

Explanatory notes to the proposed amendments to the Remuneration Policy for the Executive Board of Heineken N.V.

Under agenda item 3, the Supervisory Board proposes that the General Meeting adopts an amended and updated Remuneration Policy for the Executive Board (the “2026 Remuneration Policy”) at the 2026 Annual General Meeting of Heineken N.V. (“HEINEKEN”).

These explanatory notes outline (i) the review and decision-making process followed, (ii) the manner and scope of stakeholder engagement, and (iii) the principal updates proposed for adoption.

These explanatory notes should be read together with the full text of the 2026 Remuneration Policy (click [here](#)) and form an integral part thereof.

Subject to adoption by the General Meeting, the 2026 Remuneration Policy will take effect as of 1 January 2026 for the full 2026 financial year and will replace the Remuneration Policy adopted at the Annual General Meeting held on 25 April 2024.

The 2026 Remuneration Policy has been prepared by the Remuneration Committee of the Supervisory Board and endorsed by the Supervisory Board.

The Chair of the Remuneration Committee commenced dedicated remuneration consultations with stakeholders in October 2025 to solicit feedback on and assess support for the proposed changes to the Remuneration Policy. Discussions were held with several of our largest shareholders, together representing approximately 60% of the issued share capital, as well as with leading shareholder representatives and institutional proxy advisory firms – Eumedion, ISS and Glass Lewis.

Overall, HEINEKEN has received positive feedback on the proposed 2026 Remuneration Policy for the Executive Board from the shareholders and institutional advisory organizations consulted during preparatory engagements.

In formulating the 2026 Remuneration Policy, the Supervisory Board considered wages and other terms of employment across the Heineken group, including internal pay ratios. Where appropriate, elements of the Executive Board’s arrangements are aligned with those applicable to the broader executive and/or employee population. The Supervisory Board has also considered the advisory votes on Heineken’s statutory remuneration report since the adoption of the 2024 Remuneration Policy, as well as the vote on the 2024 Remuneration Policy itself.

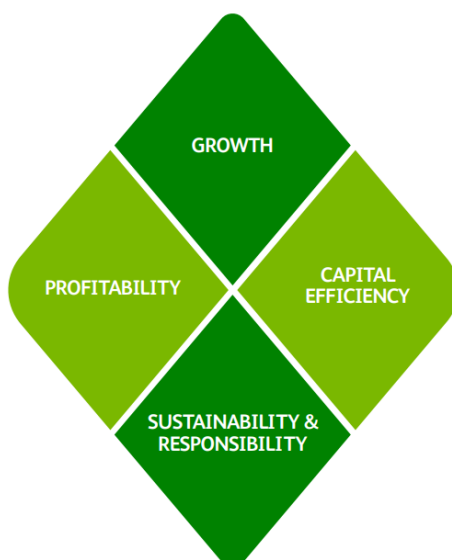
The Supervisory Board values the views of stakeholders and, where relevant, indicates in the section below on policy updates how stakeholder (including shareholder) feedback has been reflected. The Supervisory Board is mindful of internal views and views in society regarding executive remuneration and has taken into account the experience gained from implementing the 2024 Remuneration Policy in preparing this proposal.

Policy updates

1. Context

Following the announcement of HEINEKEN's sharpened five-year strategy, EverGreen 2030, the Supervisory Board, in particular the Remuneration Committee, has reviewed the Executive Board Remuneration Policy to ensure it continues to support HEINEKEN's strategic priorities and reinforce sustainable long-term value creation, and remains clear, robust and competitive in an evolving external environment.

To further strengthen the alignment between remuneration and delivery of the EverGreen 2030 strategy the Supervisory Board, together with the Remuneration Committee, proposes targeted adjustments to the long-term Incentive (LTI) structure, while maintaining the core principles of pay-for-performance, transparency and responsible governance. These updates reinforce the link between Executive Board remuneration and our EverGreen strategy by further aligning the LTI performance metrics with our Green Diamond.



Furthermore, a number of technical policy updates are also proposed in order to ensure continued alignment with market practice and applicable requirements.

The updated policy is brought to the shareholders for approval at the 2026 AGM, to further strengthen the link between remuneration outcomes and the successful execution of the EverGreen 2030 strategy.

2. Changes to the Executive Board Remuneration Policy

The proposed policy changes include modifications to the long-term incentive (LTI) plan design as well as several technical clarifications to the policy.

With respect to the LTI, HEINEKEN intends to:

- introduce Return on Invested Capital (ROIC) as a LTI performance metric to strengthen the link between incentives and capital efficiency,
- update the Earnings per Share calculation methodology to improve alignment with peer practice,
- update the Sustainability and Responsibility (S&R) performance metric definition to provide appropriate flexibility in line with progress made,
- adjust the weighting of LTI performance metrics to accommodate the introduction of ROIC, and
- increase the maximum LTI payout cap to further reinforce pay-for-performance.

In addition, based on stakeholder engagement feedback, HEINEKEN intends to introduce formal share ownership guidelines (SOGs) for the Executive Board.

With respect to the technical policy clarifications, HEINEKEN intends to update the Remuneration Policy regarding STI metrics, the labour market peer group and the pension framework.

A. Updates to the long-term incentive plan

A.1 Introduction of ROIC

Introducing ROIC as a LTI performance metric sharpens pay-for-performance by explicitly tying rewards to sustainable long-term value creation and to HEINEKEN's strategy (see HEINEKEN Remuneration Policy Principles). ROIC also reflects "capital efficiency," a core element of HEINEKEN's Green Diamond and EverGreen strategy framework, so embedding it in LTI directly links executive outcomes to the disciplined use of capital that our strategy requires.

Peer benchmarking conducted indicates that comparable companies already include ROIC or similar capital-efficiency measures in their incentive plans, underscoring a sector-wide commitment towards capital discipline. Beyond alignment and market practice, ROIC is a clear indicator of value creation. Incentivizing ROIC over multi-year horizons encourages management to balance growth with profitability and prudent capital allocation, supporting strategic decisions that compound value over time rather than short-term earnings. Finally, ROIC is widely understood and auditable, enhancing transparency and accountability in pay outcomes.

During the consultation process with stakeholders, the introduction of ROIC received very positive feedback from stakeholders. Stakeholders expressed that the introduction of this LTI performance metric appropriately strengthens the incentive framework for the Executive Board and represents a meaningful leap forward in reinforcing the focus on capital efficiency.

A.2 Update the Earnings per Share (EPS) calculation methodology

EPS is one of our current LTI performance metrics. We proposed modifying the EPS calculation methodology to be measured in constant currency, this is a well-established market practice for companies using this metric for incentives purposes. Through this change we aim to provide a clearer, more comparable yardstick across years and against peers.

Constant currency EPS better reflect underlying earnings delivery by removing FX translation effects that are outside management control, thereby incentivising the real drivers of durable value creation. EPS is a core and widely used performance indicator, however in it can be materially distorted by currency swings. Presenting EPS in a constant currency basis addresses that distortion.

This update also strengthens governance and transparency as constant currency EPS is a widely used remuneration reporting practice.

Stakeholder feedback was largely neutral, with acknowledgement that constant-currency reporting is established market practice.

A.3 Update the definition of the S&R related performance metric

S&R continues to be a core pillar of our EverGreen 2030 strategy. The percentage of women at senior-manager level is one of our current S&R performance metrics in the LTI policy. We propose to update this metric definition to reflect HEINEKEN's level of achievement progress as well as the evolving approach on the topic.

The updated policy definition focuses on talent, inclusion and belonging. This broader metric definition provides flexibility whilst ensuring targets remain actionable, outcome-based and tied to business priorities.

Feedback received during the stakeholder consultation process was overall positive.

A.4 Adjust the weighting of LTI performance metrics

To accommodate the introduction of the new ROIC metric, HEINEKEN is realigning the weight of LTI performance-metrics with the aim to maintain a balanced scorecard, linked to strategy and to reduce duplication with the short-term incentive (STI) performance metrics.

With the introduction of ROIC as capital-efficiency measure, HEINEKEN proposes to reduce FOCF in the LTI from 25% to 15% and the S&R component from 25% to 20%.

This recalibration concentrates multi-year incentives on value creation through disciplined capital allocation, while retaining a meaningful S&R focus. Furthermore, since FOCF is already captured in the STI and is itself a capital-efficiency measure, lowering its LTI weight reduces overlap. Overall, the updated mix places greater emphasis on the strategically material long-term outcomes, keeps goals actionable and comprehensible, and better reflects the priorities of HEINEKEN's EverGreen 2030 strategy.

The feedback received during the stakeholder consultation process was largely positive on this adjustment.

A.5 Increase the maximum LTI payout cap

To further emphasize our core remuneration principle 'pay-for-performance' HEINEKEN is proposing to increase the maximum LTI performance payout (cap) from 200% to 250% of target as from the 2026–2028 LTI plan.

The higher payout cap only comes into play when management delivers truly exceptional, value-creating results, thereby aligning management payouts with shareholders' exceptional returns. This adjustment does not affect current LTI performance target setting; however, it does provide sufficient headroom to reward stretch performance, reinforcing HEINEKEN's Remuneration Policy principle of pay for performance and supporting the competitiveness of the LTI plan in the global talent market.

During the stakeholder consultation process, this amendment has received positive feedback, with the requirement to ensure that the 250% maximum payout (cap) corresponds to truly exceptional performance.

A.6 Introduction of Share Ownership Guidelines (SOGs)

Currently, the Remuneration Policy provides for structural share ownership due to the mandatory investment of STI in Company shares locked for 5 years through the share matching plan, as well as the mandatory retention of vested LTI performance shares for two years following vesting. However, the absence of formal SOGs in the Remuneration Policy has been a common request during our engagement with stakeholders as this is market practice across peers. In response to this feedback HEINEKEN proposes introducing SOGs in the 2026 Remuneration Policy.

We propose that the Members of the Executive Board are bound to a minimum shareholding requirement. The requirement is 400% of annual base salary for the CEO and 300% of annual base salary for the CFO. Until the minimum shareholding requirement is reached, the members of the Executive Board are required to retain all after-tax shares that have vested from incentive plans, but they are not required to make additional share purchases in the market.

B. Technical policy clarifications

B.1 Introduction of STI metric categories

To support effective execution of our EverGreen 2030 strategy in a dynamic operating environment, HEINEKEN is proposing to implement a structured “menu” of STI performance metrics by category, as follows: (i) financial (measures may include but are not limited to: profit, earnings per share, revenue, cash flow, working capital, debt and comparable measures), (ii) operational (operational-excellence indicators), and (iii) individual leadership (may include leadership, strategic, S&R and other non-financial or financial measures). This principle-driven yet adaptable framework ensures that incentive metrics remain relevant and aligned with business priorities and evolving macroeconomic conditions, whilst aligning with market practice and maintaining transparency. The specific STI measures and their annual weightings will continue to be disclosed in the annual remuneration report ex-ante.

B.2 Labour market peer group

HEINEKEN is not proposing to change the labour market peer group at this time. However, to maintain competitive, market-aligned Executive Board remuneration, the 2026 Remuneration Policy introduces a more agile approach to peer-group management.

We propose to provide the Supervisory Board the authority to modify the peer group due to delistings, mergers, or other corporate transactions, or in the event of changes in the business or competitive nature of the peer group companies involved. Adjustments will be aimed at ensuring that the peer group remains an appropriate and relevant benchmark throughout the duration of the policy.

Overall, this approach reflects sound governance and market practice, enhances the ability to respond to an evolving competitive landscape, and supports sustainable long-term value creation by keeping remuneration decisions grounded in a stable peer group, with a relevant external benchmark. Should the peer group at time be adjusted, HEINEKEN will disclose the adjusted peer group and the rationale for such amendment in its statutory remuneration report.

B.3 Pensions

To attract and retain international talent while maintaining market-aligned and compliant pension arrangements, the Supervisory Board has proposed that the amount of pension allowance may be updated from year to year. The proposed policy change introduces flexibility to align pensions with local market practice. This approach balances competitiveness and compliance across jurisdictions, keeps the total reward proposition principled and transparent, and ensures that pension arrangements remain fit-for-purpose throughout the life of the Remuneration Policy.