With regard to health, safety and wellbeing, the Company has introduced a number of health and wellbeing initiatives. The Company has also initiated discussion groups within the workplace to focus on mental health issues and diversity and inclusion.

The Board is of the opinion that the commitment to cultivate a workforce that reflects the diversity of the communities and customers that it serves, should also be reflected in the composition of the Board.

This policy is the diversity policy (the Policy) as referred to in Code of Best Practice for GPW Listed Companies 2021 (the **WSE Code**) and the Dutch Corporate Governance Code of 8 December 2016 (the **Dutch Code**) and the Dutch Decree concerning the disclosure of diversity information amending the decree adopting rules regarding the contents of the management report. The Policy applies to the Board of Directors of the Company. Terms used in this Policy shall have the same meaning as ascribed thereto in the Rules of Procedure of the Board of Directors, except where expressly indicated otherwise.

1. INTRODUCTION

The Board recognises the importance of diversity in the composition of the Board and believes that diversity aspects such as nationality, age gender, education and work background contribute to meaningful discussions and more informed decision-making within the Board.

The Policy addresses (i) the diversity aspects relevant to the Company, (ii) the specific objectives set in relation to diversity; and (iii) the implementation of and reporting on the Policy.

2. DIVERSITY ASPECTS AND DIVERSITY OBJECTIVES

Diversity aspects

Whilst taking into account the size, complexity and geographical spread of the Company, the following diversity aspects are identified as relevant to the Company when considering nominations to the Board:

- (i) qualifications (including education and expertise);
- (ii) work background/experience;
- (iii) nationality;
- (iv) gender; and
- (v) age.

Diversity objectives

The following diversity objectives have been identified to further improve the diversity within the Board:

- 1) qualifications and previous experience, particularly in the fields required to ensure a balanced Board, shall be key considerations for nominations of members of the Board;
- 2) with respect to gender, the Board shall strive for a composition of not less than 30% male and not less than 30% female; and
- 3) with respect to age, the Board shall strive to ensure an appropriate age diversity within the Board,

it being understood that, in the selection of a candidate on the basis of the above criteria, the rules and generally accepted principles of non-discrimination (on grounds such as ethnic origin, race, disability or sexual orientation) will be taken into account.

3. IMPLEMENTATION AND REPORTING

In order to meet the diversity objectives, the diversity aspects referred to in clause 2 shall be taken into account in (i) the nomination of members of the Board for appointment and re-appointment; and (ii) the periodic assessment of the size and composition of the Board.

The Company's corporate governance statement shall explain the Policy and the way that it is implemented at Board level, addressing: (i) the policy objectives; (ii) how the policy has been implemented; and (iii) the results of the policy in the past financial year.

If the composition of the Board diverges from the objectives referred to in clause 2, then the current state of affairs shall be outlined in the corporate governance statement, along with an explanation as to which measures are being taken to meet the objectives, and by when this is likely to be achieved.

4. REVIEW OF THE POLICY

The Nomination Committee shall review the Policy and its implementation on a regular basis but at least once per year and shall make any recommendation it deems suitable to the Board for its consideration and approval.