

Remuneration Policy 2020 - Management Board and Supervisory Board

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Scope and introduction

This remuneration policy applies to the Management Board and Supervisory Board members of Adyen N.V. (the "Remuneration Policy"). Together with Adyen's general remuneration policy for employees of Adyen N.V. and all its affiliated companies, the Remuneration Policy reflects Adyen's global approach to remuneration. In the annual remuneration report, we provide for an overview of remuneration awarded or due in the preceding financial year to individual members of the Management Board and Supervisory Board based on the Remuneration Policy.

Objective

The objective of our global remuneration policies is to recruit and retain the best talent worldwide by offering competitive payment structures that take account of our strategy to focus on our merchant's growth, to change the payment landscape and on having fun.

Since the start of the company, we have successfully recruited and retained talent in line with the Adyen Formula (see below). We want to attract and retain the best talent available in the market, which is not restricted to those who have a background in the payments industry.

Our remuneration policies are consistent with, and promote, sound and effective risk management and have always been aligned with our strategy and the Adyen Formula to create long-term value for our company and our merchants. As such each Management Board member has specific focus areas for sustainability and the Adyen Formula.

Adyen background and Adyen Formula

Adyen is a global company with different offices around the world that competes in local labor markets. How we work together globally is guided by the Adyen Formula. These eight principles are not constant – but constantly evolving to keep pace with our merchants, our business and growth of the team.

- We build to benefit all merchants (not just one);
- We make good choices to build an ethical business and drive sustainable growth for our merchants;
- We launch fast and iterate;
- Winning is more important than ego; we work as a team – across cultures and time zones;
- We don't hide behind email, instead we pick up the phone;
- We talk straight without being rude;
- We include different people to sharpen our ideas;
- We create our own path and won't be slowed down by "stewards".

The Adyen Formula ensures speed, which we view as the foundation of our company. We think fast. We work fast. We launch fast. Our merchants' demands shape our development, and we never stop – that is our job. We're creating our own path, with a global team driving sustainable growth.

The way we work is crucial to our success. It guarantees that we continue to make good choices to build an ethical business and it secures integrity of our company culture. The Adyen Formula is key to how we recruit, grow and retain talent globally. It underscores our foundational spirit, and ensures we keep our focus on our merchant's growth, on changing the payment landscape, and on having fun while doing it.

Adherence to the Adyen Formula and the company's strategy, as well as delivering on specific areas of focus including for sustainability is taken into account to determine remuneration decisions such as pay increases for each of the individual Management Board members based on the Remuneration Policy.

Remuneration principles

Equal pay

We value all perspectives, so we see no reason to reward one more than the other – same role, same pay. We are committed to ensuring equal pay, therefore we make sure this is included in our annual equal pay audit, to safeguard to uphold this standard.

The annual equal pay audit includes a review ensuring that the employment conditions of the Management Board and Supervisory Board members are in line with those of the rest of the organization, unless compelling reasons exist to deviate.

Internal remuneration ratios

On a yearly basis we look at our internal remuneration ratios to make sure Management Board and Supervisory Board remuneration develops in line with the rest of the organization. For this ratio, we deem most relevant the total direct compensation of the CEO compared to the average total direct compensation of all Adyen employees worldwide. On an annual basis we track possible changes to the relevant pay ratio, to be able to take account hereof when reviewing remuneration levels. In our annual remuneration report, we report on the internal remuneration ratios.

Level of support in society

We strive to make good choices to build an ethical and sustainable business and drive sustainable growth for our merchants, articulated in the Adyen Formula. Our Corporate Social Responsibility approach is three-pronged: i) sharing our knowledge and technology to make a positive impact on society, ii) limiting our impact on the environment, and iii) empowering our employees around the world to create their own local initiatives. We are committed to make sure that each individual Management Board member has a specific area of focus linked to sustainability, which is reviewed and assessed on a yearly basis.

Remuneration package

The size of a remuneration package is based on the scope of responsibilities and experience of the Management Board or Supervisory Board member. If a member of the Management Board has his

or her principal place of business outside of the Netherlands, the remuneration package may take account of local market practice or requirements.

The Management and Supervisory Board's remuneration is compared to AEX companies. At the date of this 2020 Remuneration Policy, the Management and Supervisory Board's remuneration is below the median of the benchmark. If a new member of the Management or Supervisory Board is to be appointed, the remuneration package shall provide for the components described in this Remuneration Policy, albeit that the remuneration package for such new Management or Supervisory Board member may be adjusted in line with market standards following from the benchmark. If an internal candidate is promoted to the Management Board, existing terms and conditions of employment will in principle be honored.

A Supervisory Board member's remuneration package may consist of a base fee, plus a committee fee. Both the base fee and the committee fees are paid wholly in cash.

A Management Board members remuneration package may consist of fixed remuneration (consisting of a base salary and share-based payments) and variable remuneration. Variable remuneration, if awarded (see below), will at all times not exceed the fixed to variable remuneration ratios as provided under Dutch law.

Base salary

Base salaries are generally reviewed annually (see under "Review Process" below) and fixed for 12 months at the start of the financial year.

Variable remuneration

Adyen does not award variable remuneration to the members of the Supervisory Board. At the date of this 2020 Remuneration Policy, no variable remuneration is awarded to members of the Management Board.

The Supervisory Board may award variable remuneration to the members of the Management Board that will be subject to financial and non-financial criteria aligned with the company's strategy, long term goals and sustainability. Financial criteria may consist in (but are not limited to) gross margin. Non-financial criteria may consist in (but are not limited to) delivering on specific areas of focus, including for sustainability, the Adyen Formula, compliance, operational and/or strategic objectives.

The Supervisory Board will determine the weighting of the financial and non-financial targets on an annual basis at the beginning of the financial year, and will, before an award is made assess company and individual performance over the preceding financial year. Consistent with law and regulations regarding remuneration, the variable remuneration will for at least 50% be based on non-financial performance criteria. The variable remuneration will be maximized at the maximum provided by law for all members of the Management Board subject to vesting and retention periods consistent with relevant laws and regulations on remuneration and a minimum of 50% of the variable remuneration will be awarded in equity or equity-linked instruments (Depository Receipts (see below) or ordinary shares). Variable remuneration awarded to the members of the Management Board will be subject to hold back and claw back instruments.

Share-based payments

Adyen has three types of share-based payments for Management Board members. The purpose of the share-based payments is to put Management Board members in a financial ownership-like position where shares are concerned and for them to obtain an economic interest in the pursuit of Adyen's long term objectives such as sustainable growth, development, profitability and financial success of Adyen. As such, the share-based payments link to the company's strategy, long-term interests and sustainability as this part of the remuneration package drives long-term performance, supports retention and encourages long-term value creation. In the Remuneration Report the vesting and lock-up periods for outstanding rights under these plans have been included.

I. Depository Receipts (phasing out after listing)

Adyen has granted the possibility to purchase Depository Receipts at fair market value to Management Board Members.

II. Equity settled option plan (granted until 2018)

Adyen has an option plan for Management Board members. Exercisable options give the opportunity to acquire Depository Receipts. The exercise price of the granted options is equal to the market price of the shares at grant date. Options will vest over a period of four years. The vesting period starts on the grant date. 25% of the options will vest on the first anniversary of the grant date. The remaining 75% of the options will then vest monthly, in equal proportions at the end date of each month, over the following 36 months. Options can be exercised at any time from the vesting date until the 8th anniversary of the grant date. Adyen has no legal or constructive obligation to repurchase or settle the options in cash.

III. Equity plan (granted as of 2018)

Adyen has a Depository Receipt Award plan for Management Board members. This plan provides the company with the possibility to pay (directly or through the relevant member the group) the annual increase of the Management Board members net fixed salary (if any) in Depository Receipts corresponding to an equal number of ordinary shares in the capital of Adyen instead of in cash. The Depository Receipts granted under the plan will be subject to a lock up period in line with laws and regulation.

Review process

Once a year, Adyen's Nomination and Remuneration Committee will review the remuneration of the Management Board members and propose whether, and if so, to what extent the base salary and share-based payments need to be adjusted. The yearly remuneration proposals of the base salary and share-based payments of the Management Board members will be in line with the remuneration development of the rest of the organization and need approval of the Supervisory Board. The yearly adjustment of the remuneration of the Management Board members will be in accordance with this Remuneration Policy, e.g. remuneration decisions such as pay increases will take account of the individual Board Members delivering on specific areas of focus including for sustainability and regarding the Adyen Formula, as well as company performance.

Once a year, Adyen's Nomination and Remuneration Committee will review the remuneration of the Supervisory Board members and propose whether, and if so, to what extent the remuneration of the Supervisory Board members need to be adjusted. The yearly remuneration proposals of the Supervisory Board members will be in line with the remuneration development of the rest of the organization and need approval of the Annual Meeting of Shareholders. The yearly adjustment of the remuneration of the Supervisory Board members will be in accordance with this Remuneration Policy.

The remuneration figures for Management Board and Supervisory Board members are disclosed in the annual Remuneration Report.

Agreements

All Management Board and Supervisory Board members have entered into a service agreement with Adyen N.V., with a notice period of six months for Adyen and three months for the Management Board members, and three months for the Supervisory Board members. The terms and conditions of the service agreements have been aligned with the Dutch Corporate Governance Code. The service agreements are entered into for a term of four years.

The service agreements of the Management Board provide for a severance of one annual base salary if the Management Board member is not re-appointed or otherwise terminated by Adyen (for any reason other than urgent cause in the meaning of article 7:678 of the Dutch Civil Code), in accordance with the Dutch Corporate Governance Code.

All members of the Management Board participate in a Collective Defined Contribution (CDC) pension plan, for which Adyen pays a percentage of the pensionable salary. If and as far as fiscally allowed, each Management Board member has the possibility to make additional contributions in order to accrue additional pension capital. Adyen does not grant guaranteed discretionary pension benefits to its Management Board or Supervisory Board members.

Responsibility

The Supervisory Board strives to keep the Remuneration Policy up to date with market circumstances and requirements set by local laws.

The Remuneration Policy is reviewed on a yearly basis by the different control functions within Adyen and is discussed within Adyen's Nomination and Remuneration Committee. Changes to the Remuneration Policy need to be approved by the Supervisory Board, and every four year by three fourth (3/4th) of the votes cast of the Annual Meeting of Shareholders. The Remuneration Policy and the results of the votes cast will be published on the Adyen website directly after the Annual Meeting of Shareholders.

Under exceptional circumstances, the Supervisory Board can temporarily and ultimately until the new remuneration policy is adopted, deviate from the Remuneration Policy. For this purpose, exceptional circumstances are limited to those circumstances that require deviation to serve the long-term interests and sustainability of the company as a whole or to assure its viability. In the event of such circumstances, Adyen's Nomination and Remuneration Committee will assess the

situation and make a proposal to the Supervisory Board, who may decide whether derogation of the Remuneration Policy is allowed in the relevant circumstances, or not. The deviation will be reported in the Remuneration Report.

The Supervisory Board has decided to include scenario analysis, back-tests, pay ratios and the development of the market price of the shares in the Remuneration Report.

The Supervisory Board is responsible for an annual risk assessment on Adyen's remuneration framework to identify potential risks. As part thereof, the Supervisory Board is responsible for an annual assessment that identifies the members of staff whose professional activities have a material impact on the institution's risk profile.

Internal Audit performs an annual review of the remuneration framework including this policy.

Changes

The previous Remuneration Policy (last approved by the General Meeting of Shareholders in April 2018) has been revised after the local law implementation of the Shareholders Rights Directive II in the Netherlands. The following changes have been made:

- Added a description of the different components of the share-based payments of the Management Board members.
- Added a description of variable remuneration
- Added a description of the Board agreements
- Added an explanation on the way the Remuneration Policy takes account of:
 - The wages and employment conditions of the employees of the company
 - The internal remuneration ratios
 - The level of support in society
- Added the possibility to temporarily deviate from the Remuneration Policy if exceptional circumstances provided for in the law, require such.