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As a **digital business partner** we harness smart solutions to connect **technology, market challenges,** and **people**

Ahead of change

Annual report **2022**

Contents

European Single Electronic reporting Format (ESEF) and PDF version

This copy of the Annual Report is the PDF/printed version of the 2022 Annual Report of Ordina N.V. This version has been prepared for ease of use, and does not contain ESEF information as specified in the Regulatory Technical Standards on ESEF (Delegated Regulation (EU) 2019/815). The official ESEF reporting package is pursuant to section 5:25c of the Dutch Financial Supervision Act made generally available on our website at https://www.ordina.nl/en/investor-relations/annual-report/. In case of discrepancies between this PDF version and the ESEF reporting package, the latter prevails.

1 Sections marked with 1 are part of the annual report pusuant to Section 391 of Book 2 of the Dutch Civil Code
2 Sections marked with 2 contain the parts of the other information pursuant to Section 392 of Book 2 of the Dutch Civil Code

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Ordina at a glance

Ordina at a glance

Ordina N.V. ("Ordina") is the digital business partner that gives our clients an edge by using smart solutions to connect technology, business challenges, and people.

As a digital business partner in the expanding Benelux market, we intend to create long-term value for all our stakeholders. We aim for organic revenue growth at sustainable margins by focusing on specific propositions in the public sector, financial services, and industry markets. Additionally, we drive growth through acquisitions of niche players, and companies for location-independent services, broadening our talent pool. Ordina's high-performance teams ensure a multidisciplinary approach, allowing us to move further up our clients' value chains. These teams are key to our entrepreneurial culture and employee value proposition.

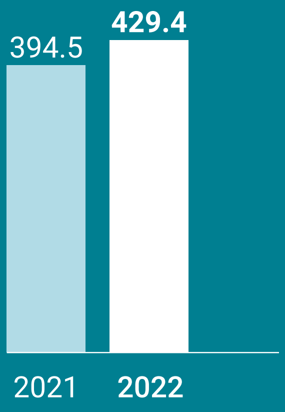
Ordina was founded in 1973. Our ordinary shares are listed on Euronext Amsterdam and are included in the Amsterdam Smallcap Index (AScX). In 2022, Ordina recorded revenue of EUR 429 million. Visit our website for more information.

Contents

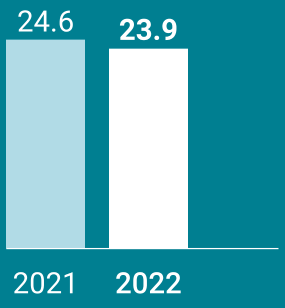
Key figures

(in millions of euros, unless otherwise stated)

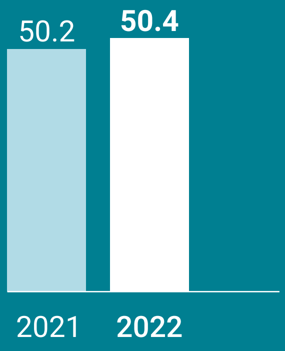
Revenue



Net profit



EBITDA



Public

183.8 ↑ **12.2%**

2021 **163.9**

Financial services

112.8 ↑ **8.8%**

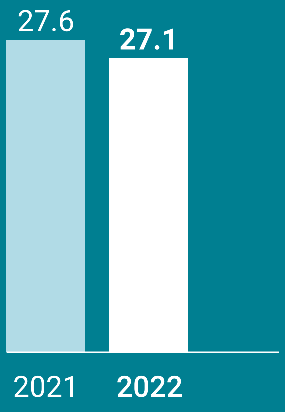
2021 **103.7**

Industry

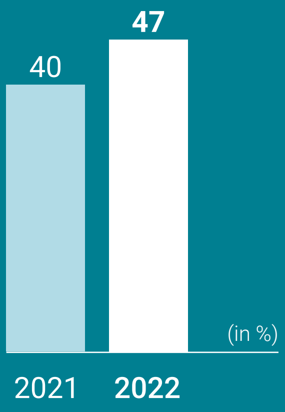
132.8 ↑ **4.6%**

2021 **126.9**

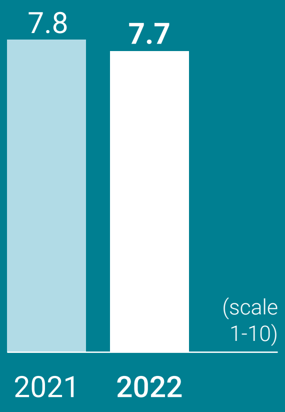
Free cash flow



Revenue from business propositions



Client Satisfaction Index



Five-year overview

Key figures[1]

In millions of euros, unless stated otherwise	2022	2021	2020	2019[2]	2018
Result					
Revenue	429.4	394.5	369.2	372.3	358.5
EBITDA	50.4	50.2	46.4	36.7	18.7
EBITDA margin as a % of revenue	11.7	12.7	12.6	9.9	5.2
Net profit	23.9	24.6	22.3	14.9	6.9
Net profit margin as a % of revenue	5.6	6.2	6.0	4.0	1.9
Cash flow					
Net cash position (year-end)	37.2	43.6	44.4	24.6	18.5
Free cash flow	27.1	27.6	29.3	10.9	9.5
Balance					
Equity	171.5	178.9	177.8	163.5	153.0
Solvency as a % of total assets	59	61	62	59	66
Average DSO (Days Sales Outstanding)	49	48	49	53	55
Average DPO (Days Payable Outstanding)	54	50	47	54	55
Shares					
Number of shares outstanding at year-end (in millions)	90.0	93.3	93.3	93.3	93.3
Free cash flow per share	0.29	0.30	0.31	0.12	0.10
Dividend per share	0.40	0.16	0.24	0.10	0.05
Net profit per share	0.26	0.26	0.24	0.16	0.07

1 Data based on the published annual reports of the relevant years.
2 As of 2019 figures based on IFRS 16 'Lease accounting'.

Key figures[1] (continued)

	2022	2021	2020	2019	2018
Staff members (FTE)					
Average number of employees	2,717	2,583	2,572	2,573	2,542
Average number of direct employees	2,445	2,299	2,286	2,286	2,251
Average number of indirect employees	272	284	286	287	291
Number of employees at year-end	2,805	2,715	2,586	2,629	2,647
Number of direct employees at year-end	2,532	2,428	2,298	2,340	2,345
Number of indirect employees at year-end	273	287	288	289	302
Productivity	69.4%	72.1%	70.1%	69.3%	68.6%
Clients					
Client Satisfaction Index (CSI)	7.7	7.8	7.7	7.6	7.6
Share of business proposition revenue	47%	40%	38%	33%	-
Scores Environmental targets					
CO_2 emission (in tons)	8,004	6,315	6,786	13,036	12,917
CO_2 reduction per FTE[2]	20.4%	-7.2%	-47.0%	-0.3%	-4.0%
Fuel reduction in liters per car[2]	13.3%	-5.7%	-48.5%	1.7%	-2.6%
CO_2 performance ladder level (NL/Belux)	5/3	5/-	5/-	5/-	5/-
Scores HRM targets					
Employee Engagement Score	7.6	7.6	7.5	7.1	7.1
Inclusiveness (employee engagement inclusion question)	7.7	7.6	7.5	7.3	7.3
Ratio female employees (headcount)	20%	20%	20%	20%	20%

1 Data based on the published annual reports of the relevant years.
2 Negative % is reduction compared to prior year.

Interview with the **Management Board**

Joyce van Donk-van Wijnen and Jo Maes

How would you describe 2022 for Ordina?
Jo: In 2022, Ordina achieved solid growth and financial performance in a challenging economic climate. We made strong progress on our journey from digital partner to digital business partner. In 2022, we continued to combine our digital solutions into reusable, scalable "building blocks" that address complex market challenges. I'm proud of everyone at Ordina for contributing to this transformation, and I'd also like to thank our clients, shareholders, and other stakeholders for their continued support.

One major highlight from this year was the further development of our high-performance teams. By combining digital and business expertise, these teams have become central to how we engage, share, and learn. The success of this approach was reflected in our conversations with clients this year, which occurred at a more strategic level; Ordina is now being consulted as a true partner who can advise clients on digital problems that affect their entire business.

Joyce: We have also made important progress in transforming Ordina into a network organization of smaller practices that work together as a whole, while at the same time creating new leadership roles, with leads also having an active role at clients. As a result our teams work more efficiently, and the service to our clients has elevated.

The fact remains, however: the labor market is still incredibly tight. Many organizations. including ordina, are experiencing high attrition these days. Nevertheless, I am proud that we were able to increase our workforce in both the Netherlands and Belgium/Luxembourg, attract top talent and retain many valuable people, despite the challenging context. In 2022, we welcomed over 600 new employees to Ordina – a big achievement from our recruitment team. With so many capable people, I feel confident about what the future holds.

What challenges do you foresee as you shift Ordina's positioning toward being a digital business partner?
Jo: A digital business partner stays one step ahead, pre-empting and solving problems at the business or market level. Such an ambitious transformation does not happen overnight. In addition to building a network organization, our people need in-depth knowledge of the fundamental

business challenges that our clients face – understanding the "problem behind the problem". Moving in this direction is essential in becoming a digital business partner – and it requires a shift in mindset from everyone at Ordina. In this new mindset, the brilliance of individual consultants will be less important. Of course, we want people who are highly capable on an individual level, but as we continue toward our goal, having cooperative, communicative team players will be even more important.

Joyce: Throughout 2022, we continued to invest in Ordina's internal communities. These allow our people to reach out beyond their traditional teams and pool their knowledge of issues that affect multiple clients. By developing these communities into a network in the coming years, we'll continue to instill a culture of sharing and reuse, with our people sharing their assets and reusing what others have created. The more we nurture this culture, the more we can speed up the time-to-value for our clients.

What makes Ordina special compared to industry peers?
Jo: To me, the answer is simple: our people. In the past year, we continued to foster an ethos of craftsmanship, camaraderie, and collaboration among everyone at Ordina.

> Ordina is built around teams that **create impact** for our clients

This helps us become a unique, attractive employer for digital business consultants and professionals. We do this by building on our strong local-for-local Ordina DNA (camaraderie, craftsmanship, and collaboration) and have added over the last year "ingredients" that are typically found in startups/scale-ups (e.g. lean startup mindset, active promotion of entrepreneurship/intrapreneurship, solution development) or renowned (international) consulting firms (working in projects with a clear statement of work, investing in advisory skills, organizing C-level events, and workshops). Ordina is built around teams that create impact for our clients, and we offer fast resolutions by prioritizing sharing and reuse of best practices over individuals creating unique solutions for unique challenges. I think this approach is what sets us apart.

Joyce: I agree. Our people-centric approach applies to colleague relations, but also to the way we engage with our clients. We're determined to go the extra mile for them, which is why we're hiring and developing leaders who can set the bar for this next stage of our journey. These leaders will help us take advantage of the opportunities presented by increased knowledge sharing and reusability of solutions, and their leadership will make Ordina even more unique.

How are Environment, Social, and Governance (ESG) important for Ordina's development?
Joyce: The importance of ESG is continuously increasing for our clients, employees, partners, and shareholders. ESG is integrated as a strategic pillar in our business to create long-term financial, social, and environmental value. In terms of Governance, our focus is on running the company on sound economic principles, being transparent with the outside world, and being a loyal partner, reliable supplier, and a socially responsible employer.

For the Social pillar, we are committed to strengthening diversity, equality, and inclusion throughout Ordina. This is the right thing to do, and it also delivers a business benefit: after all, diverse teams perform better. This means increasing our proportion of female employees, of course, but we need to focus on other identities too: our goal is to create an inclusive culture where everyone feels welcome. By helping everyone feel at home at Ordina, we create an atmosphere where people can contribute fully to the team and deliver the best possible outcome for the client.

Jo: The Environment pillar is important for two reasons. Internally, we have a duty to reduce our own carbon emissions and become CO_2 neutral by 2030. However, we focus on more than just our own environmental performance – we use our expertise in digitalization to help our clients reduce their CO_2 emissions as well. A good example this year was our work for the Port of Rotterdam: with this client, we analyzed current pattern data to determine the optimum speed for boats approaching the harbor, drastically reducing the port's carbon emissions as a result.

How do you see the future for Ordina?
Jo: Looking five to ten years ahead, digital will continue to shape every aspect of our lives. Ordina is well-positioned on the back of the digitalization megatrend, so the general direction is very positive for our sector.

At the same time, there is considerable uncertainty in the wider economy. We need to consider the possibility of a global recession, find ways to cope with accelerating inflation, and make room to continue paying our people in a way that maintains a high standard of living.

Joyce: The fact that our clients are facing these complex challenges is all the more reason to accelerate our existing strategy in becoming the digital business partner of our clients. Although we expect to encounter some roadblocks, our activities this year have put us in a strong position to help our clients stay ahead of change.

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Impressions

EcoVadis Gold rating

At the beginning of 2022, Ordina achieved the EcoVadis Gold rating. For this certificate, our business performance was assessed across four key criteria: environment, ethics, sustainable procurement, and labor and human rights. Our Dutch and Belgian divisions both achieved a Gold rating.

Code & Comedy 2022

In June, we held our Code & Comedy event in Nieuwegein and Mechelen. This event is for any developer, not just developers working at Ordina, and it brings together comedy and code. The theme for this year was robotics, with several break-out sessions and a comedy act as the finale. It is a great way for our developers to connect with potential Ordina developers.

Partnership with ProRail

In July, Ordina signed a new deal with ProRail: for the next ten years, we will be responsible for its Interaction Partner business domain. Ordina will oversee the innovation, development, and management of the IT systems used by ProRail for passenger communications. This relationship highlights the importance of satisfied and loyal clients (one of our strategic pillars) for Ordina's long-term growth.

Ordina AIR

After two years of pandemic, we held our first employee party: Ordina AIR. In early June, a 1000 employees attended the party. This event was an opportunity to strengthen bonds between our employees.

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MT/Sprout Next Leadership 50 2022

In October, Ordina CFO Joyce van Donk-van Wijnen was included in the 2022 edition of the MT/Sprout Next Leadership 50. This list of 50 executive talents is compiled annually in collaboration with the Netherlands' leading executive search firms and Vlerick Business School.

Electric vehicle fleet

In 2022, we held a series of meetings on how to reduce emissions related to employee mobility, and we decided to make our fleet of company cars in the Netherlands and Belgium completely electric. From 2023, we will only order electric vehicles in the Netherlands, aligning with our ESG strategic pillar.

Cybersecurity partner of Dutch Senate

Via a European tender, Ordina has been selected as the Dutch's Senate's cybersecurity partner in the field of information security and privacy. We will be advising the Senate on information security and privacy for several years.

Record number of new employees

In September, Ordina welcomed a record number of new employees: 106 in the Netherlands and 93 in Belgium and Luxembourg. Ordina is an attractive employer, as employees feel our client projects have a social impact.

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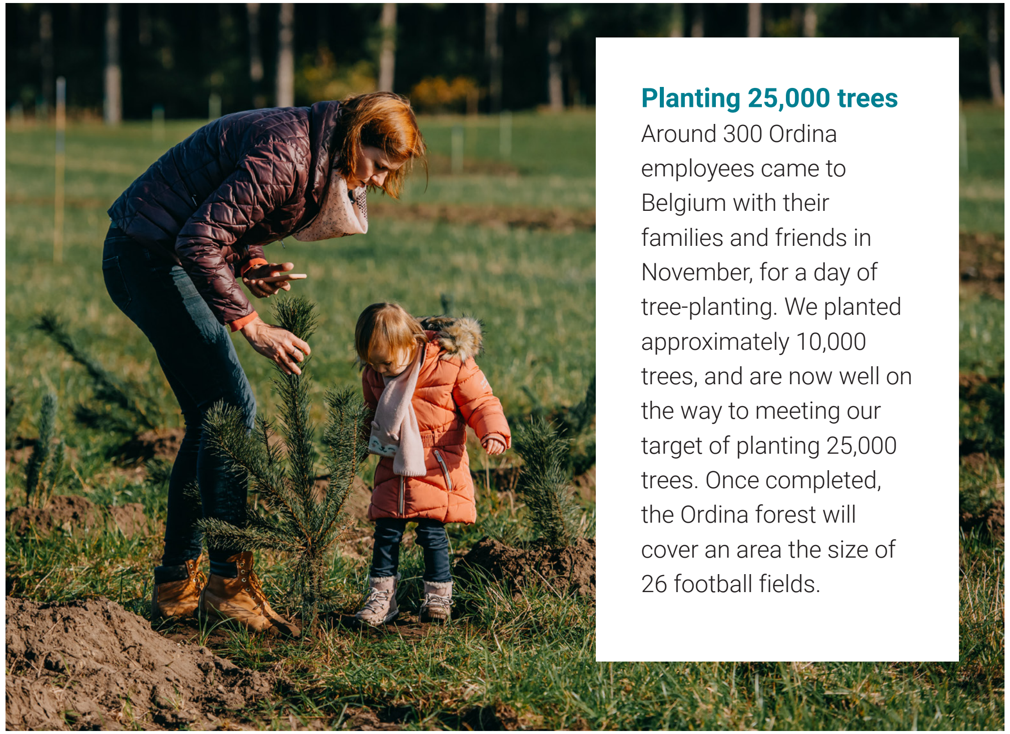
Women@Ordina event

At our Women@Ordina event in September, we welcomed Chantal Schinkels, author of “The IT girl”, and Ordina CFO Joyce van Donk-van Wijnen. In her talk, Joyce outlined the importance of increasing female representation in the tech sector.



Planting 25,000 trees

Around 300 Ordina employees came to Belgium with their families and friends in November, for a day of tree-planting. We planted approximately 10,000 trees, and are now well on the way to meeting our target of planting 25,000 trees. Once completed, the Ordina forest will cover an area the size of 26 football fields.

Chatbot Wout

The chatbot Wout, which an Ordina team developed in cooperation with the National Police, is being used for nuisance reports. The police use Wout for this purpose because they receive many calls about fireworks nuisance every December.

Talent to the Top

In November, we partnered with the Talent to the Top Foundation to increase diversity within Ordina. Organizations that sign the charter commit themselves to clearly measurable goals and have their results monitored each year.

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"Artificial intelligence (AI) isn't just poised to change the world; it's already changing the world"

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Technology and the Future

Haroon Sheikh

Haroon Sheikh is professor of philosophy at Vrije Universiteit Amsterdam, where he teaches on globalization, the philosophy of technology, and East-West geopolitics. His books address a diverse array of subjects, including relations between Europe and Asia and the politics of water. Alongside his academic career, Haroon advises the Dutch government as part of the Scientific Council for Government Policy (WRR).

Artificial intelligence (AI) isn't just poised to change the world; it's already changing the world. Across a wide range of sectors, powerful AI technologies are finally leaving the lab, proving their commercial viability, and transforming entire industries. For some, this change is a source of alarm, but I want to add some nuance to the conversation about AI and provide a balanced, historically informed perspective of how AI technologies are likely to develop in the coming years.
At the outset, it's important to draw a distinction between artificial general intelligence (AGI) and narrow AI. The former

is the attempt to recreate the human mind, which has been a dream of computer scientists since the earliest days of the AI discipline. Progress on this front remains slow, mostly because our understanding of our own consciousness is still so limited. It's incredibly difficult to recreate something that you don't fully understand in the first place, particularly a system as complex as the human mind! Given the scale of the challenge, I don't expect generalized intelligence to emerge any time soon – but AGI is only one part of the bigger picture. There's also the larger and more promising field of narrow AI – that is, an AI that can perform a particular function better than a human. This arena is where the most exciting developments are currently taking place.

Within narrow AI, we're seeing the emergence of tools that don't just interpret patterns, but create new ones – a huge step forward. One such development is ChatGPT, an AI-powered chatbot developed by Open AI that can provide lengthy, detailed, and considered written responses to user prompts. The same goes for DALL-E, Open AI's image generation tool: it creates works of art based on a written prompt, and the results are truly outstanding. Tools like these are set to become mainstream within the next few years. AI also has huge potential when it comes to federated learning. Perhaps most interestingly, I think this technology addresses many of the privacy concerns that surface in the AI debate. In federated learning, instead of feeding large quantities of data to a central algorithm, the algorithm migrates to different data sources. For instance, the AI could visit the server of a particular hospital, adjust its parameters based on what it learns from the data, and then return without taking any data with it. As such, I think federated learning will contribute to the wider adoption of AI technologies in sectors – like the healthcare industry – that are more skeptical toward data-driven approaches.

The story isn't uniformly positive, though. Other developments in narrow AI are more problematic, such as the rise of generative adversarial networks – the technology behind deepfakes. The newest deepfake tools allow users to create fictitious videos with remarkable accuracy, and this has serious political consequences. We already live in an era of fake news and filter bubbles, and in a world of deepfake content, the line between facts and "alternative facts" will become even more blurred.

> Artificial intelligence isn't just poised to change the world; **it's already changing the world**

However, I don't think this is inevitable. With the proper regulatory approach, governments can find a path that restores public trust in AI and addresses its potential downsides. A good example of this is algorithm registration, which is already required in cities including Amsterdam and Rotterdam. Under this system, government organizations must publish all the algorithms they use. Let's say a citizen has received a fine from the municipality: with algorithm registration, the citizen will be able to see whether the decision to fine them was made by a human or an algorithm. If it was an algorithm, they'll be able to see which rule was being applied. I think public confidence in AI will improve substantially once citizens are no longer in the dark about what rules are being applied and how.

I'm also encouraged by the fact that EU policymakers are reaching a consensus about AI. After seemingly endless declarations, concepts, and roadmaps, the EU AI Act is set to become binding law within the next few years. This first-of-its-kind legislation will ban applications and systems that create an unacceptable risk, place specific legal requirements on high-risk applications, and allow low-risk technologies to operate with minimal regulation. Meanwhile, I'm also seeing greater convergence in the AI debate at the practical level, particularly when it comes to the standardization of technology. These developments don't address every possible concern, but they are steps in the right direction.

When considering our regulatory approach, it's useful to draw parallels with the rise of the automobile in the early 20th century. After all, AI's current position is similar to that of the car in the 1920s: a technology that's been proved to work, but which still presents legitimate safety concerns. Well, throughout the 20th century, regulators responded to these dangers with bumpers, seatbelts, stop lights, and other traffic regulations. Even today, cars are not entirely safe – but a constant process of regulatory refinement has led to huge reductions in the number of traffic accidents, and the overall utility of the technology is no longer in doubt. I think the same applies to AI: we have a powerful but largely unregulated technology hitting the market, and over the coming years, we'll have to ensure it serves the public good.

Learning as you go is an important part of any technological revolution, and always has been. That's why I'm not overly concerned by what's going on in AI today – in fact, I'm excited. We're currently on a long, fascinating path toward embedding this technology on a wide scale. History shows us these paths are never straightforward – they often require organizations to completely rethink their processes – but history also shows us that real innovation is possible. If we remain focused on regulating the narrow AI technologies that are already transforming our societies, and avoid sensationalist narratives about impending AGI, I think the future of artificial intelligence is very bright indeed.

Report of the Management Board

Mission and core values

Our mission

Digitalization helps organizations anticipate and respond to change more quickly. By working together in new digital ecosystems and using the power of new technologies, organizations gain and maintain a sustainable competitive edge.

Why

Staying ahead of change, sustainably: this is the core of what we do. We are a digital business partner that uses digital strategies based on high-performance teams to help our clients realize sustainable business transformations and remain ahead of change.

How

We prefer to work in multidisciplinary teams: these are created based on the needs and goals of our clients, and the nature and complexity of the assignment. Our high-performance teams contain both IT and business professionals with a wide range of expertise. They share a uniform way of working and Ordina-wide systems and tools. These bring out the best in our people and ensure better results for our clients.

What

As a digital business partner, we offer our clients a wide range of smart and innovative solutions for challenges related to strategy, organization, digitalization, security and compliance. We do this by providing advice on the right digital end-to-end solutions, by developing and implementing software solutions, and by designing and managing IT landscapes.

Our core values

Our core values sum up our believes and how we do things at Ordina. This Ordina DNA is in every Ordina professional and ensures that we know our clients inside out and that we use our expertise, professionalism and talent for their benefit.

We discover

At Ordina, we appreciate the importance of staying ahead of the game. We are always curious and open to new things.

We connect

We bring best practices to our clients through high-performance teams. We take responsibility for the results we achieve, and we co-create solutions in an open-minded and inclusive manner.

We accelerate

We have in-depth knowledge of our clients' businesses, which enables us to give them a digital edge. We are client-centric, enterprising, and always looking to make an impact.

Market **trends**

Ordina's expertise is concentrated in three key Benelux markets: the public sector, financial services, and industry. To engage clients, we need a detailed understanding of their specific needs, as well as the technological and social trends affecting the sector as a whole. Only then we can offer our clients solutions that help them strategically and ensure they stay ahead of change.

There is a consistently high demand for expertise in digitalization in the markets in which we operate, despite the expected slowdown of the economy in 2023. Currently, growth is not constrained by demand, but rather by the tight labor market and high inflation rates. It seems unlikely that the inflow of IT professionals in the coming years will meet the increasing demand for digitalization expertise. The pandemic has taught us, however, that remote working can work. This trend could help us circumvent the shortage in the labor market by complementing our local teams with people working remotely.

Public sector

Accessibility and agility of public services

In recent years, there has been a major drive by Dutch and Belgian government organizations to improve the accessibility of their services. Citizens expect the same standard of digital experience that they get from commercial organizations, so public sector organizations are looking to communicate with citizens in a more personalized way, creating centralized portals that can be used to engage with all government services, and improving access for groups that are less familiar with digital processes.

At the same time, government organizations in the Benelux are adopting new IT systems that help them become more agile, adapt public services to changes in civil demand, and shorten implementation cycles for new legislation. As a result, the gap between policy making and implementation can be reduced more quickly.

Data-driven working with digital security and privacy

The importance of robust data policies has only continued to grow in 2022. Government organizations are keen to collect data to improve their services, and to share this data more widely between different departments, while taking into account the strict privacy rules. They also have to comply with an increasing amount of cybersecurity legislation. In this complex regulatory environment, public sector organizations need expert guidance on how to collect, store, and use citizen data in full compliance with the latest legislation.

Financial services

New policies to tackle financial economic crime

In recent years, the European Central Bank, has been enforcing firmer legislation designed to clamp down on financial economic crime (FEC). The upcoming set of measures establishes clear expectations, provides greater room for support from national Financial Intelligence Units, and stimulates legislative uniformity across the EU in the fight against FEC.

As gatekeepers to the financial system, banks play a key role in protecting our legitimate economy from criminal interference. The good news is that banks today have access to the advanced human and artificial intelligence they need to fight back against financial crime.

Growing focus on ESG in the financial sector

The rise of Environmental, Social, and Governance (ESG) is a common trend in every market, and in 2022, its importance to the financial sector continued to increase.

A larger ESG infrastructure, along with growing amounts of related legislation, presents challenges from an IT perspective. Every ESG report contains a large amount of information drawn from different parts of organizations, so the priority for financial institutions is to organize, analyze, and report this data as efficiently as possible. To do this successfully, organizations will have to accelerate their digital transformation and make use of the latest reporting tools.

Industry

At Ordina, we focus on several sectors within industry. The main sectors are utilities, logistics, life science.

Energy transition

Today's utilities sector faces numerous challenges, and perhaps the most important long-term development is the transition toward clean energy. As with other trends affecting this sector, digitalization is essential to meeting this challenge.

Integrated supply chains

Businesses are increasingly cooperating across the value chain, a trend that has resulted in increased supply chain visibility. Integrated supply chains are more efficient, and with less waste in industrial production, organizations can make their operations more sustainable. Another reason for further integration is the disruption caused by the pandemic and geopolitical instability. Recognizing the importance of robustness and adaptability, industrial organizations are now looking to evolve their supply chains into complex networks of collaborating companies that can adapt and respond more proactively to disruption. Organizations can use advanced, AI-powered data intelligence and a toolbox of mature, affordable technologies that can deliver significant performance improvements to create resilient, intelligent supply chains.

Enhanced security

Benelux companies are growing more aware of the shortcomings of outsourcing their operations to India and China, and in 2022, many continued to relocate their operations closer to home. Along with digitalization, this has been a significant response to the disruption in recent years.

Cybersecurity is also an important trend, with supply chain attacks continuing to rise in 2022. Organizations are now switching to the "Zero Trust" model, in which no device on a network is assumed to have passed a security checkpoint. Under this model, security measures are conducted on a continual, case-by-case basis.

Accelerated vaccination processes

In 2022, we experienced a rising appetite for digital innovation. The COVID-19 pandemic has shaken up the industry. There is a growing belief that digital solutions such as low code and data-driven solutions can significantly accelerate the time to bring a new drug to the market. This heavily regulated industry no longer considers new technology a potential risk to non-compliance but a strategic leverage to save more patient lives.

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Value creation model

Input

Human and intellectual capital
- Expertise, competencies, consultancy, training, and education

Digital and business expertise
- IT and sector-specific expertise and knowledge

Relational capital
- Long-term client, partner, and supplier relationships

Financial capital
- Investments

Natural resources and social capital
- Purchase of fuel and energy, and offering digital opportunities
- Diverse and inclusive employment benefits

Business model

Output

Human and intellectual capital
- Skilled workforce
- Strong career paths

Digital and business expertise
- Helping our clients to get ahead of change by connecting know-how of technology, business challenges, and people

Relational capital
- Together with clients and partners, we work on accelerating digital transformations

Financial capital
- Successful execution results in financial returns, and structural employment in the Benelux

Natural resources and social capital
- Reduction of carbon footprint
- Electric vehicle fleet
- Ordina forest
- A diverse and inclusive work environment

Outcome

Human and intellectual capital
- Employee engagement
- High employee satisfaction
- Highly skilled employees

Digital and business expertise
- High client satisfaction

Relational capital
- Loyal clients
- Growth in business propositions
- Smart digital solutions contributing to big societal themes

Financial capital
- Strong revenue growth
- Sustainable EBITDA margin
- Solid dividend payout
- Fair tax payments

Natural resources and social capital
- CO_2 neutral by 2030
- Contribution to restoring nature
- Equal opportunities on the labor market for all

SDGs

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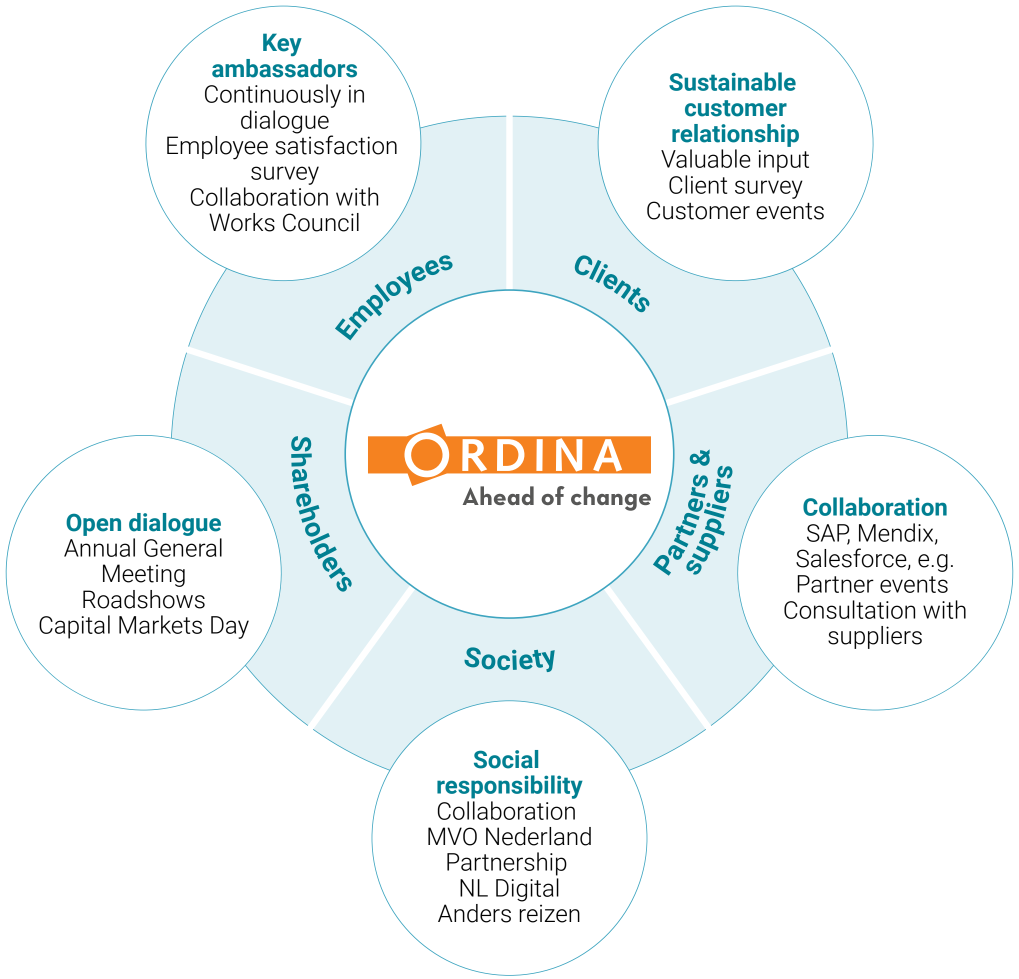
Stakeholder dialogue

We are in an ongoing dialogue with our stakeholders to identify material topics in light of the digital developments taking place in the world around us. Our main stakeholders include our clients, employees, shareholders, partners, and suppliers. Knowing their view on important topics such as decent work and climate action helps us to create sustainable long-term value: to be ahead of change. We consider the input we get from our stakeholders to be crucial for developing strong partnerships. Above all, their feedback helps us to improve ourselves.



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One way of gathering this valuable feedback is through stakeholder surveys, the last of which was conducted in Q4 2022. From a long list of important topics, which mainly relate to Environmental, Social, and Governance aspects, the Management Board selected 15 topics, on the advice of the ESG Board, which were considered to be most relevant to Ordina. Our stakeholders were asked to rate the importance of these 15 topics on a scale of 1 to 10. Employees and investors could indicate the importance of these topics for Ordina as a partner. The rating, which was determined by the Management Board on the advice of the ESG Board, was weighted in accordance with the response rate per stakeholder group and plotted in the materiality matrix.

Materiality matrix

Materiality matrix

Based on the results of the stakeholder dialogue, it can be concluded that the six topics are still considered material by all stakeholders.

The most noticeable developments in the materiality matrix are those of “Recruitment, retention, and development of talent” (topic 1) and “Yield growth” (topic 4). Compared to 2021, our stakeholders showed an increased interest in topic 4 and a decreased interest in topic 1. Topic 2 remains at the same position as in 2021. The survey focused more on establishing a list of important topics and less on the underlying reasons. However, the relation between the 15 topics and the 6 material topics gives us some background information. The table shows the relation of the material topics and our strategic pillars. Page 24 presents an overview of our strategic pillars, targets, and realization in 2022, which is discussed in more detail in the following chapters. These chapters also show what we have been doing to increase our positive impact or reduce our negative impact in relation to these six material topics.

In relation to topic 1, the subtopic “responsible sourcing and labor rights” scored considerably low. A reasonable explanation could be that Ordina is a service provider operating in the Benelux. In the Benelux, rules and regulations regarding employment and employee protection are embedded in European laws. We believe that our stakeholders may have given topic 4 more weight this year due to the uncertain macroeconomic outlook and the tendency to focus on business stability in more turbulent and volatile times. The Ordina Management Board is aware of these developments and takes these into account while implementing and evaluating its strategy.

6 material topics that correspond to our 5 strategic pillars	15 subtopics that deepen the 6 material topics used for our stakeholder dialogue	Strategic pillars strategy 2026
1 Recruitment, retention, and development of talent	• Talent attraction, engagement and retention of employees; • Personal and talent development; • Employees' health, vitality and well-being; • Responsible and compliant sourcing (in terms of labor rights).	1 Engaged and driven employees
2 Innovation and digital transformation	• High-quality IT solutions and team; • Data privacy and cybersecurity; • Market leadership; • Business ethics and compliance; • Technical innovation of IT solutions for societal changes.	2 Satisfied and loyal clients
3 Excellent services	• High-quality IT solutions and teams; • Data privacy and cybersecurity; • Technical innovation of IT solutions for societal changes; • Technical innovation of IT solutions for greenhouse gas emissions.	3 Sustainable distinctive profile
4 Yield growth	• Solid financial results.	4 Excellent financial performance and accelerated growth
5 Diversity and inclusiveness	• Digital inclusion; • Diversity, equality and inclusion; • Transparency and dialogue; • Business ethics and compliance.	5 Environmental, Social, and Governance Diverse and inclusive company
6 Impact on the environment (direct and indirect)	• Greenhouse gas emissions (in direct operations); • Technical innovations of IT solutions for greenhouse gas emissions.	6 CO_2 emissions Transparent and thrustworthy company

Strategy 2026

Introduction to strategy 2026

In a rapidly evolving and increasingly uncertain world, our clients need to anticipate and act fast. Enhanced digital capabilities are crucial to staying ahead in this changing landscape – but digital can no longer be seen as an IT-specific issue. It affects every part of a business. Ordina is therefore committed to becoming the digital business partner for our clients. We will reach this position by delivering exceptional quality and value through multidisciplinary, high-performance teams, while focusing on specific digital themes. To achieve our objective within the next four years, we have developed a detailed 2026 strategy.

Strategic pillars, goals, and results

Strategic pillars strategy 2026	KPIs	2026 target	2022 realization
1. Engaged and driven employees	• Employee Engagement Score	> 7.5	7.6
	• Staff outflux on request of Ordina	< 4%	1.7%
2. Satisfied and loyal clients	• Client Satisfaction Index	> 7.5	7.7
	• Net Promotor Score	> 60	66
3. Sustainable distinctive profile	• Business proposition revenue	≥ 75%	47%
4. Excellent financial performance and accelerated growth	• Annual revenue growth	5%-8%	8.9%
	• EBITDA margin	12%-14%	11.7%
5. Environmental, Social, and Governance			
- CO_2 emission	• CO_2 neutral (net exhaust/FTE in tons)	Carbon neutral in 2030	2.95
	• Reduction of energy consumption (% compared to 2019)	12%	17%
- Diverse and inclusive company	• % Female company-wide	30% by 2030	20%
	• % Female sub-management level	30% by 2026	23%
	• Employee engagement inclusion question	≥ 7.5	7.7
- Transparent and trustworthy company	• CO_2 Performance Ladder level (NL/Belux)	5/5	5/3

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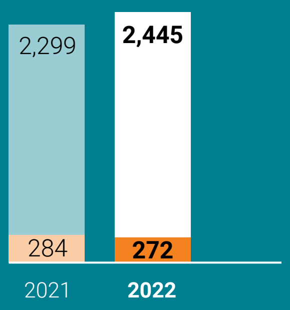
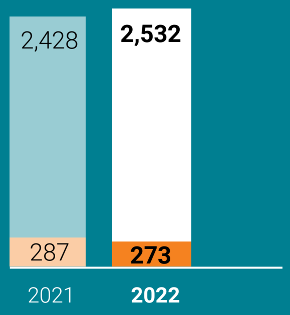
Our employees

Average # employees (FTE)



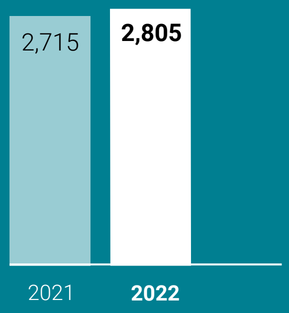
Direct
Indirect

# of employees year-end (FTE)

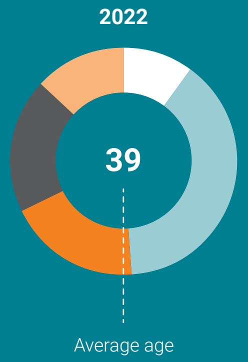


Direct
Indirect

Year-end FTE

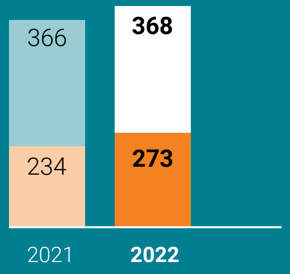


Age composition



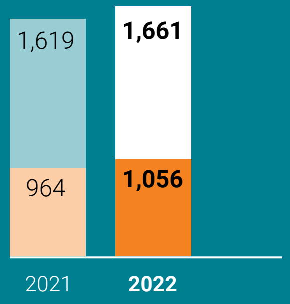
	2022	2021
25 years and younger	10%	8%
26 - 35 years	39%	39%
36 - 45 years	19%	21%
46 - 55 years	19%	20%
56 years and older	13%	13%
Average age	39	40

 # Employees influx (FTE)



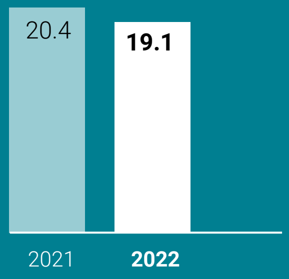
The Netherlands
Belgium/Luxembourg

Total # of average employees (FTE)

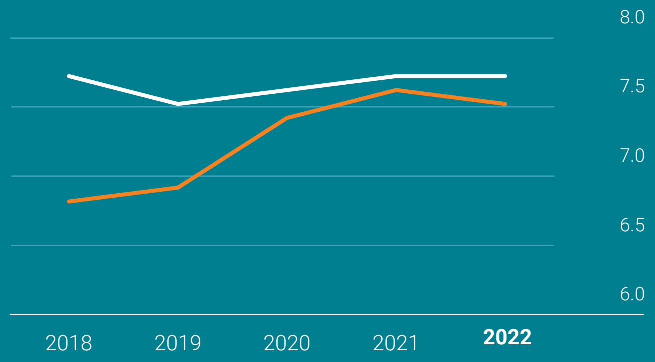


The Netherlands
Belgium/Luxembourg

Employee Net Promotor Score



Employee engagement score



The Netherlands
Belgium/Luxembourg

1. Engaged and driven employees

To help our clients stay ahead of change, engaged and driven employees with the right capabilities for a shifting business landscape are essential. Attracting, engaging, and retaining top talent remains a major priority for Ordina. At the end of 2022, the average number of FTEs grew by 135 to 2,717 (2021: 2,583). The number of workers who are not employees amounted to 846 at the end of 2022 (2021: 770). These workers include e.g. contractors that work on individual assignments, or reinforce our teams.

In the past year, we have enhanced our recruitment activities while continuing to invest in our employees' professional and technical development. At the same time, we have facilitated the creation of employee resource groups around shared interests, skills, or identities, and have strengthened our commitment to diversity, inclusion, health, and well-being among every Ordina employee. The scarcity for IT professionals remains high, meaning that finding and retaining the right people stays challenging. This is effecting not just Ordina, but also our competitors and clients. Attrition was therefore relatively high last year. Furthermore, we measure the outflux of employees on request of Ordina, which was kept limited to 1.7% (2021: 1.9%). Our aim is to keep this percentage below 4%.

With our clients facing increasingly complex challenges, our way of working needs to keep evolving. In 2022, we focused on building our employees' future-proof capabilities, ensuring they can serve clients in an uncertain business landscape.

In the coming years, we will continue to focus on developing our culture and attitude as we grow across the Benelux region. With business and IT continuing to converge, Ordina will concentrate more on hiring business consulting experts who can help us address broader market themes for our clients. Alongside these efforts, we will continue to develop the right competences among our existing employees.

Employer branding

To attract talent in today's scarce labor market, we have continued to move toward a bolder employer branding strategy. In 2022, we designed a new employee value proposition.

We have also made our recruitment strategy more proactive. In the past 12 months, our campaigns have featured tailor-made communications with a greater emphasis on storytelling, and we have continued to refine our targeted recruitment of specific groups. Our particular focus is on hiring young graduates; in 2022, they made up 35% of our new hires. For our other hires, we tend to focus on expertise: data, cybersecurity, Mendix, Java, management consultancy, and strategy consultancy, for example.

Referrals have continued to be a strong source of talent, with employee recommendations accounting for about 25% to 30% of new hires in 2022. Along with a more targeted communications approach, this has allowed us to continue growing despite a challenging labor market.

Overview of employees

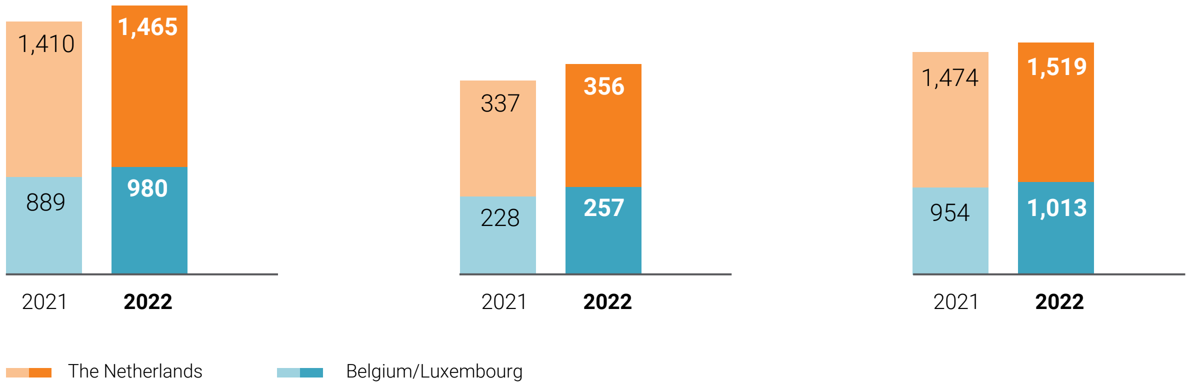
	The Netherlands		Belgium/Luxembourg		Total		
Employees ultimo (headcount)	Female	Male	Female	Male	Female	Male	Total
2022							
Total employees	341	1,456	247	859	588	2,315	2,903
Permanent contract	336	1,446	247	859	583	2,305	2,888
Temporary contract	5	10	-	-	5	10	15
Non-guaranteed hours	-	-	-	-	-	-	-
Full-time	178	1,052	217	823	395	1,875	2,270
Part-time	163	404	30	36	193	440	633
2021							
Total employees	320	1,453	235	804	555	2,257	2,812
Permanent contract	320	1,434	235	804	555	2,238	2,793
Temporary contract	-	19	-	-	-	19	19
Non-guaranteed hours	-	-	-	-	-	-	-
Full-time	166	1,040	202	777	368	1,817	2,185
Part-time	154	413	33	27	187	440	627

Our IT professionals

Average # direct employees (FTE)

 # Direct employees influx (FTE)

 # Direct employees year-end (FTE)



Employee satisfaction survey

In November 2022, we held our annual employee satisfaction survey. We asked for employees' views on their work, development opportunities, client assignments, and whether they were proud of Ordina. This year's survey also included questions on diversity and inclusion. The feedback from these surveys is used to improve the quality of the employee journey at Ordina. To the question if employees are satisfied with Ordina, the score was 7.6, the same as in 2021; we have therefore met our target of >7.5 (out of 10).

This year, our eNPs score is 19.1 (2021: 20.4). This score measures the likelihood of an employee recommending Ordina as a place of work to people they know. It is measured as the percentage of promotors minus critics.

Engagement programs

2022 was a year of considerable change at Ordina. As we continue to receive more complex work from our clients, our employees report higher engagement levels. This trend bodes well for our employee engagement going forward, as we expect to undertake projects of greater complexity as a digital business partner.

As previous surveys showed, increased knowledge sharing also raises engagement. We have therefore invested more in developing internal digital communities based around job roles, market sectors, and areas of personal interest. Employees can use a tool on the Ordina intranet to build these communities, and we currently have 39 communities grouped around a variety of topics.

Internal communications

Throughout 2022, we used internal communications, including intranet content and various newsletters, to support our move toward being a digital business partner. In addition, we organized unit meetings, management meetings, theme-based information meetings and face-to-face sessions. We have inspired 182 employees to become an Ordina Brand Ambassador: these employees are committed to the values that underpin our strategy 2026, and they have played a significant role this year in conveying Ordina's message through various social channels and demonstrating their thought leadership.

Home, office, and hybrid working

The Covid-19 pandemic has led to permanent shifts in the way we work. Hybrid working has become the new normal at Ordina. In practice, this means that an employee can work at home about 50% of the time and 50% in the office or at a client’s office. Ordina offers a support package for home working.

Health and well-being

At Ordina, the health and well-being of our employees is crucial. In 2022, absenteeism due to illness stood at 4.1% (2021: 3.3%). In 2022, more people became ill due to the release of the Covid-19 restrictions and the two flu waves in March and December. To promote health and well-being among our people, employees can engage in various online programs offering tips on sleeping and eating habits, mental resilience, and other health-related themes. Our employees can also use our Prevent desk to access healthcare providers, such as physiotherapists and psychologists. This includes specialized coaching for our neurodiverse employees and financial management coaching for all employees.

Training and development

Throughout 2022, we invested significantly in the expertise of our teams, and many young professionals in both the Netherlands and Belgium/Luxembourg joined Ordina. In 2022, Ordina employees participated in 195,805 hours of training programs – an average of 80 hours per employee (2021: 119,826).

To help with their growth and development, all employees have access to external coaches. These sessions are accessible via a LearningKit, a tool that employees use to book their coaching sessions.

2. Satisfied and loyal clients

At Ordina, satisfied and loyal clients are central to everything we do. We actively engage and empathize to understand their business goals, culture, people, and processes. We form multidisciplinary client teams, and communities that build, share, and apply client knowledge alongside their professional expertise. As a result, our people are driven to solve problems that get in the way of achieving those goals.

Through our way of working, we also build domain and industry knowledge. We discover and contextualize common business challenges; either general digital themes or market themes specific to an industry. Our clients benefit directly from this collective knowledge. We combine our client, market and domain knowledge with our insights into new technologies and our reusable assets to create solutions that solve real problems for our clients.

CSI and NPS

Every year, we measure our client satisfaction using our Client Satisfaction Index (CSI). In previous years we also focused on the Ordina Promotor Score (OPS). As of 2022, we switched to the more general known Net Promotor Score (NPS), this makes the score more comparable to peers. We aim for at least 7.5 in the CSI and a NPS of 60. The NPS score is calculated by adding up the responses and subtracting the percentage of detractors from the percentage of promoters. The score can be between -100 and +100. Clients who are neutral are excluded.

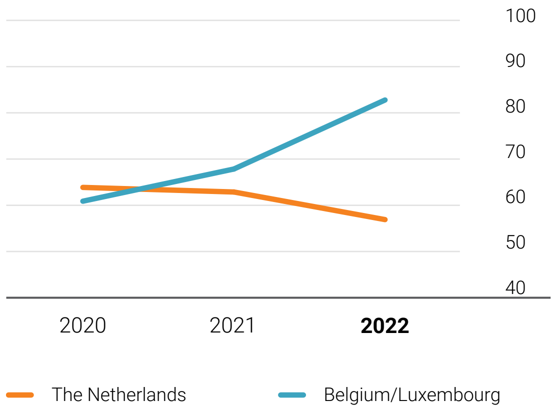
As for the CSI, we recorded an overall score of 7.7 (2021: 7.8). In the Netherlands, the score was 7.7 (2021: 7.8) and in Belgium/Luxembourg 7.8 (2021: 7.7). Our NPS was 66 (2021: 64), of which the score in the Netherlands was 57% (2012: 63%) and in Belgium/Luxembourg 83% (2021: 68%).

In the Netherlands the score was still high, but a little lower than last year due to more neutral responses. The total response rate was 78%. The results of both surveys are very important to Ordina: we use our findings to initiate conversations at the client level and determine how we can optimize our services going forward.

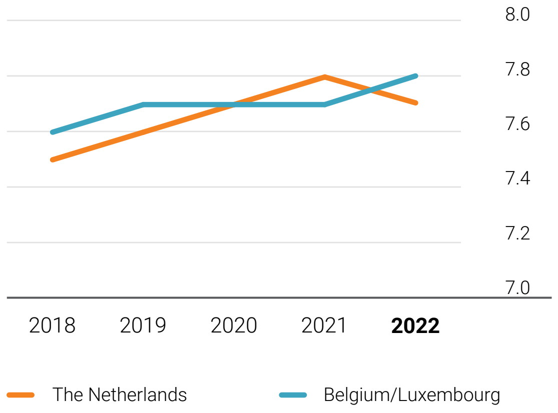
Top-level engagement

Because Ordina's offering goes beyond traditional IT solutions, our proposals typically need buy-in from senior executives. As a result, we launched a series of targeted initiatives to engage with clients at the C-suite level, organizing a Captain's Table, sector-specific roundtables, and one-on-one workshops in which we demonstrate how our digital solutions translate into tangible benefits.

Net Promotor Score



Client Satisfaction Index



3. Sustainable distinctive profile

Based on the Ordina 2026 strategy, acting as a digital business partner, we have structured our services in such a way that they help our clients realize their business transformation. Armed with our five business propositions, we offer a sustainable response to the issues our clients face, working in high-performance teams. High-performance teams are self-organized multidisciplinary teams dedicated to the business of our clients and they co-create together with the client's employees. This distinctive profile allows us to operate increasingly closer to the core of our clients' digital strategy and objectives.

These business propositions and underlying solutions grouped around digital and market themes have given us a highly recognizable profile in the market, with a focus on the client challenges of the future: data, (cloud) platforms, digital acceleration, cybersecurity and compliance. We also stand out thanks to our unique way of working, in which we collaborate with our clients in high-performance teams and rapidly deliver added value. In 2022, the share of business proposition revenue grew to 47% of total revenue (2021: 40%).

High-performance teams play a key role in our journey toward becoming a digital business partner by 2026, and we expect them to become a standard way of working in the years to come. At the end of 2022, Ordina had 146 high-performance teams (2021: 172) embedded at client sites across the Benelux. This is somewhat lower than last year as we see the transformation to more business propositions and the high-performance teams as a transformation process. For the business proposition HPT we look at the size of the team, the leading role and the duration of a project. In 2022, we slightly sharpened the definition of business proposition, where taking responsibility, a leadership role or the HPT working method must be evident from the contract documentation.such as contracts, proposals and other written client communication.

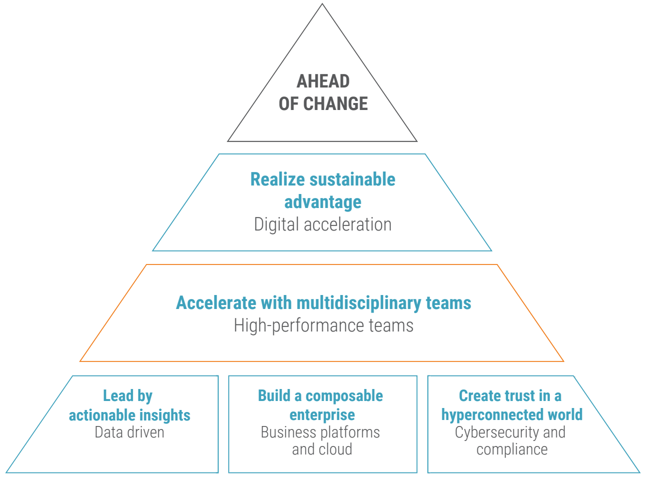
In 2022, Ordina's high-performance teams achieved some notable successes, with highlights including the co-creation of a chatbot for the National Police and our work to help the Port of Rotterdam reduce its carbon emissions by 25%.

Our business propositions

Digital acceleration
Ordina's multidisciplinary teams can adapt existing technologies into tailor-made experiences, such as mobile apps, web applications, social networks, chatbots, and virtual private assistants. To develop these integrated platforms, we use technologies such as low code, robotics, AI, and machine learning. We also support the organizational and culture shifts that facilitate our clients' digital ambitions.

Data-driven organizations
Ordina can help clients convert data into actionable intelligence. We do this by connecting to internal and external data sources to analyze and gain insights correlating all relevant data, and by providing visualizations, insights, and optimizations. Put simply, we help our clients position data at the center of their business strategy and decision-making.

Business platforms and cloud
As organizations continue their digital transformation, they will increasingly move away from siloed applications toward trusted business blocks that can be composed into new business capabilities with great speed. Ordina supports our clients in this transition while helping them modernize each



business block independently: legacy systems, custom-built applications, software packages, or SaaS solutions.

Cybersecurity and compliance
Today's world is hyperconnected, and many organizations are finding it harder to fulfil their cybersecurity and regulatory compliance requirements. As our clients launch new digital initiatives, Ordina can help them monitor, enforce, and improve their cybersecurity and compliance procedures.

High-performance teams
We carefully form our teams around a specific client goal. We find the optimal balance between disciplines and personalities in the team to deliver impact – increasingly on a strategic level. Our proven methods and experienced coaches ensure the formation of HPTs which engender trust, collaboration and fun. This is a key stepping stone for our ambition to foster co-creation and deliver acceleration. We do this by developing digital and market solutions, raising the quality of IT applications or optimizing processes.

4. Excellent financial performance and accelerated growth

Revenue development

In 2022, revenue increases by 8.9% to EUR 429.4 million (2021: EUR 394.5 million), with growth achieved across all our markets and regions while the share of business propositions increases to 47% (2021: 40%). Growth is driven by more direct employees and higher rates, combined with our proposition revenue.

Revenue per market

In thousands of euros and %	2022	2021	Development in 2022 compared to 2021
Public	183,777	163,853	12.2%
Finance	112,833	103,699	8.8%
Industry	132,806	126,919	4.6%
Total	**429,416**	**394,471**	**8.9%**

Revenue per country

In thousands of euros and %	2022	2021	Development in 2022 compared to 2021
The Netherlands	283,358	259,195	9.3%
Belgium/Luxembourg	146,058	135,276	8.0%
Total	**429,416**	**394,471**	**8.9%**

Market

All markets achieve revenue growth in 2022, with the public sector achieving the strongest growth of 12.2%. It is also the largest market with EUR 183.8 million in revenue (2021: EUR 163.9 million).

In the public sector, many new high performance teams started e.g. at several Dutch ministries and the national police in the Netherlands. In Belgium/Luxembourg, Post Luxembourg is one of our valued clients. We also achieve strong growth in business platforms & clouds business proposition. Moreover, revenue growth was partly reached through external hires regarding contractual obligations.

In financial services, revenue increases by 8.8% to EUR 112.8 million (2021: EUR 103.7 million). Financial service providers also make extensive use of Ordina's high-performance teams. Health insurers and financial institutions have a strong focus on digital client interaction and digital transformation issues, which translates to several assignments.

In the industry market, we are active in several subsectors, such as utilities, logistics and life sciences. In 2022, revenue in this market increases by 4.6% to EUR 132.8 million in 2022 (2021: EUR 126.9 million). Within Industry, we have many clients at which we do relatively small assignments. In line with our strategic ambition to turn from a valuable IT partner to a digital business partner, we concentrate on our top 70 clients. This resulted in a shift of revenue from this market to the others.

Region

The Netherlands

In 2022, revenue increases 9.3% to EUR 283.4 million in the Netherlands. Revenue growth is driven by on average more direct employees and higher rates, combined with more proposition revenue. Business proposition revenue mainly grows in the areas of high performance teams and business platforms & cloud. The high demand for digitization solutions combined with the tight labor market and contractual offer obligations in governmental contracts also lead to an increase in revenue with external hires.

Belgium/Luxembourg

In 2022, Ordina achieves a revenue increase of 8.0% in Belgium/Luxembourg and 2022 revenue amounts to EUR 146.1 million. In Belgium/Luxembourg growth is also driven by a higher average number of direct employees and higher rates. Revenue from business propositions is growing fast, with the strongest growth in the business propositions high-performance teams, data acceleration and cybersecurity &

Productivity

69.4%

2021 **72.1%**

EBITDA per segment

In thousands of euros and %	2022	2022	2021	2021
The Netherlands	28,827	10.2%	28,061	10.8%
Belgium/Luxembourg	21,562	14.8%	22,128	16.4%
Total	**50,389**	**11.7%**	**50,189**	**12.7%**

compliance. Revenue with external employees is virtually flat in 2022 compared to 2021.

In 2022, productivity came down to 69.4% (2021: 72.1%), for which there are several reasons. First and foremost, we have invested in the organization by hiring more young professionals and business consultants, in line with our 2026 strategy. To prepare these new employees, more time was spent on training. In addition, various commercial initiatives were launched to foster our new expertise.

Another growth investment involves the creation of new leadership roles in the Netherlands, where leads are also active at clients. As a result the number of direct employees increases, our teams work more efficiently and the service to our clients has been raised to a higher level. On the other hand, the transition to this new model temporarily affected overall productivity.

Lastly, in 2022, absenteeism rose to 4.1% (2021: 3.3%). As of the second quarter, all Covid-19 related measures were let go and various covid and flu epidemics arose. In 2021, absenteeism was in fact lower due to remote working, which had a positive effect on productivity.

EBITDA development

In 2022, EBITDA increases by EUR 0.2 million to EUR 50.4 million in 2022 (2021: EUR 50.2 million) and EBITDA margin decreases to 11.7% (2021: 12.7%).

Despite the tight labor market and high inflation, Ordina was able to increase the number of employees and grow revenue. By the same token, the company growth was accompanied by higher costs.

We were successful in passing on our increased cost base to our clients. In some cases, this involved some timing differences due to ongoing contracts and multi-year framework agreements. The impact of our investments on productivity are the main reason for the stable absolute result and hence the decreased margin. In addition, conditions regarding inflation remain challenging in the near future.

A one-off gain at the end of 2022, concerns the accelerated integration of Ordina Subscription Management & Utilities B.V. (former IFS Probity). It was decided to settle the remaining earn-out obligation early. The settlement of the second and final part of the earn-out obligation was initially scheduled for 2024. Due to the early settlement of the second earn-out obligation in 2022, we had a release of provisions of EUR 0.7 million.

In 2021, there were also a number of one-off gains and losses. For example, remote working reduced operational costs such as fuel, travel and accommodation expenses. Also, productivity benefited as a result of covid-19. Jointly, this resulted in a benefit of approximately EUR 3-4 million EBITDA (0.9%-point EBITDA margin). In addition, there were a number of provisions, both positive and negative, with an impact of EUR 1 million negative in 2021. On balance, the impact on EBITDA was approximately EUR 2-3 million positive in 2021.

The Netherlands

In 2022, EBITDA rises by EUR 0.8 million to EUR 28.8 million and the EBITDA margin is 10.2% in the Netherlands. In line with our 2026 strategy, we made a number of changes and investments in our Dutch organization in 2022. Furthermore, we have been successful in passing on higher rates and we successfully increased proposition revenue, which offset rising costs due to the tight labor market combined with high inflation. This increase, however, was not sufficient to also offset lower productivity.

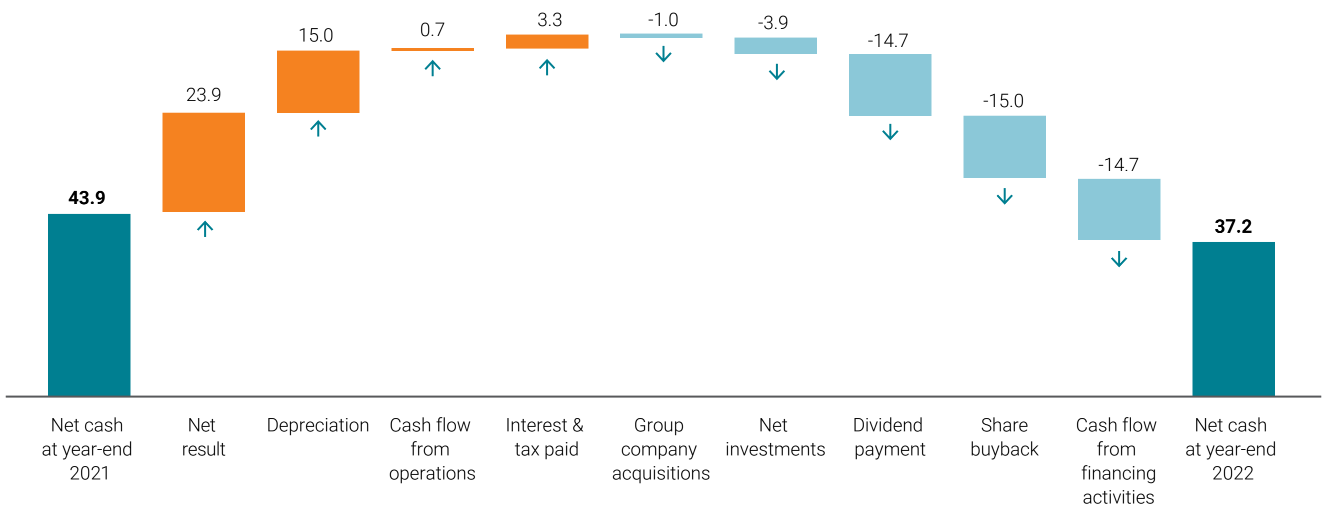
The one-off gain related to the early settlement of the earn-out related to the accelerated integration of Ordina Subscription Management & Utilities B.V. (former IFS Probity) had a positive effect on the Netherlands' EBITDA. In 2021, one-off items had a positive effect of EUR 1-1.5 million on EBITDA.

Belgium/Luxembourg

In 2022, EBITDA amounts to EUR 21.6 million and the EBITDA margin is 14.8% in Belgium/Luxembourg. In recent years, Belgium/Luxembourg has achieved strong growth. To maintain this strong growth momentum, we have invested in the Belgian organization. Also, the tight labor market, rising inflation and salary pressure increased personnel costs. Although, the considerable number of young professionals that started in Q3 enlarged our talent pool, it also reduced EBITDA in Belgium/Luxembourg in 2022. The EBITDA margin, however, is still above our EBITDA target of 12%-14% for 2026.

Net cash development full year 2022

(Rounded, in millions of euros)



Cash position

At year-end 2022, Ordina's cash position stood at EUR 37.2 million (2021: EUR 43.6 million). Free cash flow amounts to EUR 27.1 million in 2022 (2021: EUR 27.6 million). The dividend payment over 2021 and the share buyback program of EUR 15.0 million were the main reasons for this decline.

As at December 31, 2022, Ordina has not drawn on its financing facility. Our capital and liquidity position is strong and gives us a solid foundation for the future.

Financial position and accelerated growth

The result of our strategic efforts in recent years has improved our returns and resulted in a solid free cash flow.

We use our cash position for working capital requirements and targeted investments in growth in the short and medium term. Due to the character of our business model, we take a conservative approach to adding long-term debt to the balance sheet.

The aim of our strategy is to refine our profile in the market, to accelerate our growth and to continue to improve our returns by being the digital business partner to our clients and offering high-quality services. Our current financial position enables us to do so.

Our priority is organic growth complemented by selective acquisitions. Our goal is to integrate these acquisitions. This means that potential transactions are carefully examined for an optimal fit, ranging from size to various business and cultural aspects.

Given the tight labor market combined with the high demand for digital solutions. We also explore the possibilities of acquisitions in Europe outside of the Benelux, for the purpose of offering location-independent services to our Benelux' clients. Offering them teams that are composed of local Ordina employees and ones that join remotely.

Ordina share

Shareholder value creation

ISIN code	NL0000440584
Ticker	ORDI
Reuters	ORDN.AS
Bloomberg	ORDI:NA

Since 1987, Ordina has been listed on Euronext Amsterdam and included in the Amsterdam Small Cap Index (AScX).

Investor relations

Through transparent and clear communication, Ordina builds and maintains long-term relationships with investors, analysts, and other capital market participants.

In accordance with the requirements of the Dutch Financial Supervision Act (Wft) and the European Market Abuse Regulation, we keep shareholders, investors, analysts, and other stakeholders consistently and regularly updated with clear and accurate reports on Ordina's strategy, performance, and other information (including price-sensitive information). We publish our annual reports, interim reports, quarterly trading updates, press releases, and presentations on our website. In addition, we meet regularly with investors and analysts on roadshows, at conferences, and through one-on-one calls or meetings at our offices.

Furthermore, our external auditor provides an assurance report with reasonable assurance regarding non-financial information in this annual report. The Auditor's scope include the following chapters: Key figures, Five-year overview, Impressions, Ordina share, Mission and core values, Market trends, Value creation model, Stakeholder dialogue, Strategy 2026, excluding EU Taxonomy. Our policy regarding bilateral contacts with investors and analysts is included in our Disclosure Policy, and published on our website.

Capital structure

Ordina has no debt outstanding and has not used its revolving credit facility in 2022. Our capital structure consists solely of equity.

Total equity

At year-end 2022, the total amount of ordinary shares outstanding equaled 90,015,795 (year-end 2021: 93,255,929). In addition, Ordina has issued one priority share. As a result of our strong cash position, Ordina launched a share buyback program in 2022 and bought back 3.2 million ordinary shares for EUR 15 million. For more information, please visit our website.

Voting rights on shares

All ordinary shares have equal voting rights (i.e. one vote each). The priority share held by Ordina Group Priority Foundation ("Stichting Prioriteit Ordina Groep") gives entitlement to five votes. For more information about this, please visit page 62.

Ordina shareholders

According to the latest public filings at the AFM, the following substantial holdings in Ordina have been reported:

Major shareholders

Teslin Participaties Coöperatief UA	Capital interest 15-<20%
Mont Cervin Sàrl	Capital interest 10-<15%
Moneta AM	Capital interest 5-<10%
Dimensional Fund Advisors	Capital interest 3-<5%
Lazard Frères Gestion SAS	Capital interest 3-<5%
JP Morgan Asset Management Holdings Inc.[1]	Capital interest 3-<5%
Otus Capital Management Ltd	Voting interest 3-<5%

As of December 31, 2022, Ordina holds no treasury shares and all shares are ordinary shares, except for one priority share. The indicative free float is 100%.

Financial calendar

April 6, 2023	Annual General Meeting of Shareholders
April 12, 2023	Ex-dividend date
April 13, 2023	Dividend record date
April 20, 2023	Dividend payment date
April 25, 2023	Publication of Q1 2023 trading update
August 1, 2023	Publication of 2023 half-year results
November 2, 2023	Publication of Q3 2023 trading update
February 15, 2024	Publication of 2023 annual results
April 4, 2024	Annual General Meeting of Shareholders

1 Voting interest <3%

Dividend and policy

In line with our dividend policy, Ordina pays out between 40% and 60% of our net profit on the following conditions:
- A solvency ratio of at least 35% in the past reporting year;
- The net debt/EBITDA ratio for Q3 and Q4 of the past reporting year was less than 1.25;
- The expected net debt/EBITDA ratio in Q1 and Q2 was less than 1.25 following payment of the dividend.

With these conditions, we safeguard healthy balance sheet ratios. The remaining net profit is added to the company's general reserves and/or used to finance our growth ambitions (combining both organic and non-organic growth). In the event of excess cash, Ordina will consider distributing excess capital to our shareholders.

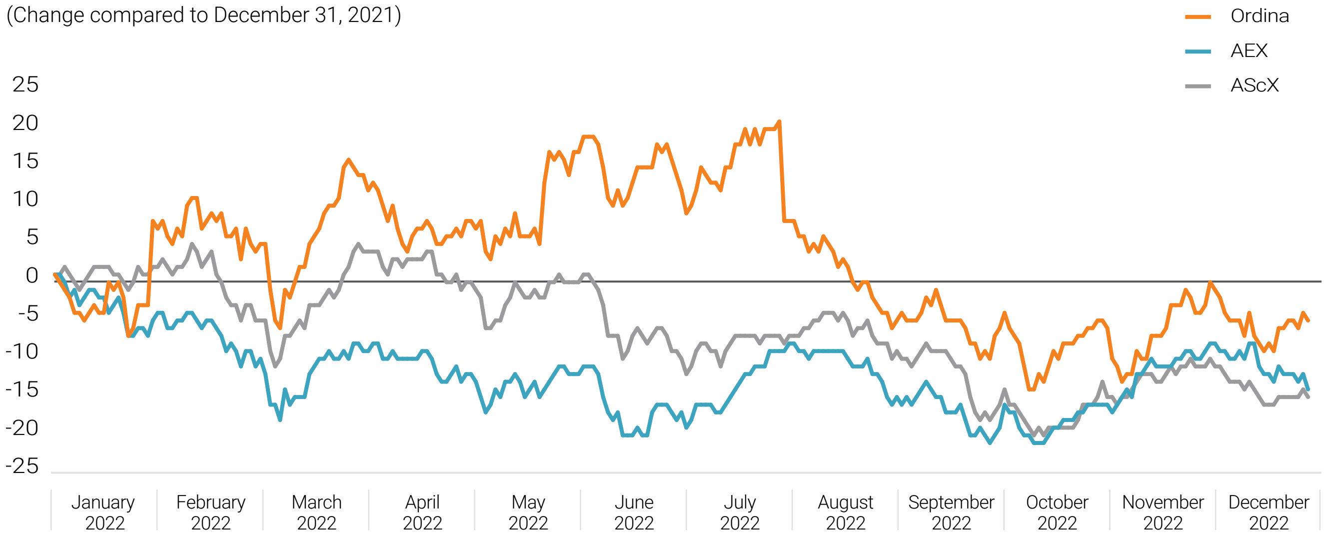
For 2022, Ordina proposes to pay 100% of the company's net profit as dividend, being EUR 0.265 per share, and as a result of our strong cash position, Ordina will propose to make an additional distribution of EUR 0.13 per share, resulting in a total payout ratio of EUR 0.395 per share over 2022.

Ordina share price movement and trading dynamics

Following the strong share price increases in 2020 (+41.3%) and 2021 (+42.6%), the Ordina share price continued its upward trajectory in the first six months of 2022, clearly outperforming its peers. In the summer, however, European stock markets in Europe began to fall, and the Ordina share also came down. Overall, the share price went down by 5.5% and closed at EUR 3.875 at year-end 2022 (year-end 2021: EUR 4.10). 2022 total shareholder return (TSR[2]) amounts to 4.5%.

Share Price Development 2022

(Change compared to December 31, 2021)



Results per share

	2022	2021	2020	2019	2018
Equity	1.91	1.92	1.91	1.75	1.64
Free cashflow per share	0.30	0.30	0.31	0.12	0.10
Net earnings per share	0.26	0.26	0.24	0.16	0.07
Net earnings per share fully diluted	0.26	0.26	0.24	0.16	0.07
Dividend per share	0.40	0.16	0.24	0.10	0.05

In 2022, the trading volume in Ordina shares came in at a daily average of EUR 1.2 million (2021: EUR 1.3 million). At year-end 2022, our market capitalization amounted to EUR 349 million.

At year-end 2022, there were no net short positions in Ordina[3].

Analyst coverage

Sell-side analysts from ABN AMRO-Oddo, ING, KeplerCheuvreux and Van Lanschot Kempen actively cover the Ordina share. These reports help investors, including institutional investors, to make well-informed investment decisions. If Ordina receives analyst reports prior to publication, we will only check for factual inaccuracies. To further increase our visibility in the capital markets, we aim to grow the number of analysts covering Ordina.

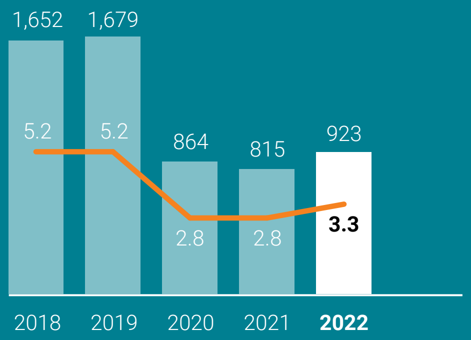
2 Dividend upon approval of the AGM of 6 April 2023

3 shortsell.nl/short/Ordina

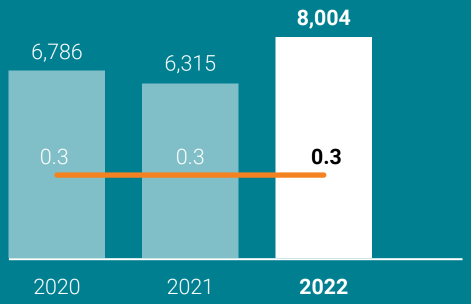
Contents

Our footprint

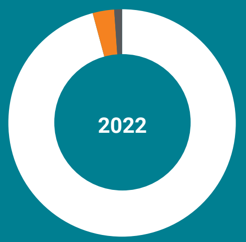
Fuel and CO_2 emissions per vehicle



CO_2 emissions per m²

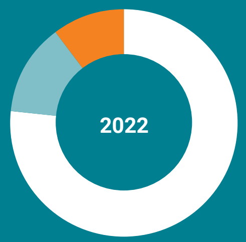


Distribution of CO_2 emissions per category



	2022	2021
Mobility	**95%**	92%
Electricity	**0%**	0%
Gas	**3%**	6%
Other	**1%**	1%

Distribution of CO_2 emissions per scope



	2022	2021
Scope 1	**76%**	85%
Scope 2	**13%**	9%
Scope 3	**10%**	5%

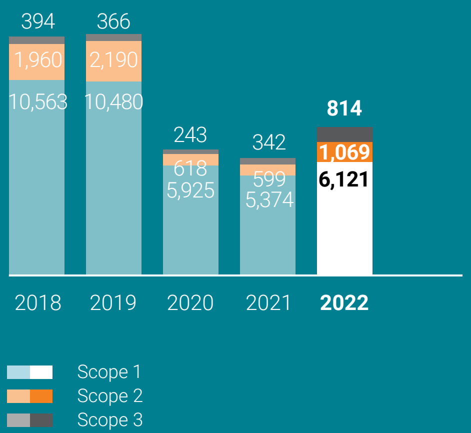
CO_2 emissions 2022 (in tons)

8,004

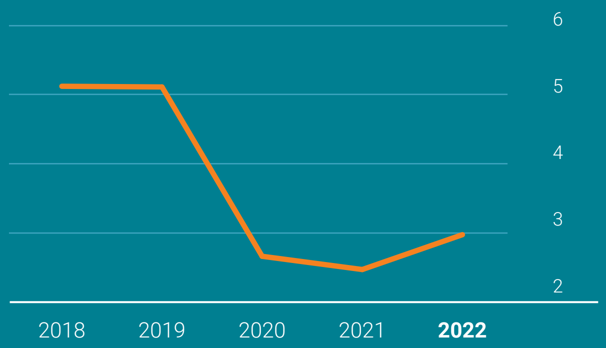
Electric vehicles (year-end)

625

Total CO_2 emissions 2022 (in tons)



CO_2 emissions per FTE



5. Environmental, Social, and Governance

The importance of Environmental, Social, and Governance (ESG) is continuously increasing for our clients, employees, partners, shareholders, and other stakeholders, who use ESG metrics to measure our sustainability and positive impact. We report information with reference to the GRI Standards and included a GRI index with the different standards we applied. ESG is integrated as a strategic pillar in our business to create long-term financial, social, and environmental value. By reducing carbon emissions, driving diversity and inclusion, and promoting stakeholder dialogues, Ordina ensures sustainable value creation for all our stakeholders. Different targets regarding these subjects have been formulated and included on page 24 and page 36 of this Annual Report.

UN Sustainable Development Goals

Ordina is committed to the UN reach its Sustainable Development Goals (SDGs), a set of 17 interconnected goals that aim to increase peace and prosperity around the world. Given the nature of Ordina's business, we focused on Goal 8 (decent work and economic growth), Goal 9 (industry, innovation and infrastructure), and Goal 13 (climate action). In our value creation model on page 20 of this annual report, we have connected these SDGs to our strategy and KPIs.

We see our ESG efforts as a continuous journey, and we still have a way to go before achieving our desired results. Nevertheless, we have advanced our policies across the domains in 2022, as detailed in the section ahead.

Environmental

Carbon neutrality

Ordina intends to become fully carbon neutral by 2030. After two years of declining emissions (largely due to limited commuting during the pandemic), our carbon emissions rose this year. This increase is not unexpected: in 2021, our employees had to work from home for most of the year. Our employee base is also bigger compared to last year. Nevertheless, Ordina's emissions decreased by 17% compared to 2019 levels – the year with which results are more comparable.

In 2022, the total CO_2 emission was 8,004 tons for scope 1,2 and 3. Within scope 1 Ordina reports gas and fuel consumption of 6,121 tons. Scope 2 consists of the electricity consumption including the electricity of electric vehicles for 1,069 tons. In scope 3, CO_2 emissions are reported which are not directly produced by Ordina itself. In 2022, Ordina reported business travel and elements such as employee commuting and waste generated in operations in scope 3, adding up to 814 tons. Going forward, Ordina will focus on obtaining more data regarding scope 3 emissions.

Additionally, the CO_2 Performance Ladder is an instrument that helps organizations realize a structural reduction in their CO_2 emissions. Ordina the Netherlands was awarded a level 5 certificate, the highest possible level. In 2022, we also submitted information for Belgium/Luxembourg for the first year and we received a level 3 certificate for Belgium/Luxembourg.

Electrification

In the Netherlands, we are preparing for the launch of a new mobility policy on January 1, 2023. Under this policy, all new company cars that will be leased by Ordina in the Netherlands have to be electric. This will automatically result in a fully electric fleet of lease cars when current leases of non-electric cars expire in the coming years.

In Belgium, 2022 has seen significant progress toward building a fully electric fleet of lease cars. We now have 181 electric vehicles (EVs) (2021: 0 EVs). Our electrification efforts have been delayed by bottlenecks in EV delivery supply chains.

In total Ordina's car fleet consists of 30% EVs in 2022 (2021: 19%).

Tree planting

To offset our carbon emissions, we will plant a total of 25,000 trees across 13.5 hectares in Pelt, Belgium. Ordina employees started planting this forest in November, with the rest of the planting handled by our forest partner. We have transformed agricultural land into a new forest. In this way, we contribute to solving part of the nitrogen problem and creating new nature at the same time.

EU Taxonomy

As part of the European Green Deal, the European Commission provided incentives for financial institutions to support the transition to a climate-neutral economy. Part of the EU Green Deal is the EU Taxonomy, a classification system that defines the environmental impact of economic activities, with the intent to make this information more transparent. Investments in the IT sector could play a significant role in improving sustainability throughout the European Union, since the efficiencies made possible by digital technologies can contribute to climate change mitigation and climate change adaptation.

For 2022, companies are required to report on their share of 'eligible' activities for the environmental objectives of climate change mitigation and climate change adaptation as well as on their share of 'aligned' activities. The economic activities will need to be aligned with the following three elements to be considered sustainable under the Taxonomy Regulation 2020/852":

a) Substantially contribute to at least one of the six environmental objectives, per the Technical Screening Criteria (TSC) as defined in the Regulation;
b) Do not significant harm to any of the remaining five environmental objectives; and
c) Comply with the minimum social safeguards.

Important to note is that the EU Taxonomy is a regulation in development and the other four environmental objectives are not yet published. The regulation will be amended/revised throughout the years with new economic activities, new technical screening criteria and/or new environmental or social objectives. Concurrently, we will continue to evaluate our assessments.

Revenue eligibility

In 2022, like in 2021, almost all Ordina's activities qualify as taxonomy eligible regarding climate change mitigation, being 8.1 Data processing, hosting and related activities and 8.2 Computer programming, consultancy and related activities. These economic activities are associated to NACE codes J62 and J63.11. This includes our computer programming, consultancy, and other related activities. Our hosting services and the platforms that run at Ordina are excluded. However, these activities qualify as taxonomy eligible under the climate change mitigation objective. As such, Ordina's revenue qualify as taxonomy eligible.

OPEX and CAPEX eligibility

Our CAPEX follow revenue, since investments (CAPEX) we make, serve the revenue we generate. Therefore our CAPEX are fully eligible and they follow the same NACE codes.

Eligible OPEX based on the EU Taxonomy are approximately 5% compared to our total OPEX in 2022 as recognized in the financial statements (see notes 22 and 23 of the 2022 financial statements). Based on the EU Taxonomy the eligible OPEX including mobility costs and office accommodation costs, amount to EUR 19.7 million for 2022. The amount of eligible OPEX is relatively low compared to total OPEX in notes 22 and 23 of the financial statements. We therefore deem eligible OPEX insignificant for Ordina. As such, Ordina makes use of the exemption of the assessment of eligibility and alignment of OPEX in line with Regulation 2021/2178 paragraph 1.1.3.2.

Revenue alignment

Taxonomy alignment implies that an eligible activity complies with the criteria specifically formulated for this economic activity in the Taxonomy. In other words, the economic activity has to comply with the related Technical Screening Criteria (TSC) and the "Do no significant harm"-criteria. When an activity is compliant with the TSC, the "Do no significant harm"-criteria and the minimal safeguards linked to this activity in the Taxonomy, it can be considered to be aligned.

To verify to what extent the revenue is aligned according to the TSC of the EU Taxonomy, we deem CCM 8.1 applicable to Ordina: Data processing, hosting and related activities. TSC 8.1.1.[1] is committed to by one of the cloud providers, Microsoft, Ordina cooperates with. We were unsuccessful in receiving a copy or statement of the audit report to confirm its commitment to TSC 8.1.1. Due to lack of evidence, we could not conclude that any of our eligible revenue is aligned. Hence 0% of our eligible revenue is aligned.

The activities for the relevant part of Ordina that could align, would be the areas that work with Microsoft technology:

- Services that directly use Microsoft Azure technology;
- Services that run on Microsoft Azure technology, such as Office365 or other services.

The economic activity meets 'minimum safeguards' such as the UN Guiding Principles on Business and Human Rights to not have a negative social impact

As a Dutch listed company we adhere to all applicable rules and regulations in the countries we are active, being the Netherlands, Belgium and Luxembourg. This includes rules and regulations protecting human rights. Moreover, our Code of Conduct is based on universal values, as referred to in the Universal Declaration of Human Rights and the principles of the UN Global Compact, for example. Additionally, we ask our suppliers to sign the Ordina Supplier Code, in which we expect our suppliers to abide by laws and regulations and to act honestly and with integrity. Furthermore, based on our risk analysis of the type of business we do, we conclude that the risk of human rights violations is very limited. For more information, please see the Risk Management chapter of this Annual Report.

CAPEX eligibility

The eligible CAPEX includes investments in intangible fixed assets (IAS 38) excluding goodwill, plus property, plant and equipment (IAS 16), and leases (IFRS 16) and add up to EUR 11.3 million for 2022. These CAPEX are elaborated in the explanatory notes 8, 9, and 10 of the 2022 financial statements.

CAPEX alignment

Ordina made an analysis of its taxonomy aligned CAPEX based on the provided guidelines. We conclude that the investments that qualify as taxonomy aligned are the

1 Annex I TSC 8.1.1. "The activity has implemented all relevant practices listed as "expected practices" in the most recent version of the European Code of Conduct on Data Centre Energy Efficiency307, or in CEN-CENELEC document CLC TR50600-99-1 "Data centre facilities and infrastructures - Part 99-1: Recommended practices for energy management"308. The implementation of those practices is verified by an independent third-party and audited at least every three years."

2 Please note that only the financing component of IFRS 16 applies, as the service component is reported under aligned OPEX.

Proportion of turnover from products or services associated with Taxonomy aligned economic activities 2022

				Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities (in millions of euros)	Code(s)	Absolute Turnover	Proportion of turnover	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of turnover 2022	Taxonomy-aligned proportion of turnover 2021	Category (enabling activity or transitional activity)
			%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	Percent	E/T
A.1 Turnover of environmentally sustainable activities (Taxonomy-aligned)		0	0%														0%	0%	
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy -aligned activities)		429.4	100%																
Data processing, hosting and related activities	8.1	68.1	15.6%																
Computer programming, consultancy and related activities	8.2	361.3	84.1%																
Total (A.1 + A.2)		429.4	100%														0%	0%	E/T
B. Taxonomy-non-eligible activities																			
Turnover of Taxonomy-non-eligible activities (B)		0	0%																
Total (A+B)		429.4																	

Proportion of CapEx from products or services associated with Taxonomy aligned economic activities 2022

				Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities (in millions of euros)	Code(s)	Absolute CapEx	Proportion of CapEx	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of CapEx 2022	Taxonomy-aligned proportion of CapEx 2021	Category (enabling activity or transitional activity)
			%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	Percent	E/T
A.1 CapEx of environmentally sustainable activities (Taxonomy-aligned activities)		5.2	46%	100%	0	0	0	0	0	Y	Y	Y	Y	NA	NA	Y	46%	9.3%	E
Investments in rental and leasing of cars and light motor vehicles	6.5	4.6	41%	100%	0	0	0	0	0	Y	NA	NA	Y	Y	NA	Y	41%	9.3%	E
Investments in electrical installations	7.4	0.1	1%	100%	0%	0%	0%	0%	0%	NA	NA	NA	NA	NA	NA	Y	1%	0%	E
Investments in silviculture and other forestry activities	1.1	0.4	4%	100%	0%	0%	0%	0%	0%	Y	Y	Y	NA	Y	Y	Y	4%	0%	E
A.2 CapEx of Taxonomy-eligible but not environmentally sustainable activities (Not Taxonomy-aligned activities)		6.1	54%																
Investments in electrical installations	7.2	3.1	27%																
Investments in silviculture and other forestry activities	7.2	3.0	27%																
Total (A.1 + A.2)																	100%	100%	E
		11.3	100%																
B. Taxonomy-non-eligible activities																			
CapEx of Taxonomy-non-eligible activities (B)		-																	
Total (A+B)		11.3																	

following in 2022:
a) Investments in lease contracts of fully electric cars[2] (EUR 4.6 million);
b) Investments in charging stations for fully electric vehicles (FEV) (EUR 0.1 million);
c) Investments in the Ordina BOS (EUR 0.4 million).

In total the taxonomy aligned CAPEX reach EUR 5.2 million in 2022. These investments also qualify as do 'no significant harm' (DNSH) for the other objectives according to the Taxonomy Regulation. In our 2022 financial statements these investments are elaborated on in notes 9 and 10.

In line with our strategy to become carbon neutral by 2030, Ordina will only order electric vehicles in the Netherlands. These investments are related to TSC 6.5 (Transport by motorbikes, passenger cars and light commercial vehicles). In the selection of electric cars that can be ordered by our employees, all electric cars fall under the categories that are identified in TSC 6.5. The only electric car that falls into the N2 category at this time is an electric Hummer. All Ordina lease cars are FEV, which means emissions are 0. These investments also qualify as DNSH, for as far they are applicable. The Ordina fleet complies with the laws and regulations, which are applicable to the DNSH criteria 'Transition to a circular economy' and 'The pollution prevention and control'.

To service our employees and stimulate the use of electric vehicles, we installed charging stations in the parking of our head offices. Following an analysis of the TSC 7.4. (Installation, maintenance and repair of charging stations for electric vehicles in buildings), we conclude that we comply with TSC 7.4 and these investments comply with the DNSH criterion climate change adaptation. The other 'Do no significant harm' criteria are not applicable.

In Pelt, Belgium, Ordina purchased agricultural land, which we transformed to forest. So far we planted approximately 10,000 trees of the 25,000 in total. Once completed, the Ordina forest will cover an area the size of 26 football fields, and we will have transformed agricultural land into a new forest. After a thorough assessment and audited by an independent party, we conclude that this investment is aligned with TSC 1.1. Afforestation and also complies with the DNSH criteria: Climate change adaptation, Sustainable use and protection of water and marine resources, and Pollution prevention and control, as Ordina does not use manure or toxins. The DNSH criterion 'Transition to a circular economy' is not applicable.

Social

Ordina is committed to offering a safe working environment that embraces diversity, stimulates the freedom to speak out and allows innovation to flourish. We accept, welcome, and value all different identities, including different cultural backgrounds, sexual preferences, and personalities. We acknowledge the different needs to create equality and create a collaborative, supportive, and respectful working environment. As a diverse and inclusive employer, we also strive for equal opportunities for all employees regarding personal growth and career development.

We are also committed to increase diversity within the IT sector and to contribute to equal digital opportunities in society. For example, we use our IT expertise to support the Everyday Heroes Foundation achieving their goal of helping people to find a job. Our employees also provide IT lessons, job training, and coaching at secondary and elementary schools through the JINC foundation. Additionally we supply teachers to Co-Teach Informatics, a joint project of NLDigital, universities and the business community, to address the shortage of IT teachers. In Belgium, we have a partnership with YouthStart, a charity that helps young people discover their talents and achieve their career goals.

Sustainable employability

Ordina values being a good employer and invests in sustainable employability to ensure all employees can get the best out of themselves and be themselves. We therefore focus on increasing retention through e.g. offering development opportunities, well-being, transparent meetings, an active talent management policy for potentials, and career-phase-related opportunities.

Diversity and inclusion activities

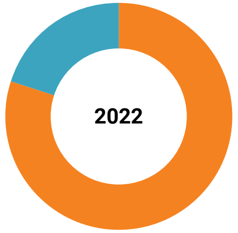
Several communities – both formal and informal – within Ordina play an important role in promoting diversity and inclusion across the organization. One of these communities continued to raise awareness about neurodiversity, and Ordina has partnered with external coaching to ensure that neurodiversity is understood and respected within the company. Ordina's diversity and inclusion community

Diversity targets

Strategy	Measures	2021 Achieved	2022 Target	2022 Achieved	2030 Target
We are a diverse and inclusive company	% female employees	20%	-	20%	30%
	% female members Supervisory Board	40%	-	40%	at least 33%
	% female members Management Board	50%	-	50%	at least 33%
	% female employees in sub-top management levels	24%	-	23%	30%
	An inclusive employee experience report rating	7.6	≥7.5	7.7	8

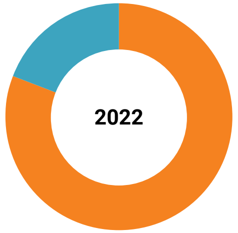
Diversity & inclusivity

Female ratio (in %)



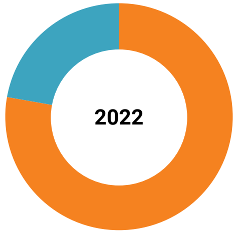
Group

	2022	2021
Male	**80%**	80%
Female	**20%**	20%



The Netherlands

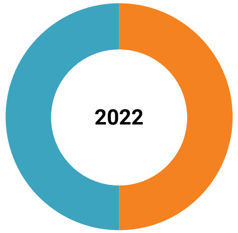
	2022	2021
Male	**81%**	82%
Female	**19%**	18%



Belgium / Luxembourg

	2022	2021
Male	**78%**	77%
Female	**22%**	23%

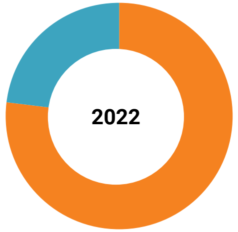
Female ratio in Management Board (in %)



Group

	2022	2021
Male	**50%**	50%
Female	**50%**	50%

Female ratio in sub-top (in %)



Group

	2022	2021
Male	**77%**	76%
Female	**23%**	24%

Inclusive company culture score

7.7

2021 **7.6**

I feel free to express my opinion at Ordina (scale of 1-10)

Source: Employee engagement survey

supported the expansion of our LGBTQ+ Pride celebrations in June 2022 and organized a Women@Ordina event. To reinforce our commitment to diversity and inclusion, Ordina also signed the Talent to the Top charter. To reinforce our commitment to diversity and inclusion, Ordina also signed the Talent to the Top charter.

Furthermore, in our employee engagement survey we ask if our employees feel free to voice their opinion. We use this score to measure our KPI: employee inclusiveness. In 2022, the score on this question was 7.7 (2021: 7.6).

Measuring the female ratio

We quantitatively measure diversity by looking at the female ratio throughout the organization. In 2022, the ratio of female employees of the total employee base was 20% female at year-end (2021: 20% female). The scarce labor market and the male-dominated character of the IT sector make it difficult to increase the share of female employees. Due to the high demand for digital solutions and the growth our of our total employee base, the percentage of female employees remains constant at approximately 20% for the last few years, which for the IT sector is still relatively high. Nevertheless, we work hard to achieve a more balanced distribution in our employee base, which we will elaborate on in this chapter. We have set a target of at least 30% female workforce by 2030.

Gender diversity in top and sub-top leadership

The Diversity Law in the Netherlands ("Diversiteitswet") came into force in January 2022. Based on this legislation, female representation on the Supervisory Board should be at least one third, and the same rule applies for male representation. Furthermore, in line with this legislation, Ordina has set appropriate and ambitious targets for gender diversity on its Management Board and sub-top leadership positions.

> **What is a sub-top leader?**
> This is defined as the senior management of Ordina (excluding the Management Board), i.e. those employees in the organization who are ultimately responsible for commerce (market directors) and business (business directors) plus those who have group business support responsibility. Together with the Management Board, we call them OneOrdina.

In 2022 there was a balanced gender ratio within the Management Board (50% women and 50% men). The ratio within the Supervisory Board was 40% women and 60% men.

Sub-top

In line with our strategy of becoming the digital business partner for our clients, we have amongst others created new leadership roles, which means that those leaders can also be partially active at clients. Followingly, we also expanded our senior management community called OneOrdina. In 2022, OneOrdina is composed of 66 people (2021: 35).

The sub-top, which is OneOrdina minus the Management Board, consisted for 23% of females (2021: 24%). In absolute terms the number of females increased from 8 to 15. By 2026, we are aiming for at least 30% women and at least 30% men in sub-top leadership positions.

Results 2022

In 2022, out of the externally recruited sub-top leaders, Ordina appointed six women out of nine positions. Furthermore, we made the following steps to increase the diversity in our sub-top:

- **Talent to the Top Charter**
Ordina’s Management Board sub-top signed the Talent to the Top Charter, in which we commit ourselves to the objective of more female talent in sub-top leadership positions

- **Hiring process**
Various selection committees and hiring managers attended an e-learning session focused on unconscious bias in the hiring process.

- **Succession management**
We focused on identifying female leadership potential within the current succession management process. During talent reviews, we also paid attention to the inflow of female talent by identifying which women are named as successors.

- **Indicators for business reviews**
Indicators related to diversity are defined and included in our business reviews. The status of these indicators prompts conversations about diversity with senior management on an ongoing basis.

- **External coaching**
We have a coach pool with external coaches who focus on women's leadership.

Plan of action 2023

The activities for 2023 focus on the following goals for the Management Board and sub-top leadership positions:

- **Retention of female leaders**
We will hold open discussions with female leaders, during which they can reflect on what they encounter as female leaders and communicate what they need in order to stay at Ordina and to be successful. Based on the output of these dialogues, we will make the relevant adjustments to employee benefits and peer-to-peer coaching.

- **Mobility of women to sub-top positions**
Our current succession management focuses on the advancement of female talents into management positions. We also design programs for appointed female successors and female leadership potential (the share of female candidates in the talent pool for leadership positions is set to be at least 30%). We make female leaders visible within the company as a source of inspiration for other colleagues.

- **Recruitment and selection for sub-top positions**
In the talent pool for leadership positions, we strive to have at least 50% of the candidates on the shortlist to be female. Our selection committees are diverse in composition, and our hiring managers for sub-top positions are trained to be less biased in their thinking and actions.

Governance

Ordina’s governance policy is based on the following core commitments: running our company on healthy economic principles, taking our social responsibility seriously, and being a loyal partner, reliable supplier, and responsible employer. You can find more information on Ordina’s governance policy in the “Governance” chapter on page 58.

Contents

“We need to look more critically at **how** – and **why** – we use **technology** in **our societies**”

Technology and the Future

Ilyaz Nasrullah

Ilyaz Nasrullah is a digital strategist with a background in software engineering. At his consultancy firm, Rumified, he specializes in the strategy, management, and implementation of innovation within established corporations.

In the early 2000s, there was great optimism about the benefits that digital tools and social media would deliver, with many people expecting they would advance democracy and social progress around the world. A few decades later, however, we're increasingly aware of the ways in which digital technology seems to erode democratic values and trust in society. Instead of assuming that technological innovation and social progress are one and the same, we need to look more critically at how – and why – we use technology in our societies.

This is where artists, writers, and other creatives can make a vital contribution. Take science fiction: the more media we consume about technological dystopias in which machines end up controlling our lives, the more likely this dystopian future becomes! On the other hand, stories about social, not technological, advancement offer new inspiration; stories like Dune, for instance, which features a civilization that rejected artificial intelligence in the distant past. We should never rule out technological development, but first we need to understand the social vision our technology is meant to support. A new type of science fiction could certainly help us imagine a different technological future.

To be clear: the computer is an amazing innovation. It helps people bring ideas into reality. As someone with a computer science background, I understand why people are fascinated with them. But – because we associate technology with progress and because it's easy to look for tech fixes instead of addressing society's real problems – we've come to rely on tech more than I believe we should. Instead of maximizing efficiency and comfort with a tech push, we need to ask what a successful world looks like and what qualitative impacts we need to create to get there, and only then look at how technology can support that movement.

I don't think a tech-centric outlook is inevitable. While it's true that maximizing efficiency and throughput has been ingrained in the field of computer science from the beginning, the technology itself isn't the only reason these concepts are so influential. The pull of the "economic man" (*Homo economicus*) model – which suggests people are rational agents always looking to maximize their utility – has also played a part. Western and Western-influenced societies are still very driven by this view of human motivation and behavior, and it continues to influence a great deal of technological research.

At this year's ACM Conference on Fairness, Accountability, and Transparency (ACM FAccT), the winning paper was titled "The Values Encoded in Machine Learning Research". It focused on the motivations given by academics for doing their research in the first place. The finding was that relatively few papers justify how their project connects to a societal need, and that only 1% discuss the negative potential of the project. Instead, values like performance, efficiency, generalization, and quantitative evidence were much more frequently cited as justification for the research being undertaken.

It's worth asking whether values like these truly advance innovation – or, indeed, stifle it. By moving quickly, we create unintended consequences. Much of the time, therefore, people are using their talents to fix the problems caused by technological developments, rather than to imagine and realize a better future. As a result, we're missing a direction for our technological development. The EU's declaration on digital rights and principles goes some way to filling this gap by outlining a value system and regulatory path for the use of technology in society. Even if it's not yet clear how many of its proposals will be implemented, I think it's a step in the right direction.

Consider new technologies like virtual reality (VR), augmented reality (AR), and mixed reality (MR), all of which are set to become mainstream in the next few years. Benelux tech organizations are well positioned to succeed as these industries develop: the region has a highly trained workforce, a good digital infrastructure, and strong creative industries all going in its favor. But any involvement in immersive technology should focus on the six themes of the EU's declaration: people at the center, solidarity and inclusion, freedom of choice, participation, safety and security, and sustainability. For companies like Ordina, a unique value proposition could be to take a more measured approach to immersive technology by focusing on its qualitative and long-term effects.

> It's easy to look for tech fixes instead of **addressing society's real problems**

This measured approach is essential for improving our relationship with digital, which is why I'm encouraged that new voices are now being heard in the debate around technology and society. As different perspectives gain greater representation in the media and the industry, there's growing awareness of the need to give people with different backgrounds and fresh ideas the chance to work on their vision, instead of just trying to fix some of the flaws in the current paradigm.

For me, this is an exciting shift, because we've reached a critical threshold when it comes to assuming that social progress and technological progress are the same thing. If we continue to make this assumption, we run the risk of creating unforeseen problems and doing damage to our societies. Now is the time to look beyond efficiency, quantification, and surveillance. If we can do that, and if we can put society before technology, a more fulfilling digital future is possible.

Risk management

Risk management is an important part of Ordina’s corporate governance, our way of working, and our business principles.

The risk assessment describes the risks that could jeopardize the achievement of our strategic objectives (the goals we aim to achieve in the next four years) or continuity (our readiness to maintain critical functions after an emergency or disruption). These risks are directly related to market developments, market positioning, and business operations. Our risk analysis is based on our strategic pillars.

Our business planning process includes carrying out a bottom-up risk assessment for the Netherlands and for Belgium/Luxembourg. Management also performs a top-down risk assessment. We assess all relevant risks for likelihood and impact according to a fixed pattern. We subsequently discuss these during periodic reviews with management from each country, and with the Audit Committee of the Supervisory Board.

The impact of various risks on our continuity is the basis for the heatmaps on page 48. We use these heatmaps to show developments compared with the previous year and what our ambitions are.

Determining our risk appetite is part of our risk assessment. Risks exceed our risk appetite when they:
- Threaten our continuity;
- Threaten our reputation in the field of compliance and integrity;
- Have a significant impact on our revenue or a material impact on our profitability.

Ordina has set a risk management target for each risk. This is based on three factors: our strategy, the extent to which we can influence the risk, and developments in the reporting year. When conducting our assessment, we also consider any opportunities associated with a particular risk that might make risk mitigation less desirable. The measures we describe are designed to move the risks closer to our ambition target. How quickly we achieve this ambition depends on the risk in question, as well as any developments in the market.

This year, two risks were no longer deemed applicable: the effects of the pandemic and the valuation of the deferred tax asset. The effects of the pandemic have been absorbed into the normal course of business, and the risk on the valuation of deferred tax assets no longer applies because the remainder of the tax loss carry-forwards has been utilized.

We concluded that the impact of climate-related risks on our business is limited, so these have not been included in our heat maps. However, to provide sufficient insight into sustainability risks, we have included them in a separate table on page 52.

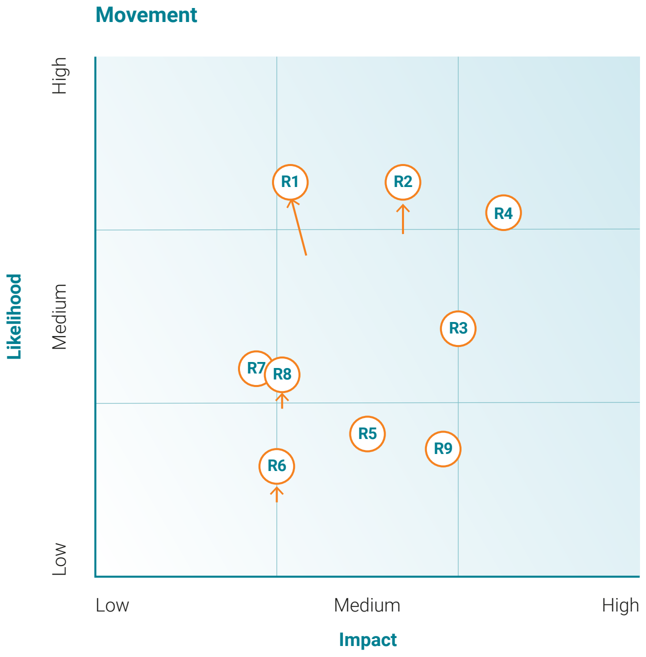
Contents

Risk overview

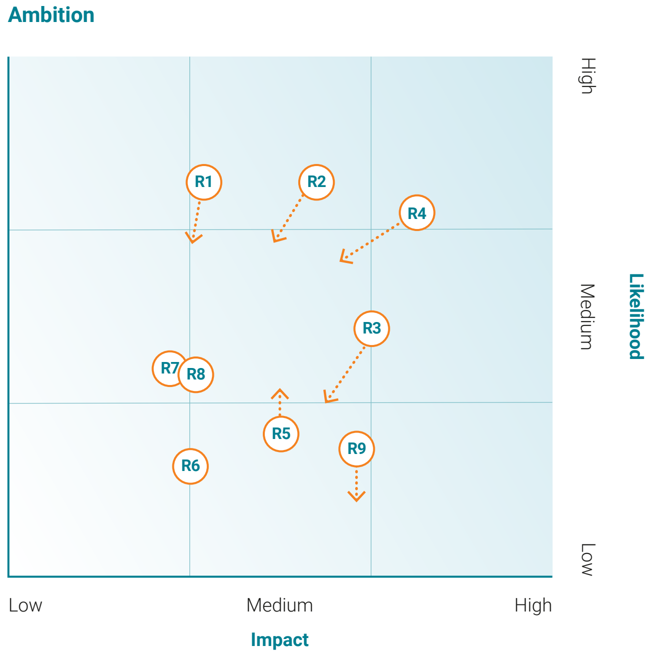
	Satisfied and loyal clients		Engaged and driven employees		Sustainable distinctive profile		Sustainable distinctive profile		Excellent financial performance and accelerated growth		Likelihood/ impact on continuity
	Partnership with our clients	Impact	Next-gen workforce	Impact	Value-added services	Impact	Superior delivery through HPT	Impact	Returns	Impact	
R1 **Sensitivity to economic cycles**	Clients expect Ordina to respond flexibly in the event of a recession (decline in demand and/or pressure on rates)	●●●	Employees are aware of Ordina's revenue model and experience growing uncertainty	●●●	Clients are stricter in terms of costs/investments but are open to creative solutions	●●○	Clients under economic pressure might want to influence the teams and HPT way of working	●○○	Returns under pressure due to decline in demand and/or lower rates.	●●●	High/ medium
R2 **Competition and rate pressure**	See R1	●●●	See R1	●●●	Opportunity to show added value	●●○	-		Returns under pressure due to lower rates	●●○	High/ medium
R3 **Cybersecurity incidents**	Incidents at clients result in loss of trust	●●●	-		Incidents (internal or at clients) have an impact on external communications with respect to our expertise. (C&C-proposition)	●●○	-		Greater duty of care may result in extra costs or claims. Costs may be high in the event of an incident	●●●	Medium/ high
R4 **Tight labor market**	Not enough professionals to perform assignments or high staff turnover creates dissatisfaction	●○○	More opportunities for employees at competitors and clients, because of a tight labor market	●●●	War on talent (recruiting and retaining the right people)	●○○	Not enough Ordina professionals to fill the HPT	●○○	Reduced growth in FTEs restricts the growth of the company and pushes up personnel costs	●●●	High/high
R5 **Risk profile contracts**	Failure to deliver the promised project result	●○○	-		-		-		Extra costs (provisions)/ claims	●●○	Low/ medium
R6 **Impairment of goodwill**	-		-		-		-		Goodwill impairment results in lower returns	●○○	Low/low
R7 **Credit risk**	-		-		-		-		Payment problems clients result in higher costs/ write-offs	●○○	Medium/ low
R8 **Liquidity risk**	-		-		-		-		Late or limited availability of financing and possibly higher financing costs	●○○	Medium/ low
R9 **Compliance risks and negative reporting**	Negative image as supplier	●○○	Negative image as employer	●○○	Ordina (branding) is seen in a negative light	●○○	-		Claims, fines, sanctions or other financial damage	●●○	Medium/ medium

Impact:
●●● High ●●○ Medium ●○○ Low

Heatmap



Current position
Movement compared to Q4 2021



Current position
Ambition

Risks

- R1 Sensitivity to economic cycles
- R2 Competition and pressure on rates
- R3 Cybersecurity incidents
- R4 Tight labor market
- R5 Risk profile contracts
- R6 Impairment of goodwill
- R7 Credit risk
- R8 Liquidity risk
- R9 Compliance risk and negative reporting

This heat map shows which risks have, or could have, the greatest impact on our business operations. The movement of the risk compared with the previous year (shown by the arrow) indicates how the risk manifested in the reporting year.

Explanation of the risks

Sensitivity to economic cycles

Economic fluctuations due to factors such as inflation and an unstable geopolitical situation, in combination with a relatively fixed cost structure, will have a direct impact on our results.

Development: The likelihood of this risk materializing increased due to a worsened macroeconomic outlook and high inflation. The growing share of our revenue from business propositions and high-performance teams has slightly reduced the impact of this risk.

Measure: We aim to create more added value through our services by focusing on our business propositions and market themes, and by looking to maintain and strengthen long-standing partnerships. In addition, we are aiming to achieve a manageable cost structure and an increase in revenues from long-term contracts, including the deployment of teams. We also spread our revenue across various markets.

Ambition: The measures we take are aimed at reducing the impact of this risk to just below the medium end of the scale. We do not consider a reduction to low impact and/or low likelihood feasible, nor do we consider it desirable to mitigate this risk to low. This is because the demand for our services are sensitive to economic fluctuations, and these fluctuations can also create commercial opportunities. In 2022, this risk increased compared to our ambition level because of higher macroeconomic uncertainty.

Competition and pressure on rates

Ordina faces strong competition from niche players and large established companies in the area of added-value contracts.

Development: The likelihood has increased (refer to R1). Deteriorating macroeconomic conditions could lead to a decrease in demand, although the market for digitalization is still growing significantly. High inflation levels could make it harder to pass on the effects to our clients immediately, which could result in timing differences. The tight labor market puts us in a strong position to pass on wage increases over time. We see a decrease in the shift toward low-wage countries, which is a positive development for us as a local player.

Measure: See "Sensitivity to economic cycles" above.

Ambition: We aim to reduce both the likelihood and impact of this risk to the medium end of the scale. We do not expect the likelihood or impact to fall too low, since we operate in a competitive market and this risk also presents commercial opportunities.

Cybersecurity incidents

There are cybersecurity risks for Ordina as well as in our projects for clients. Demands on the cybersecurity front are increasing, often implicitly. As a market player that helps others strengthen their cybersecurity, there is also a risk of reputation damage in this specific area.

Development: The likelihood of this risk materializing has slightly increased. This is mainly due to the proliferation of zero-day threats and the increased use of cloud-based technology where the influence of Ordina varies. Ordina has mitigated the degree of likelihood for this risk by introducing additional measures, which include the tightening of procedures and technical measures.

Measure: We are constantly building our organizational security and raising awareness about cybercrime. Ordina also takes steps to secure our and our clients' information and information systems. Ordina is certified in accordance with the requirements of ISO 27001, supplemented by NEN 7510 certification. When delivering services to clients, we are aware of our duty of care and continuously improve our cybersecurity measures.

Ambition: We believe it is feasible to further reduce the impact of this risk.

Tight labor market

The tight labor market for IT professionals puts Ordina in competition for employees with our clients and niche players. Moreover, it is difficult to recruit experienced professionals. This situation could raise the cost of retaining talent.

Development: There is a shortage of well-trained IT professionals in the employment market and a relatively low inflow into the sector from higher education compared to the high demand for digitalization. In order to increase wages we must be able to pass on (at least) part of that expense to our clients. Given the tight labor market, this could present challenges.

Measure: To improve our ability to recruit and retain employees, we have aligned our employee value proposition with our strategy. Our employee journey focuses on creating impact; Ordina empowers employees to create value-added solutions for its clients. In this context, our ESG strategy plays a prominent role in attracting talent by promoting sustainability, diversity, and inclusion as essential themes. We emphasize these themes, along with our unique market positioning as a local player, in our recruitment efforts. This approach has helped us to increase our presence in the labor market and at educational institutions. In addition, the use of our referral channel has helped us to recruit new employees for several years.

Ambition: We aim to reduce this risk to medium, both in terms of likelihood and impact.

Risk profile contracts

As Ordina shifts toward more added-value contracts, we have more responsibility for results. This raises the risk level somewhat, especially when combined with the increasing duty of care as a professional service provider.

Development: This risk remains unchanged from 2021. The nature of the obligation and the controls we apply compensate for the increased risk through higher revenue from business propositions.

Measure: Our high-performance teams approach ensures control, support, and commitment from all involved. The Deal Review System (DRS) in our contract acquisition process ensures a critical assessment of opportunities and risks, and the involvement of the appropriate management level.

Ambition: The measures we take on this front aim to manage the impact of this risk and keep it within the medium range on the scale. We consider this an acceptable range, because we want to expand our project portfolio as a valuable part of our revenue model.

Impairment of goodwill

Deteriorating market circumstances and forecasts could result in the impairment of goodwill on acquisitions.

Development: The likelihood of this risk has increased slightly due to the macroeconomic forecast.

Measure: We target growth in all our markets and continue to strictly monitor our costs to improve our returns. For more information, please see note 8.6 on page 127 of the financial statements.

Ambition: This risk is mitigated by maintaining our operational performance. We therefore do not set specific measures or an ambition level for this risk.

Credit risk

Due to market circumstances, clients, suppliers, or vulnerable groups could experience liquidity, solvency, or business continuity issues.

Development: This risk is unchanged. The type of clients Ordina serves remains the same.

Measure: We regularly report internally on payment behavior and outstanding invoices sent to partners, including vulnerable partners, in the chain. We periodically assess the creditworthiness of our partners and apply strict limits.

Ambition: This risk meets our ambition level.

Liquidity risk

Market developments and/or a critical attitude among financiers limit the availability of financing options in the market.

Development: Given the developments in capital markets and Ordina's net cash position, this risk remains unchanged.

Measure: We aim for a healthy cash balance by monitoring our working capital intensively and keeping our expenses structurally low. Wherever possible, we will also take measures to further optimize our liquidity.

Ambition: This risk meets our ambition level.

Compliance risks and negative reporting

Ordina has to comply with legal and regulatory requirements in our business operations. In addition, our reputation may be harmed by unfavorable reports in the press and on social media.

Development: No change compared to 2021.

Measure: We use a multidisciplinary approach to monitor existing legal and regulatory requirements, any changes to these requirements, and the risks associated with them. We constantly search for ways to make everyone aware of the importance of a good reputation and of our code of conduct, for example by organizing awareness sessions for new employees. Monitoring legal and regulatory requirements is a standard part of our approach when Ordina enters into any new contract. We do this via our DRS. Ordina also has a Speak Up policy and has drawn up a suppliers' code, which all suppliers must abide by. These can be found on our website.

Ambition: We aim to further reduce this risk. We consider our ability to influence the impact limited. The likelihood that this risk will materialize is still low and we aim to make incremental improvements.

Risk management and control systems

Ordina's internal risk management and control systems are designed to give us sufficient certainty regarding the status of our strategic and operational goals.

The systems are based on our business principles, our general risk management, and our financial risk management. This approach is explained more fully in our Risk Control Framework, which comprises nine subjects: procurement, sales, hours, personnel, project management, financial reporting, taxes, legal and compliance, and information supply. Each of these aspects is subject to an annual internal audit and is updated every year. In 2022, there were no significant changes in the regular control measures compared to 2021. In the year under review, the risk management and control systems worked adequately. However, it should be noted that these systems do not provide complete certainty that all material inaccuracies can be prevented.

Internal risk control environment

The Management Board is responsible for identifying and managing the risks associated with Ordina's strategy and activities. Additionally, the Management Board informs the Supervisory Board of the effectiveness of the design and operation of the internal risk management and control systems. Ordina's business plan includes a financial budget per business area, as well as concrete business targets that have been translated into several Key Performance Indicators (KPIs). Throughout the year, we monitor our KPIs continuously to measure our progress. In addition, Ordina uses the OGSM (Objective, Goals, Strategies, and Measures) method to translate our goals and ambitions into concrete and measurable actions and to monitor our progress.

We have laid down processes, responsibilities and mandates, the division of tasks, policies, and guidelines (including a Code of Conduct and Speak Up policy), administrative requirements, and controls. We do this in a clear and accessible manner that is aligned with the Ordina way of working, in combination with our Risk Control Framework. The management of our business area is responsible for the correct application of processes and systems. Ordina attaches a great deal of importance to its internal controls, which are continuously assessed and professionalized. Ordina's internal governance consists of the following elements, see next page:

Ordina's Business Control department supports the Management Board in the use and continued development and professionalization of the management system as a risk management tool. The Business Assurance department monitors the correlation of the management system with Ordina's goals across the organization. Our management system is an integrated system, incorporating the requirements for quality (ISO 9001), business administration (AO), the environment (ISO 14001), sustainability and CSR (ISO 26000), and information security (ISO 27001) set by

Internal governance

Strategy	Themes	Supported by
Our culture and values	• We discover, we connect, we accelerate	• Ordina DNA
	• Risk appetite	• Diversity and inclusion policy
	• Diversity and inclusion	• Code of Conduct, Speak Up Policy, and suppliers' code
	• ESG	• Data security policy
Our controls	• Strategy and objectives	• Policy on various themes
	• Clear tasks and responsibilities	• Risk management and control systems
	• Clear process for dealing with incidents	• Organizational structure and consultative structures
	• Regular reviews of risks	• Management system and audits
	• Close attention to privacy and security	• Objectives, goals, strategies and measure cycle
	• Acquisition and execution of assignments	• Reports, analysis, and forecasts
Our transparency	• Clients	• Annual report
	• Investors	• Interim reports and trading updates
	• Tax authorities	• Transparency benchmark
	• Regulators	• Tax policy
	• Employees	• Certifications and auditors' reports
		• Internal communication

international standards and legal and regulatory requirements. An external independent certified body assesses Ordina for compliance with these norms and standards.

Ordina's financial administration runs on SAP, which is the primary system for the administration and business operations in our organization. The continued optimization and implementation of Ordina's operational management remained on schedule in 2022.

Reporting cycle

Management and the business controllers of the various business areas submit monthly written progress reports. They report to the Management Board on the realized progress of their business plan, the related KPIs, financial performance, and related risks. Based on these reports, we hold monthly review meetings to discuss subjects including:

- Actions agreed upon during prior reviews;
- Relevant commercial developments;
- Significant client developments;
- The financial performance over the past month and updated forecasts;
- Progress in terms of the risks identified;
- Retainment and recruitment of staff;
- Progress and risks in the execution of key contracts.

As part of this cycle, well-being and diversity are included in the review on a quarterly basis.

Sustainability risk management

We currently consider the impact of sustainability risks on our business to be low. Our business is not classified as a business subject to additional guidelines, as described by the Task Force on Climate-related Financial Disclosures (TCFD). However, in this assessment we have considered the sustainability risks as described by TCFD (transition risks and physical risks). As a services provider, the transition risks, in combination with the measures we take, are not significant. In the context of the subjects described, we see opportunities from our field of expertise rather than risks for our own business operations. professional field than any risks to our business operations. Of the physical, chronic risks, rising sea levels is the most relevant to Ordina due to the geographical location of the Netherlands. We currently assess the likelihood that this will affect Ordina to be very low.

We have identified a number of risks on sustainability and Environmental, Social and Governance (ESG) aspects. We also assessed these risks for their potential impact on our strategic pillars (see table on page 24). These risks fall outside the scope of the heat map. Below you will find a description of the risks, as well as the related developments over the past year and the measures we have taken to mitigate these risks.

Insufficient diversity in teams

Insufficient diversity, including the male/female ratio, results in less effective teams.

Development: Ordina has committed itself to the target of having 30% of its employees be women by 2030. The number of women in the IT sector is low compared to other sectors. This risk increases or decreases in line with the risk of a tight labour market. Diversity is also becoming an increasingly important topic for our competitors on the labour market.

Measure: By conducting specific recruitment campaigns, we recruit a diverse cross-section of employees. We devote constant attention to increasing diversity and inclusiveness.

In 2022, we held a Women@Ordina event and we partnered with the Talent to the Top Foundation to increase diversity within Ordina. We also measure diversity and inclusion via our Pulse measurement. Furthermore, various selection committees and hiring managers follow an unconscious bias e-learning course and we have a methodology to ensure that we deploy diverse teams on all our clients' projects. Several communities – both formal and informal – within Ordina play an important role in promoting diversity and inclusion across the organization. One of these communities continued to raise awareness about neurodiversity, and Ordina has partnered with external coaching to ensure that neurodiversity is understood and respected within the company.

Rapid developments in technology

Rapidly evolving technology can mean that our employees are not sustainably deployable and that clients may not get the best solution to their problem. This makes it essential for our people to keep up with developments in their professional field and that they can offer distinctive consultancy skills.

Development: We have opted for a hybrid approach for our training courses. Most training courses are given digitally, but when it is possible or useful, we also offer face-to-face training. This helped increase the number of training courses taken and the level of participation compared with the previous year.

Measure: The Ordina Academy offers our employees an extensive and varied programme that enables them to continue their professional and personal development. Many of these training courses are available in digital format. We strongly encourage the use of the academy. In this context, see also the level of participation in the Strategy 2026 chapter.

CO_2 emissions and energy consumption

CO_2 emissions and energy consumption are less sustainable than desired.

Development: In 2022, our employees have worked less from home, which resulted in higher emissions compared to last year. Ordina engages with its clients regarding the balance between working from home working at our clients. However, the extent to which we can achieve this balance does vary from client to client.

Measure: The travel movements of our employees are Ordina's biggest source of CO_2 emissions. This is why Ordina implemented a new leasing policy in 2020 to arrive at a cleaner fleet. We are also consult with our clients to find a new optimal way of working, in line with the lessons we have learned from the pandemic. We have acquired a parcel of land in Pelt (Belgium) on which plant a new forest to offset our CO_2 emissions. In addition to this, we decided to make our fleet of company cars in the Netherlands and Belgium completely electric. From 2023, we will only order electric vehicles in the Netherlands, aligning with our ESG strategic pillar.

Risk overview - ESG risks

Impact of risk on strategic pillars		Sustainably distinctive profile	Engaged and driven employees	Satisfied and loyal clients	ESG
ESG 1	Insufficient diversity in teams	Insufficient diversity impacts the effectiveness of our teams	Engagement employees and attractiveness on the labour market under pressure due to lack of diversity	Clients requesting commitment to diversity goals	Failure to comply with social benchmarks in terms of diversity. As an employer, offering too few opportunities to people with a disadvantage on the labour market
ESG 2	Expertise lags in the face of rapidly changing technological developments	Ordina lags on the innovative solutions front	Sustainable employability of employees	Clients do not get the best solution for their business problem	Investments in education and training increase to get expertise back to the desired level
ESG 3	CO_2 emissions and energy consumption less sustainable than desired		Employees are increasingly looking for a company with a social impact	Remote working can differ for each client	Measures / offsetting are not implemented quickly or effectively enough

Project risk management

Effective project management starts with a critical review of opportunities and potential downsides during the commercial process. We also review the mandatory involvement of the right level of management, depending on the size and risk of a potential contract. We implemented the DRS to safeguard this process. This system enables us to make well-informed decisions at every stage of the tender process, helping us determine whether or not it is advisable to submit a bid for a project.

Key elements of the DRS include the assessment of risks, as well as the control measures we can take to mitigate those potential downsides. Of course, we accept a certain level of risk when we take on projects and management contracts. However, we believe these should be manageable and transparent. A combination of our track record, experience, strict project management, and contractual agreements with our clients, including a realistic division of liability, are all key factors in this. Our Business Assurance department monitors the consistent application of the DRS.

Project execution

Ordina has developed its own approach and tools for the delivery of high-performance teams (see page 30). We have an approach for the execution of projects based on the Prince2 method of project management. For contracts with a management component, we have a comprehensive approach that is ISAE 3402 certified.

Ordina sees sound project management as a key condition for the realization of our targets. We want to help our clients achieve their business goals, and we do this by continuously focusing on their goals and by making sure our services continue to be aligned with those goals. The progress of key projects is discussed in the business units' monthly review meetings, together with the main conclusions from the findings of the internal audit function.

Information security and privacy

Ordina believes in the delivery of reliable services for our clients, which is why we have implemented a series of information security measures.

We constantly look for ways to expand these measures, for example by adding client-specific requirements and requests. Information security, business continuity management, and privacy are all integral parts of our business operations and the services we provide to clients. For client-specific measures, Ordina looks at the risks together with the client. The nature of the information and the requirements related to availability, integrity, and confidentiality play a major role in this process.

Privacy and security are priorities for Ordina, given the importance of privacy laws and the increase in threats and risks arising from digital environments. Our primary focus is on subjects that directly relate to:

- The continuity of our services and our internal business-critical IT systems;
- The quality of the services we deliver to our clients and our handling of confidential information and personal data of employees and clients;
- How we handle confidential information and private data of employees and clients;
- Our reputation in the event of negative publicity: for example, following a data breach or ransomware attack or a failure to meet our contractual agreements with respect to information security.

For the implementation of our security policy, Ordina has established a support organization for security. The aim of this is to:

- Maintain continuous insight into the current status of information security risks, in both our internal organization and our services to our clients;
- Continue with or adjust appropriate preventive processes
- Have investigative measures in place that quickly identify threats or risks;
- Have an effective incident response in place, so we can act quickly and minimize business interruptions;
- Execute and maintain recovery processes and procedures to ensure the timely recovery of systems affected by cybersecurity incidents.

Every quarter, the Management Board and the Audit Committee of the Supervisory Board are updated on the current state of affairs. We also use a variety of methods to raise awareness of privacy and information security among our employees. Our internal Privacy Officer actively monitors our compliance with European privacy law (the General Data Protection Regulation – GDPR).

Certification

In addition to the risk management and control systems referred to above, Ordina has several externally verified certifications and internal guidelines with operational controls to ensure compliance. An overview of this topic can be found in Annex I.

Tax risk management

Ordina believes a responsible approach to taxes is an essential part of good citizenship. Our tax policy contributes to our ambition of being a reliable and trustworthy organization and meeting our short-term and long-term obligations. We believe taxes should be paid according to the fair share principle. The result of this tax policy is that we contribute our fair share as a member of society. Our tax policy applies to all Ordina Group companies.

Ordina's tax function at group level (Group Tax) plays an important role in embedding our tax strategy in our day-to-day business operations. Group Tax is responsible for creating and maintaining the parts of the Ordina Risk Control Framework that relate to taxes. This framework includes various processes, risks, and control measures related to taxes. Compliance with fiscal legal and regulatory

Tax payments in millions of euros

	2022				2021			
in millions of euros	the Netherlands	Belgium	Luxemburg	Total	the Netherlands	Belgium	Luxemburg	Total
Corporate income tax	1,591	5,043	440	7,074	1,722	4,879	491	7,091
Payroll tax (employer and employee part)	62,708	31,532	1,638	95,878	57,120	29,105	1,375	87,601
Value added Tax (net)	37,422	13,828	1,760	53,010	34,561	12,126	1,438	48,125
Dividend tax	1,643	-	-	1,643	2,393	-	-	2,393
Other tax payments	139	77	-	217	122	80	-	202
Total of tax payments	**103,503**	**50,481**	**3,838**	**157,821**	**95,918**	**46,189**	**3,304**	**145,411**

requirements is seen as a compliance risk and is part of the Ordina Risk Control Framework. As a part of our risk management, tax risks and tax positions are discussed on a regular basis with the Management Board and the Audit Committee of the Supervisory Board.

Group Tax is the central point of contact for the tax authorities and consults with these authorities on a regular and ad hoc basis. External tax advisors are only consulted after the involvement and/or approval of Group Tax.

Group Tax is consulted on significant issues within Ordina, such as internal transfer pricing, acquisitions, and internal reorganizations. These consultations safeguard compliance with our tax strategy. Group Tax discusses tax issues with the CFO on a regular basis. We use technological solutions, such as data analysis, to control tax risks.

Tax strategy

Ordina aims to be a socially responsible taxpayer on the basis of professional tax accountability, transparency, and control. Any action with respect to the planning of tax positions is related to normal business operations and in line with our business principles. The Management Board approved and endorse our tax strategy. The Audit Committee supervises the implementation of Ordina's tax strategy in line with the Dutch Corporate Governance Code and discusses the tax policy and tax-related risks on an annual basis. In line with our tax strategy, our objective is to:

- Act according to both the letter and the spirit of the law in the countries where we operate;
- Have a tax position that is consistent with our normal business operations and based on our business strategy, our business principles, and the geographical spread of our activities;
- Refuse to participate in any structures designed to evade taxes, allocate profit to any countries with low tax rates, or which make use of tax havens;
- Refuse to deliver any products and/or services that enable clients to avoid or evade taxes;
- Ensure the timely payment of our tax obligations and communicate with the tax authorities on the basis of mutual trust and transparency.

Ordina is transparent about our approach to the payment of taxes and our tax position. We report our tax position in line with applicable national and international regulations, settle intra-company services on the basis of the arm's length principle, and meet all our obligations in transfer-pricing documentation. In addition, we closely monitor all new developments in the field of relevant documentation obligations.

We recognize results in jurisdictions where Ordina is legally registered. This means Ordina pays tax in the Netherlands, Belgium, and Luxembourg. Our tax payments are primarily corporate income tax, dividend tax, sales tax, payroll tax, and social premiums. The table above provides an overview of the taxes Ordina has paid per country in the specified years.

The external auditor determines whether the tax position presented in the financial statements is a true and fair representation. In this context, consultations are held between Ordina and the external auditor, during which relevant transactions and communications with the tax authorities are discussed.

Relationship with the Dutch tax authorities

Ordina communicates with the Dutch tax authorities on the basis of mutual trust and transparency. We consult regularly with the tax authorities to discuss important aspects of and developments in fiscal policy. We also hold pre-consultations with the tax authorities on important tax aspects if this proves necessary.

We do not currently have any horizontal supervision agreement with the tax authorities (an arrangement in which businesses and tax authorities make fiscal agreements in advance based on mutual trust), but we do work along same principles.

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"As a perennial optimist, I think we're only just beginning to understand the **full potential of what technology can do**"

Technology and the Future

Peter Hinssen

A serial entrepreneur, Founder of nexxworks, keynote speaker, and author, Peter Hinssen is one of the most sought-after thought leaders on radical innovation, leadership, and the impact of all things digital on society and business. He lectures at various business schools, including the London Business School (UK) and MIT (Boston, MA), and his most recent book, The Phoenix and the Unicorn, explores how traditional companies can thrive in the digital age.

We're currently living in what I call the Never Normal: a world where seismic shocks are constantly triggering new developments. This ever-present change dynamic brings challenges that aren't just technological, but also biological, social, geopolitical, ecological … the list goes on. Nevertheless, I believe technology can play a powerful role in tackling every one of these Never Normal challenges. In fact, as a perennial optimist, I think we're only just beginning to understand the full potential of what technology can do.

Discussions of technological innovation often betray dystopian undertones, with people worrying that robots are going to steal our jobs and making other dire predictions. But if we look at an industry like healthcare, we see quite a different story. Historically, the sector has been one of the slowest to adopt digitalization – but today, all kinds of technological innovation and especially data science, are completely transforming healthcare, making it more affordable, more efficient, and more accessible.

I think we'll be the last generation to know so little about our bodies. Smart devices allow us to collect more and more data that can be used to improve patient outcomes. At the moment, medicine is very much a doctor-centric world, but technology can turn it into a truly patient-centric world, in which data enables the complete personalization of care. Our generation can leverage the power of innovation in healthcare – a shift that has the potential to make everyone's lives longer, healthier, and more enjoyable.

Developments like these show that technological innovation is no longer the preserve of the tech sector. We're now entering a phase where technology is making its presence felt in every aspect of every business, which presents huge opportunities for those willing to seize them. This applies not only to the Unicorns that have emerged in recent decades, but also to traditional companies that use the power of technology to become stronger and more innovative. I like to call these companies Phoenixes, and I think the coming years hold a lot of promise for them.

Walmart is a great example. It had been written off by many as an old-school retailer, bound to be eaten alive by Amazon. But its transformation has been truly spectacular. The company is reinventing itself as the retailer of the future, blending in-store experiences with e-commerce to become more relevant for its customers.

> Organizations need to ask how they can **leverage the speed and power of a network** to deliver results

On the other hand, when digital transformation is done poorly, companies simply take their old analog processes and put a digital veneer on top, hoping it'll scale up. The façade is bound to crack eventually, because there's no underlying digital transformation, just a digital translation. Real digital transformation is about fundamentally understanding how the organism of an organization needs to adapt – including its strategy, structure, culture, and processes. That means recognizing the business issue at heart, as well as the systems that need to be fundamentally altered to make digital solutions work.

It follows that a Phoenix company's ability to rise from the ashes comes down to culture. In many businesses, the cultural vector is sidelined as an HR responsibility, but I think that's a short-sighted view. You're not going to win in the Never Normal just by equipping your IT departments with a huge budget and hiring smart data scientists. You need to focus on the cultural dimension – on fostering the qualities that will enable your organization to thrive in an ever-changing world.

What are these qualities? For me, velocity, agility, creativity, innovation, networking, and experimentation are key. Together, I call them the VACINE framework. The last two – networking and experimentation – are worth exploring here in more detail.

By networking, I mean recognizing that our world is no longer about siloes, but about reaching out. In this age of networks, leading companies are always looking to form partnerships, platforms, and ecosystems. Organizations need to ask how they can leverage the speed and power of a network to deliver results.

Experimentation, meanwhile, means taking risks – even if we fail. I've always loved this quote from Nelson Mandela: "I never lose. Either I win or I learn." Companies have plenty to gain from such a mindset. After all, in the Never Normal, there's no yellow brick road to success; you have to create your own path. To foster a climate of innovation, we need to build psychological safety into organizations in a way that empowers people to feel comfortable with taking risks. Start-ups naturally have an easier time of this: often, taking big risks is the only way they can succeed. But for traditional companies looking to become a Phoenix, nurturing that thirst for experimentation is equally vital for future success.

In many ways, the concept of the Phoenix applies to Ordina, which is on its own cultural transformation journey from IT supplier to digital business partner. The company already offers an essential service, but, more excitingly, it's challenging itself to experiment – and thereby become even more relevant to its customers in the Never Normal landscape. After all, providing hardware, software, or skills is one thing, but having a real impact on a customer's business is quite another.

Governance

Composition of the Management Board

Jo Maes

(1968, Belgian) has been a member of the Management Board since January 1, 2017, and was appointed as Chief Executive Officer on April 1, 2017. On June 30, 2020, he was reappointed for a four-year term. In his capacity as CEO, Jo Maes is responsible for general business affairs, marketing, HR, sustainability, commercial affairs and portfolio, and business development. Since July 4, 2022, he has also been an independent, non-executive director of the Flemish Radio and Television Broadcasting Organization (VRT).

The present management contract with Jo Maes will conclude at the end of the AGM, to be held in April 2024. After this, he will be eligible for reappointment for another four-year term. At year-end 2022, Jo Maes held 332,783 ordinary shares in the capital of Ordina N.V.

Joyce van Donk-van Wijnen

(1984, Dutch) has been Ordina's Chief Financial Officer since January 1, 2021, and a member of the Management Board since April 8, 2021. In her capacity as CFO, she is responsible for general business affairs, finance and control, information management and security, group legal and compliance, business assurance and quality, internal audit, mergers and acquisitions, and investor relations.

The present management contract with Joyce van Donk-van Wijnen will conclude at the end of the AGM, to be held in April 2025. After this, she will be eligible for reappointment for another four-year term. At year-end 2022 Joyce van Donk-Van Wijnen held 19,925 ordinary shares in the capital of Ordina N.V.

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Composition of the Supervisory Board

Johan van Hall

Chairman (1960, Dutch)

- Chairman of the Ordina Supervisory Board as of January 1, 2019;
- Reappointed on April 7, 2022 for a term ending in 2024.

Additional positions

- Vice-chair of the Supervisory Board of Rabobank;
- Senior Advisor at Boston Consulting Group.

Previous positions

- Vice-Chairman of the Management Board, Chief Innovation & Technology Officer, and member of the Executive Board at ABN AMRO.

At year-end 2022, Johan van Hall held no shares in the capital of Ordina N.V.

Caroline Princen

Vice-chair (1966, Dutch)

- Joined the Ordina Supervisory Board in April 2018;
- Reappointed On April 7, 2022 for a term ending in 2026;
- Vice-Chair of the Supervisory Board since January 1, 2019.

Additional positions

- CEO of the Nuts Groep;
- Chair of the Supervisory Board of UMC Utrecht;
- Chair of the Supervisory Board of Perspectief.

Previous positions

- Member of the Management Board of ABN AMRO;
- Member of the Supervisory Board of Royal Flora Holland.

At year-end 2022, Caroline Princen held no shares in the capital of Ordina N.V.

Dennis de Breij

(1971, Dutch)

- Joined the Ordina Supervisory Board on April 8, 2021;
- Term ending in 2025.

Additional positions

- Interim Director Corporate Development at NVM Holding;
- Non-executive director at: Quin, Aqua Aero, GoSpooky and Phycom;
- Interim Director and/or Supervisory Director by the Enterprise Chamber.

Previous positions

- Founder and Partner of deBreij;
- Lawyer at De Brauw Blackstone Westbroek and CMS Derks.

At year-end 2022, Dennis de Breij held no shares in the capital of Ordina N.V.

Thessa Menssen

(1967, Dutch)

- Appointed as a member of Ordina's Supervisory Board on June 30, 2020;
- Term ending in 2024.

Additional positions

- Member of the Supervisory Board of: Alliander, Woman of the Year Foundation ("Stichting Topvrouw van het Jaar"), the National Maritime Museum ("Scheepvaartmuseum"), and the Kröller Müller Museum.

Previous positions

- CFO and member of the Management Board of BAM Groep;
- Several functions at Unilever;
- CFO/COO of the Rotterdam Port Authority.

At year-end 2022, Thessa Menssen held no shares in the capital of Ordina N.V.

Bjorn Van Reet

(1977, Belgian)

- Appointed as a member of Ordina's Supervisory Board on April 8, 2021;
- Term ending in 2025.

Additional positions

- Chief Information Officer (CIO) of Kinepolis Group.

Previous positions

- CIO and member of the Management Board of Adecco Group Belgium;
- Managing Director at Modis.

At year-end 2022, Bjorn van Reet held no shares in the capital of Ordina N.V.

Composition:

	Johan van Hall	Caroline Princen	Dennis de Breij	Thessa Menssen	Bjorn Van Reet
Year of birth	1960	1966	1971	1967	1977
Gender	Male	Female	Male	Female	Male
Nationality	Dutch	Dutch	Dutch	Dutch	Belgian
Year of last appointment	2022	2022	2021	2020	2021
End of current term	2024	2026	2025	2024	2025
Independent	Yes	Yes	Yes	Yes	Yes
Membership of committees*	RNH	RNH	AC	AC	RNH
Knowledge and experience:					
Management	✓	✓	✓	✓	-
IT business	✓	-	-	✓	✓
Financial expertise	✓	✓	✓	✓	-
Human resources	✓	✓	-	-	✓
Strategy	✓	✓	✓	✓	✓
M&A	✓	✓	✓	✓	✓
Marketing & Communication	-	✓	✓	✓	✓
Environment, Social and Governance	✓	✓	✓	✓	✓

* AC = Audit Committee and RNH = Remuneration, Nomination and HR Committee

No member of the Supervisory Board holds more than five positions as a Supervisory Board member (including as a non-executive director on a one-tier board) of legal entities (including Ordina), as referred to in the rules of procedure of the Supervisory Board. The Supervisory Board is not aware of any form of conflict of interest between Ordina and members of the Management Board or Supervisory Board, or of transactions between Ordina and natural persons of legal entities which hold at least 10% of the shares in the capital of Ordina.

Corporate governance

Ordina is incorporated and based in the Netherlands and has a two-tier management structure comprising a Management Board and a Supervisory Board. The corporate governance structure of Ordina is based on Dutch law, articles of association, relevant regulations, and internal policies. The internal policies and guidelines have been established based on the Dutch Corporate Governance Code 2016 (the "Code"). The Supervisory Board and the Management Board bear joint responsibility for Ordina's corporate governance, and they evaluate Ordina's corporate governance structure and related policies on a regular basis.

Management Board

The Management Board is responsible for the management and continuity of Ordina. In accordance with the Code, the Management Board has developed a long-term vision on value creation and, in consultation with the Supervisory Board, has formulated the Ordina 2026 strategy in line with this vision. Ordina integrates Environmental, Social, and Governance (ESG) into its business to create long-term financial, social, and environmental value, as explained in the ESG section on page 37.

The Management Board monitors the operation of internal risk management and control systems and, assisted by the internal auditor, carries out a systematic assessment of their design and effectiveness on an annual basis. The Management Board discusses the effectiveness of these systems with the Audit Committee and reports on this to the Supervisory Board.

The members of the Management Board are appointed by the Supervisory Board. The Supervisory Board also dismisses members of the Management Board. The Supervisory Board informs the AGM of any intended appointment or dismissal of a member of the Management Board. Members of the Management Board are appointed for a term that lasts a maximum of four years. They can be reappointed for additional terms without limitation. The Supervisory Board determines the individual remuneration of the members of the Management Board in line with the remuneration policy adopted by the AGM.

Supervisory Board

The Supervisory Board supervises the policies carried out by the Management Board, as well as the general affairs of Ordina. In addition, the Supervisory Board supports the Management Board in an advisory role. The Management Board and the Supervisory Board are guided in their actions by the interests of Ordina. The Supervisory Board also focuses on the effectiveness of internal risk management and control systems and the integrity and quality of Ordina's financial reporting.

The members of the Supervisory Board are appointed by the AGM upon the nomination of Ordina Group Priority Foundation ("Stichting Prioriteit Ordina Groep"), the bearer of the priority share issued by the Company. The nomination is based on the profile prepared by the Supervisory Board and also takes Ordina's diversity policy into account. The Supervisory Board reviews its profile at regular intervals and discusses material changes to the profile at the AGM and with the Works Council. The AGM can dismiss the Supervisory Board in its entirety by an absolute majority of the votes cast representing at least one-third of the issued share capital. In line with the Code, members of the Supervisory Board may be appointed for a (maximum) term of four years and may then be reappointed for another four-year period. After having served two four-year terms, a member of the Supervisory Board can be reappointed for a further period of two years, which can then be extended by an additional two-year period. The maximum tenure of any Supervisory Board member is therefore twelve years. Further details on the appointment and dismissal of members of the Supervisory Board can be found in Ordina's articles of association. The Supervisory Board has two key committees: the Audit Committee; and the Remuneration, Nomination, and HR Committee. The articles of association of Ordina, the rotation schedule and profile of the Supervisory Board and the rules of procedure of the Supervisory Board and its committees can be found on Ordina's website.

Diversity

The Diversity Policy for the composition of the Management Board and Supervisory Board is in line with the group Diversity Policy, which aims to maintain an inclusive culture. The Supervisory Board acknowledges that diversity creates a wider variety of perspectives, supports innovation, and contributes to better decision-making. The aspects of diversity that have been identified as relevant for Ordina include educational and professional experience, gender, age, and nationality.

When filling a new position on the Management Board or Supervisory Board, the Supervisory Board considers the knowledge and experience, age, and nationality of a prospective member. The Composition of the Management Board and Supervisory Board chapter (on pages 58 and 59) gives an overview of these aspects of diversity within the Supervisory Board. The Supervisory Board report (on page 71) and the section on "Gender diversity in top and sub-top leadership" (on page 41) include an explanation of Ordina's progress in terms of gender diversity.

General Meeting of Shareholders

The Annual General Meeting of Shareholders (AGM) is held within six months of the end of each financial year. In accordance with relevant legal provisions and the company's articles of association, notices convening shareholders' meetings, agendas of meetings, and documentation for meetings are all duly published and posted on Ordina's website. The agenda of a shareholders' meeting lists which items will be discussed, and which will be subject to a vote. Ordina invites shareholders to submit questions prior to the meeting so that they can be addressed during the meeting.

Ordina's ordinary shares are listed on Euronext Amsterdam. No depositary receipts for shares have been issued with the cooperation of the company and the company does not have any provisions that restrict voting rights. The articles of association provide the option of issuing preference shares. Ordina Group Priority Foundation is the holder of the priority share. The issued share capital of Ordina amounts to € 9,001,580.00, consisting of 90,015,795 ordinary shares with a nominal value of €0.10 and one priority share with a nominal value of €0.50. Each share with a nominal value of €0.10 gives the right to one vote. The priority share with a nominal value of €0.50 gives the right to five votes.

General Meetings of Shareholders are held as often as the Management Board or the Supervisory Board deem necessary. In addition, the Management Board and the Supervisory Board are in principle required to convene a shareholders' meeting upon request of one or more shareholders representing at least 10% of the issued share capital. Shareholders who meet the criteria as set out in Article 2:114a, Paragraph 2 of the Dutch Civil Code have the right to place an item on the agenda of a shareholders' meeting. The principal powers of the General Meeting of Shareholders comprise the right to:

- Appoint Supervisory Board members upon nomination of Ordina Group Priority Foundation and approve the remuneration policy;
- Adopt the financial statements and grant the Management Board discharge from liability in respect of its management and the Supervisory Board in respect of its supervision during the previous year;
- Resolve to amend the company's articles of association or wind up the company upon the proposal of the Management Board with approval of the Supervisory Board and Ordina Group Priority Foundation;
- Issue shares if and insofar as the Management Board has not been designated as the competent body to issue shares. A resolution of the AGM to issue shares or to designate another corporate body can only be adopted upon the proposal of the Management Board with the prior approval of the Supervisory Board. The Management Board has been designated for a period of 18 months as the competent body to resolve, with the approval of the Supervisory Board, to issue shares up to a maximum of 5% of the issued share capital as of April 7, 2022. The Management Board is also appointed as the competent body that is authorized to decide, with approval of the Supervisory Board, to restrict or exclude preemptive rights upon the issue of shares;
- Grant authorization to the Management Board to repurchase and cancel shares. The Management Board has been authorized for a period of 18 months to repurchase shares for a maximum of 10% of the issued share capital as of April 7, 2022 (and within the bandwidth as described in the authorization);
- Approve decisions of the Management Board involving a major change in the identity or character of the company or its enterprise.

Dutch Corporate Governance Code

Ordina endorses all the best practices of the Code and applies them in all relevant instances, noting in relation to best practice provision 4.2.3., that individual presentations to investors cannot be followed simultaneously by a presentation to a broad audience via webcast, telephone, or otherwise. During individual presentations, Ordina uses general presentations, which are or will be made available on the Ordina's website. A number of principles and best practices in the Code are not applicable to Ordina, due in part to the company's statutory structure. Ordina's "comply or explain" statement in relation to the Code is available on Ordina's website and should be read in conjunction with this section of the annual report and is deemed to have been included herein by virtue of referral.

Ordina Group Priority Foundation and protective measures

Ordina Group Priority Foundation is the bearer of the priority share issued by the company and has the right to (i) nominate all Supervisory Board members for appointment by the AGM and (ii) approve all proposed amendments to the articles of association of Ordina. Ordina Group Priority Foundation operates independently of Ordina and, pursuant to its articles of association, its object is to guarantee the continuity of, and look after the interest of, Ordina, the business in which Ordina is engaged, and all other parties associated therewith.

Ordina Group Priority Foundation has announced that it intends to use its rights in exceptional cases only. These include instances in which the management board of Ordina Group Priority Foundation believes that the continuity of Ordina and/or its strategy are at risk. This may be the case, for instance, if an unsolicited offer is announced or made for the ordinary shares in Ordina, or if there is a reasonable expectation that such an offer will be made, without sufficient prior consultation with Ordina. Such a situation may also arise if one shareholder, or multiple shareholders acting in concert, hold a considerable proportion of the outstanding share capital without making an offer. Another example is a situation in which, in the eyes of the management board of Ordina Group Priority Foundation, one shareholder, or multiple shareholders acting in concert, exercise their voting rights in a manner that constitutes a material conflict with the interests of Ordina. In such or other circumstances in which the continuity and/or the strategy of the company are at risk, the management board of Ordina Group Priority Foundation reserves the right to actively excercise its right to nominate members of the Supervisory Board for appointment, as well as the right to approve proposals to amend the articles of association.

Ordina is also subject by law to the full statutory large company regime. Pursuant to the large company regime, Ordina is required to have a supervisory board consisting of at least three members. In addition to its regular tasks and powers, the supervisory board of a large company is authorized to appoint and dismiss the members of the management board. Furthermore, the Works Council has a special right to make recommendations for one-third of the total number of members of the Supervisory Board.

Following the designation of the AGM on April 7, 2022, the Management Board is entitled, for a period of 18 months, to issue shares in aggregate up to 5% of Ordina's outstanding share capital as on that date. Furthermore, under certain circumstances, the Management Board can invoke a statutory cooling-off period in accordance with article 2:114b of the Dutch Civil Code, or a response period in accordance with the Dutch Corporate Governance Code.

Business principles, culture, and values

Code of Conduct

Ordina wants to be an honest and trustworthy company. Acting with integrity lies at the heart of every relationship and every contact; it creates trust and determines Ordina's success. Any lack of integrity could undermine the continuity of Ordina's business. Our core values of "We discover, We connect, We accelerate" are the drivers for the execution of Ordina's strategy toward 2026.

Ordina's core values, Code of Conduct and Speak Up policy are actively communicated within the organization and provide guidance for the actions and conduct of both management and employees. New employees complete a brief workshop covering all aspects of the Code of Conduct, including topics such as prevention of fraud, bribery and corruption, avoiding conflicts of interest, the appropriate approach to gifts and hospitality, fair competition, information security, and handling confidential information. Employees can contact a legal business partner or the Compliance Officer if they have questions or need advice on legal and/or ethical dilemmas.

Ordina is committed to respect human rights, as defined by the United Nations in its Universal Declaration of Human Rights and supports the principles as laid down in the OECD Guidelines for Multinational Enterprises and the principles of the UN Global Compact. In addition, Ordina believes it is important to maintain stable and honest relationships with its business partners. Ordina therefore expects its business partners to act with integrity and honesty and to abide by legal and regulatory requirements, including the aforementioned OECD Guidelines, Declaration of Human Rights, and the principles of the UN Global Compact. To safeguard this, Ordina has drawn up a suppliers' code, which all suppliers must abide by. The obligation to do so is part of Ordina's contracts and purchasing conditions. The suppliers' code covers topics such as human rights and anti-bribery. The suppliers' code, the Code of Conduct, and the Speak Up policy are available on Ordina's website.

Incident reports

In 2022, Ordina paid extra attention to raising awareness regarding a safe and reliable working environment.

Employees were frequently reminded about the possibility of safely raising any concerns. During the year under review, 26 incidents or suspicions of incidents were reported. In each case, a high degree of confidentiality was maintained, and a careful process was followed in line with applicable policies. An overview of reported incidents, reported suspicions of incidents, and follow-up actions, is discussed periodically with the Audit Committee and the Supervisory Board. Furthermore, the internal policies and guidelines are reviewed in this context and updated if necessary. Ordina regularly raises awareness about different code of conduct topics by communicating the do's and don'ts on the intranet. In addition to this, a biennial risk assessment takes place. This provides insight into whether extra control measures are required with respect to a number of relevant themes, including anti-corruption and bribery. In the context of OECD guidelines related to responsible supply chain management, Ordina received no reports of misconduct in 2022.

Ordina has embedded an integrity policy into the organization in a number of ways, including via reports and regular consultations:
- A clear procedure for dealing with incidents is in place;
- Interdisciplinary consultations between the Compliance Officer, the Internal Auditor, the Privacy Officer, and the Corporate Security Officer are organized on a frequent basis;
- There are consultations on the compliance function with local compliance officers and the confidential compliance counselor;
- Mandatory internal reporting lines from the Compliance Officer to the Management Board and the Supervisory Board are in place.

Furthermore, Ordina has a data breach procedure in place that requires all responsible staff members to ensure that the correct steps are taken and (if necessary) handle the required notifications. Every quarter, a report is made on any events, investigations, and results. Subsequently, this report is discussed by the Management Board and the Audit Committee of the Supervisory Board. The Management Board receives weekly progress reports from the investigator during any investigations.

Environment, Social, and Governance (ESG)

ESG is an integral part of the 2026 strategy and the various sustainability objectives are embedded in the strategic pillars. For example, the "Satisfied and loyal clients" pillar includes policies to promote loyal partnership and being a reliable supplier.

The sustainability strategy is embedded in the organization via a steering group called the ESG Board, which is chaired by the group CEO. The CFO, the chief HR officer, the CMO, the company secretary, and an external program manager also form part of the ESG board. The program manager coordinates various ESG initiatives in consultation with project leaders. The ESG Board supervises the execution of the ESG strategy and monitors its progress.

Ordina obtains certification for certain aspects of sustainability and strives for the highest possible scores. Each year, the Management Board assesses whether the set of certificates and statements meets the wishes and requirements of our stakeholders. In this context, Ordina has committed to the Science Based Targets initiative (SBTi), the international standard for emissions reduction to limit global warming to below 2°C or 1.5°C.

Audits

The internal auditor reports directly to the Management Board and conducts independent audits of the correct application of and compliance with internal procedures and guidelines. These audits focus on both financial and operational aspects. On a quarterly basis, the internal auditor reports on the progress of their activities and the internal audit plan to both the Management Board and the Supervisory Board's Audit Committee. The goal of these activities is to use the audit findings as a basis for continuous professionalization of the internal control structure and to continuously increase risk awareness within the organization. External audits are conducted by organizations such as DNV-GL (Det Norske Veritas-Germanischer Lloyd) and the external auditor.

The external auditor

On June 30, 2020, the AGM appointed Ernst & Young Accountants LLP as external auditor for the reporting year 2022. Ordina endorses the Code's principles and best practice provisions with respect to the role and performance evaluation of the external auditor. Among other things, this means that the external auditor attends the AGM, so they can be questioned by shareholders regarding their opinion on the true and fair view given in the financial statements.

Works Council the Netherlands

The Works Council in the Netherlands ("Ondernemingsraad") consists of elected employees from Ordina and is an advisory body to the Management Board. New elections were held in early 2022, and the Works Council started performing its tasks with 15 employees. The staffing of the Works Council went from 15 to 13 employees in 2022.

To ensure that all working groups have sufficient expertise, two of them were strengthened with six internal experts. The main discussion partner for the Works Council was Joost de Bruin, CEO Ordina Netherlands.

The processes taken up by the Management Board and the Works Council dovetail with Ordina's 2026 strategy. In 2021, the Works Council supported the management as it redesigned the organizational structure by approving the of the Fit for Future program. Ordina has implemented the organizational changes under the Fit for Future program for the remaining organizational units. The implementation will enable Ordina to accelerate the achievement of the 2026 strategic objectives. The Works Council was closely involved in this implementation and advised on it.

In 2020, the Works Council approved a review of the mobility scheme. As a result, in 2022 Ordina set a target date for fully electric driving, after which only "fully electric" lease cars will be ordered. The implementation date is January 1, 2023. Finally, the Works Council has also been handling requests relating to the general terms and conditions of employment.

Last year, high inflation was an important issue. The Works Council and the director were commit-ted to addressing inflation adjustment, and their efforts resulted in the introduction of various measures to reduce the impact of inflation.

Mobility and inflation will continue to be topics of discussion in 2023.

Works Council Belgium and Committee for Prevention and Protection at Work

The Works Council gives advice on social, financial, and economic issues, while the Committee for Prevention and Protection at Work (CPBW) pays attention to ergonomics, prevention, and psychosocial aspects of work. In 2022, thanks to the positive development of public health measures, meetings with employee representatives of the Works Council and CPBW could gradually return to being held physically in the office.

Cooperation with both the Works Council and the Committee has been constructive throughout 2022. At the beginning of the year, an update on Ordina's strategy was shared with Works Council members on Ordina's strategy, in which we reviewed our state of affairs and looked ahead to our goals for the coming year. There was also continued discussion about the introduction of the electric car and the challenges facing the car market, which also has an impact on our employees. Other topics include updating our "management by objectives" model, as well as the continued development of inflation and its impact on Ordina.

In our 2022 meeting with the CPBW, the discussion focused on the design and implementation of the five-yearly psychosocial well-being survey. Other topics, such as the results of the satisfaction barometer of our employees and ways to connect with employees on long-term sick leave, were also on the agenda. For more details about Ordina's employee policies, see "Engaged and driven employees" on page 26.

Statutory provisions

Provisions of the articles of association on appropriation of profits

Whenever the adopted balance sheet and profit and loss account (including explanation) show that profit has been made during the past financial year, the profit will be at the disposal of the Annual General Meeting of Shareholders (AGM). Insofar as profits will be distributed, no more distribution can be made on the preference shares than the legal interest rate at the moment on which the dividend shall be determined. The dividend shall be calculated on the paid-up part of the nominal amount.

Significant agreements within the meaning of Article 1(j) and (k) of the decree implementing Article 10 of the Takeover Directive

The company has one contract within the meaning of Article 1(j) of the decree implementing Article 10 of the Dutch Takeover Directive ("Besluit artikel 10 Overnamerichtlijn"). This involves the credit facility described in note 15 on page 140 of the financial statements. If, at any time, a shareholder or a group of shareholders acting in concert should acquire more than 50% of the total issued share capital, control more than 50% of the total number of voting rights, or acquire the right to appoint the majority of Management Board members, these credit facilities may be terminated. If the facilities are thus terminated, any unused borrowing capacity will lapse and any issued credit facilities will become payable.

In relation to Article 1(k) of the Decree implementing Article 10 of the Takeover Directive the management agreement is subject to a change-of control clause (if the position or tasks of a member of the Management Board change significantly as a result of the acquisition of the Company, resulting in a change of control of the Company, a member of the Management Board will receive compensation equal to one year's base salary).

Corporate governance statement

This statement is included pursuant to Article 2a of the decree on the content of the Management Board report ("Besluit inhoud bestuursverslag") and Article 2 sub 1 of the decree on the disclosure of non-financial information ("Besluit bekendmaking niet-financiële informatie").

The information that must be included in this statement pursuant to Articles 3, 3a and 3b of decree on the content of the Management Board report, can be found in the sections of the 2022 Management Board report as referred to below, and are included and repeated in this statement:

- Information concerning compliance with the principles and best practice provisions of the Dutch Governance Code 2016 (the "Code") can be found in the "Corporate Governance" chapter on page 60; the Code is available at www.mccg.nl;
- Information concerning the main features of the internal risk management and control systems relating to the financial reporting process can be found in the "Risk Management" chapter on pages 46 up to and including 54;
- Information regarding the functioning of the AGM and the main authorities and rights of the shareholders is included in the company's articles of association and can be found in the "Corporate Governance" chapter on pages 60 up to and including 62;
- Information regarding the composition and functioning of the Management Board, the Supervisory Board, and its committees, can be found in the "Governance" chapter on pages 58 up to and including 64, and in the "Report of the Supervisory Board" on pages 71 up to and including 76;
- Information regarding the diversity policy for the composition of the Management Board and the Supervisory Board and the information referred to in article 3d of the decree on the content of the Management Board report can be found in the "Governance" chapter on page 61, the "Diversity and inclusion" part of the "Environmental, Social and Governance" chapter on pages 40 up to and including 42 and the "Report of the Supervisory Board" on pages 71 up to and including 76;
- Information referred to in the decree implementing Article 10 of the Dutch Takeover Directive (Besluit artikel 10 Overnamerichtlijn) can be found in the "Ordina Share" chapter on pages 34, and 35, "Governance" on pages 58 up to and including 64 and in the "Statutory Provisions" section on this page.

The information that must be included in this statement pursuant to Articles 3 of decree on the disclosure of non-financial information can be found in the sections of the 2022 Management Board report as referred to below, and are included and repeated in this statement:

- Information concerning the business model can be found in the sections "Our mission", "Value creation model" and "Strategy 2026" on pages 17, 20 and 24;
- Information regarding the policy, including the due diligence procedures applied, as well as the results of this policy, with regard to: (i) environmental, social and human resources matters, (ii) respect for human rights, (iii) fighting corruption and bribery, can be found in the sections "Environmental, Social and Governance" on page 37" and "Business principles, culture and values" on page 62 and "Risk Management" chapter on pages 46 up to and including 54;
- Information regarding the main risks related to the subjects referred to above under (i), (ii) and (iii) in connection with the activities of the legal entity, including, where relevant and proportionate, the business relationships, products or services of the legal entity that are likely to have adverse effects on these subjects and how the legal entity manages these risks, can be found in the "Risk Management" chapter on pages 46 up to and including 54;
- Non-financial performance indicators that are relevant to the specific business activities of the legal entity, can be found in the "Strategy 2026" chapter on page 24.

Declaration by the **Management Board**

The Management Board is responsible for assessing the effectiveness of Ordina's internal risk management and control systems. These systems are designed to control the main risks that could prevent Ordina from achieving our business objectives. However, they do not provide complete certainty that all material inaccuracies can be prevented.

In 2022, Ordina evaluated the effectiveness of the design and functioning of our existing internal risk management and control systems. The findings of this evaluation, including an evaluation of Ordina's risk profile, were discussed with the Audit Committee and the full Supervisory Board.

On the basis of this evaluation, it is the Management Board's opinion that the internal risk management and control systems functioned properly in the reporting year, and that they provide a reasonable level of assurance that the financial reporting is free from material misstatements

In line with the above and in accordance with best practice 1.4.3 of the Dutch Corporate Governance Code, the Management Board hereby declares that, to the best of its knowledge:

- The report of the Management Board as included in this annual report provides sufficient insight into any shortcomings in the operation of the internal risk management and control systems;
- The aforementioned systems provide a reasonable level of assurance that the 2022 financial reporting does not contain any material inaccuracies;
- In light of the current state of affairs, it is justified that Ordina's financial reporting is drawn up on a going concern basis;
- The report of the Management Board states the material risks and uncertainties that are relevant to the expectation of continuity of Ordina's operations for a period of 12 months after the date of the report.

For more information, reference is made to the Risk Management chapter on pages 46 up to and including 54. In addition to this, the Management Board hereby declares, in accordance with section 5:25c of the Dutch Financial Supervision Act, that to the best of its knowledge:

- The financial statements as included in this annual report give a true and fair view of the assets and liabilities, the financial position, and results of Ordina N.V. and its consolidated entities;
- The report of the Management Board as included in this annual report gives a true and fair view of the situation on the balance sheet date, and gives a true and fair view of the course of events during the financial year of Ordina N.V. and of its affiliated group companies included in the financial statements. The report of the Management Board describes the material risks that Ordina faces.

Nieuwegein, February 15, 2023

Management Board Ordina N.V.
Jo Maes, CEO
Joyce van Donk-van Wijnen, CFO

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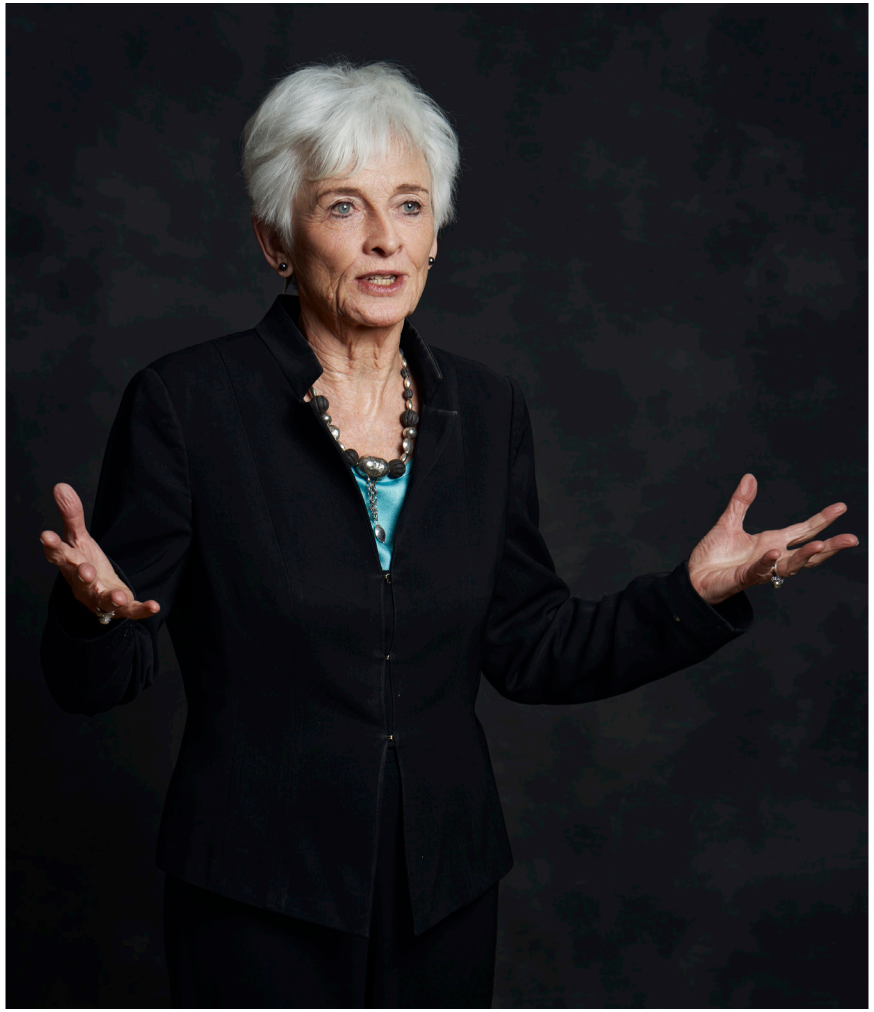
"In addition to reducing energy consumption, organizations need to build **circularity, modularity, and repairability** into digital hardware"

Technology and the Future

Jacqueline Cramer

Jacqueline Cramer is Professor of Sustainable Innovation at Utrecht University, an orchestrator of circular economy transition initiatives in sectors including construction and textiles, and has been actively involved in sustainability issues since the mid-1970s. She was Minister of Housing, Spatial Planning, and the Environment in the Dutch government from 2007 to 2010.



Since 1970, human beings have been consuming resources faster than the Earth can replenish them. As things stand, we need 1.75 Earths to support our levels of demand – and by 2050, if we don't change our behavior, we'll need three. The problem is we only have one planet. To safeguard our world for future generations, we need to achieve carbon neutrality and build a circular economy. Digital technologies, if used responsibly, can play a vital role in helping us reach these goals.

For too long, organizations have taken a siloed approach to sustainability, and this has limited our ability to understand our overall impact on the environment. The good news, though, is that digital technologies can break down many of the barriers that stand in the way of large-scale collaboration. We can now share data in ways that were never possible before, empowering organizations throughout the value chain to hold each other accountable and become much more prudent in their use of resources. Through the Internet of Things (IoT), for example, we can use smart sensors to gather precise pollution data to in turn inform our sustainability efforts. Meanwhile, visualization technologies, such as virtual reality (VR) and augmented reality (AR), can help us reduce the environmental impact of construction projects by enabling planners to use advanced digital modeling in place of building materials.

It's easy to forget, however, that all these technologies consume vast amounts of energy. Today's consumers have a greater awareness of the energy they use at home, but tend to overlook the fact that their cloud computing is powered by energy-intensive data centers, often located halfway around the world (people are often shocked to hear that downloading a large video uses the same amount of energy as a return trip from Amsterdam to Rome by car!). Unless the digital sector does something to address this issue, it risks becoming the 21st-century equivalent of the coal industry.

Sharing server space is one way to reduce energy consumption at data centers. Companies tend to overestimate how much data storage is required for their operations – resulting in more servers than we need. LEAP, an initiative by the Amsterdam Economic Board, aims to tackle this by increasing the amount of shared data storage, and the city has also announced plans to fine data centers that don't impose "sleep mode" on idle servers in their facilities. Policies like these are an important step toward making cloud computing more sustainable.

> Instead of encouraging a race to the bottom, governments need to draw inspiration from organizations that are **constantly working to raise the bar**

In addition to reducing energy consumption, organizations need to build circularity, modularity, and repairability into digital hardware. This is especially important when it comes to rare earth metals, which are used to manufacture essential components in computers, smartphones, and other digital technologies. The first issue is scarcity: unless we use our equipment for as long as possible and retrieve rare earth metals from products at the end of their life cycle, future generations won't have the same building blocks we use in digital technology today. The second issue is that rare earth metals are only found in certain parts of the world – meaning supply is closely tied to geopolitical developments. The war in Ukraine has already highlighted the dangers of resource dependency, and these problems will intensify in the digital sector if we don't find a more sustainable approach.

All these problems are global in scale – and they require global solutions. Governments have a crucial part to play in these efforts, of course, but I'm also a big believer in the importance of front-runners: organizations that know what it takes to deliver sustainability improvements within digital technology. These frontrunners can show governments the key drivers for scaling up the whole innovation system, and governments can draw on their best practices to design effective policy instruments that complement what front-runners have already been doing. In my view, this approach is far superior to governments' current approach to sustainability, which often focuses on regulating companies that are lagging behind.

As important as individual front-runners are, no one organization holds the solution to making digital technologies more sustainable. What we need are "coalitions of the willing": organizations working together to improve the footprint of the IT sector and show their peers that bigger, bolder steps can be taken. In the years to come, Ordina can play a significant role in these coalitions by continuing to make progress on its ESG journey. The company is already a strong performer on the social aspect of ESG, especially with its various educational outreach programs.

If enough organizations unite around this common goal, it's possible for the IT sector to become carbon negative by 2040. With sustained efforts to reduce our energy consumption, increase our focus on circularity, and leverage the power of the latest digital tools, we can build an economy that respects the limits of the only planet we have. This future is within reach – but we need to work together to make it a reality.

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Report of the **Supervisory Board**

Report of the **Supervisory Board**

Demand for digitalization continues to be strong. Throughout 2022, Ordina made further steps to partner with the ecosystem of our clients by co-creating digital solutions in multidisciplinary teams. Teams and communities are both essential for the success of this journey. In an era of persistent scarcity in the labor market, Ordina specifically focuses on attracting and retaining talented employees. High-performance teams, business solutions, and a clear employee value proposition are all ways in which Ordina is meeting the challenges of a tight labor market. In 2022, the Supervisory Board regularly discussed these developments with the Management Board.

In April 2022, after two years of Covid-19 measures, the Supervisory Board welcomed the opportunity to organize a physical Annual General Meeting of Shareholders (AGM). The Supervisory Board appreciates the constructive dialogue and looks forward to holding this year’s meeting in person again.

Ordina 2026 – ahead of change

The Management Board focuses on long-term value creation for Ordina and takes into account the stakeholder interests that are relevant in this context. The Supervisory Board monitors the Management Board as it undertakes these efforts. In 2022, the Supervisory Board regularly discussed the Ordina strategy for long-term value creation, the related implementation and execution plans, as well as the risks and opportunities associated with it.

In 2022, the Supervisory Board met several groups of Ordina employees, including senior managers, business directors, employees who work in sales, and employees who have had relatively short (under one year) or long (over ten years) careers at Ordina. Furthermore, Ordina conducted an employee engagement survey focusing on themes such as engagement, satisfaction, working environment, development, strategy, and leadership. The outcome of the survey was discussed during the Supervisory Board meeting in December 2022 and showed that the score for satisfaction was 7.6 (2021: 7.6). The highest scores concerned opportunities for employees to gain new knowledge in their work, the extent to which employees feel at home at work as they are, and the extent to which they feel free to voice their opinion. There were also some points for improvement, for which actions have been determined. These involve further implementing the strategy in all layers of the organization. A start has already been made by organizing an “all hands meeting” in Q4-2022 in which the Management Board updates those present on progress, including through a Q&A session.

In its discussions with the Management Board, the Supervisory Board also focused on developing and retaining full-time equivalent (FTE) employees through talent development and rewards – a topic of continued importance in the current economic situation. Ordina keeps a close eye on developments in this area and continuously assesses potential ways to respond. The Supervisory Board supports this approach and the actions taken by the Management Board to create an entrepreneurial, play-to-win culture within Ordina.

In 2022 the client satisfaction survey showed that clients’ general satisfaction with Ordina is very high, including satisfaction regarding the employees and quality of the services. In line with the 2026 strategy, Ordina can take further action toward becoming a digital business partner by leveraging tailored digital solutions and market themes to make a clear impact and achieve a sustainable advantage.

Throughout 2022, Ordina’s distinctive position was further developed by taking the lead in chosen niche markets and providing added-value services in these areas. Examples include projects tackling financial economic crime, secure ecosystem projects, and supply chain optimization projects as part of our integrated supply chain market theme.

With the continued transition to added-value business, Ordina is on track toward its ambition for 2026. To further accelerate growth, Ordina looks for suitable acquisitions. In this context, the Supervisory Board discussed Ordina's acquisition strategy with the Management Board, including the option of looking for acquisitions in Europe outside the Benelux, for the purpose of providing location-independent services to Ordina's clients in the Benelux through remote team augmentation. Given the tight labor market, the Supervisory Board agrees with the Management Board that this option deserves serious exploration. New insights gathered during the pandemic can also be applied in this respect. At the same time, the business case for such acquisitions must demonstrate clear addition of value and an acceptable risk profile. The Supervisory Board will follow this process closely.

ESG is an integrated part of Ordina's 2026 strategy. The Environment pillar focuses on CO_2 reduction, with Ordina aiming to become CO_2 neutral or negative by 2030. In 2022, further steps were made to move toward a complete electric vehicle (EV) lease fleet. Furthermore, land was purchased in Belgium to create the Ordina forest, with a tree-planting day held on November 12 for Ordina employees. The Supervisory Board also encourages Ordina to help our clients, wherever possible, to achieve CO_2 reductions through digitalization projects.

In relation to the Social pillar, Ordina set a target for the end of the decade: by 2030, 30% of Ordina employees will be female. The Supervisory Board appreciates Ordina's actions in relation to diversity and inclusion. Examples include the Women@Ordina event and the signing of the Talent to the Top charter. The Supervisory Board compliments the Management Board for the example they set throughout the year and looks forward to further steps to promote diversity and inclusion within the organization.

In terms of Governance, the Supervisory Board supports all actions to increase awareness of the Code of Conduct and the importance of integrity, and also supports efforts to stimulate an open and inclusive culture of sharing and reuse focused on long-term value creation. Ordina's core values, of "We discover, We connect, We accelerate" contribute to this culture. The Management Board encourages behavior that is aligned with these values and conveys them through leading by example. As of October, the Management Board went on a road trip to visit groups of practice leads, and speak with them about the strategy and culture toward 2026. Further attention is given to this topic through a variety of workshops and presentations.

Further topics discussed

During the regular meetings of the Supervisory Board, further topics concerned the mergers and acquisitions pipeline, and financial and business performance, including the relevant risks and opportunities in this context. Regarding the execution of the strategy, Ordina's change agenda is built upon the growth of high-performance teams, whose expertise will make Ordina a strategic business partner for clients. In 2022, Ordina attracted managers who can coordinate this transition while keeping an eye on the connection between employees and Ordina as a whole.

In terms of audit and risk management, the Supervisory Board approved the annual accounts for 2021, approved the 2022 quarterly trading updates and half-year accounts, and discussed the functioning of internal risk management and control systems, including cybersecurity and information security management. In 2022, a cybersecurity risk analysis was performed as an integral part of Ordina's ISO 27001 certification process. The outcome of the analysis was used to add control measures where necessary. The Management Board decided to continue with the cybersecurity program and to give specific attention to some identified focus areas. An example of this is the organization of subject matter training within specific practices and/or areas, which further improves knowledge and awareness amongst employees. Other topics that the Supervisory Board discussed with the Management Board related, among other things, to the development of FTE growth, progress on diversity and inclusion targets, Ordina's capital structure, and the share buyback program. The external auditor attended the meeting in which the annual results were on the agenda.

Meetings and attendance

In 2022, the Supervisory Board held seven regular meetings with the Management Board, all according to a prearranged schedule. Members of the Operations Committee also attended a number of these meetings. Outside the regular meetings, the Supervisory Board met with the Management Board on a regular basis for additional, often digital, meetings.

The table on the next page shows the attendance of each Supervisory Board member at the regular meetings of the Supervisory Board and at the meetings of its committees in 2022.

Meetings of the committees of the Supervisory Board

The Audit Committee and RNH Committee prepare the discussions and decision-making of the Supervisory Board regarding specific topics. For practical reasons, the Supervisory Board has two (instead of three as referred to in provision 2.3.2 of the Dutch Corporate Governance Code) committees.The organization, working methods, tasks, and responsibilities of both committees are laid down in the rules of procedure: these can be found on Ordina's website, as can the rules of procedure for the Supervisory Board as a whole.

Meeting	Johan van Hall	Caroline Princen	Dennis de Breij	Thessa Menssen	Bjorn Van Reet
Supervisory Board	7/7	7/7	7/7	7/7	7/7
Audit Committee			5/5	4/5	
Remuneration, Nomination, and HR Committee	3/3	3/3			3/3

At each Supervisory Board meeting, the committees reported on their deliberations and findings.

Audit Committee

The Audit Committee consists of Thessa Menssen (chair) and Dennis de Breij (member). The Audit Committee assists the Supervisory Board in its supervision by focusing on the effectiveness of the design and functioning of internal risk management and control systems, the financial reporting process, the introduction and supervision of associated internal procedures, the financing of the company, and the relationship with internal and external auditors.

In 2022, five meetings were held. The external auditor was present at most of these meetings, and the CEO attended the meeting in which the annual accounts and third-quarter trading update were discussed. Furthermore, the meetings were attended by the CFO, the internal auditor, and the company secretary. On occasion, presentations were delivered by managers from the finance department and by the chief information security officer (CISO). The Audit Committee also met separately with the external auditor.

During the year, the Audit Committee discussed Ordina's 2021 annual accounts, the forecast, the 2022 first-quarter, half-year, and third-quarter results, and the related press releases. The 2023 budget and strategic plans were included on the agenda, as was the performance of the business, the capital structure of Ordina, the evaluation of the acquisition of IFS, and the progress of the share buyback program that was launched in May 2022 and was completed by the end of July 2022. Other topics concerned Ordina's tax policy, the 2022 audit plan, the management letter of the external auditor, the effectiveness of the internal risk management and control systems, and information security management (including risks related to cybersecurity and personal data protection). Furthermore, an overview of legal claims and incident reports was shared with the Audit Committee.

Project planning for the One Finance Project was also discussed. This project aims to develop a single finance target operating model to support the business. The Audit Committee reported to the Supervisory Board on the effectiveness of internal risk management and control systems and discussed the functioning of the external auditor, as well as the findings from the external auditor and Ordina's internal auditor.

RNH Committee

The RNH Committee consists of Caroline Princen (chair), Bjorn Van Reet (member), and Johan van Hall (member). The RNH Committee assists the Supervisory Board in its supervision of the Management Board with respect to subjects such as the policy of the Management Board regarding selection criteria and appointment procedures for senior management positions, and management development.

In 2022, three meetings were held. The meetings were attended by the CEO, the CFO, the HR director, and the company secretary. During each meeting of the RNH Committee, the HR dashboard was discussed. This dashboard covers topics like FTE development and employee well-being, including vitality, working conditions, education, and culture. Special attention was given to the employee value proposition as a way of attracting and retaining employees. Other topics related to pending advice or approval requests from the Works Council, the implementation of new legislation and an action plan to improve gender diversity at the board and sub-board level, evaluation by the Strategy Committee of Ordina's progress toward becoming a network organization, the performance of the Management Board, the proposal for realization of short-term incentives (STIs) and long-term incentives (LTIs) (STI 2021 and LTI 2019-2021), and new incentives for 2022 (STI) and 2022-2024 (LTI). Regarding the proposal for these incentives, the remuneration ratios at Ordina were taken into account and scenario analyses were performed. The execution of the remuneration policy in 2022 is disclosed in the remuneration report.

Furthermore, the RNH Committee discussed succession planning, a relevant topic in light of Ordina's diversity and inclusion policy and the organization's ongoing efforts to foster an inclusive culture. As explained at the AGM in April 2022, the Supervisory Board has decided to grow in size by adding a sixth member. This decision was taken within the context of the refined strategy toward 2026, which provides a solid foundation for continued growth. During 2022, the RNH Committee drew up an individual profile before beginning the search for a sixth member of the Supervisory Board. After the profile was approved by the Supervisory Board, the RNH Committee made the necessary preparations and held interviews with several candidates. In this process, which is still ongoing, the diversity policy, including diversity of professional experience, is specifically taken into consideration.

Management Board

The Supervisory Board conducted annual performance reviews with the Management Board as a team, and with its individual members as well. Topics such as interaction with the Supervisory Board, individual targets, and implementation of the Ordina 2026 strategy and diversity policy were discussed. The Supervisory Board concluded that the Management Board functions well under the leadership of Jo Maes. In general, there is sufficient focus on the execution of Ordina's strategic plans. At the same time, the Management Board was encouraged to look for opportunities to increase the resilience and flexibility of Ordina's workforce, for example through location-independent services.

The Supervisory Board has established that no member of the Management Board holds more than two supervisory director positions with listed companies, nor will they act as the chairman of the supervisory board of a listed company. In the year under review, there were no transactions involving a conflict of interest on the part of the members of the Management Board. In line with Ordina's diversity policy, the Management Board is 50% male and 50% female.

In relation to the execution of the strategy and the optimization of operational effectiveness, the Management Board is supported with its operational management tasks by an informal forum called the Operations Committee. As of September 2022, a separate change organization was established in order to drive various strategic change programs toward 2026. As a result, it was no longer necessary to maintain a Strategy Committee.

Works Council

The chairman and vice-chair of the Supervisory Board liaised with the Works Council on several occasions throughout the year. They attended several Works Council meetings, including the annual meeting. Topics discussed included the evaluation of the relationship between the Management Board and the Works Council, Ordina's conduct and internal culture, and the remuneration ratios within the company.

Self-assessment

At the end of 2021 and the start of 2022, the Supervisory Board assessed its performance with the assistance of an external party. At the end of 2022 and the start of 2023, an assessment took place without an external party. In this assessment, the Supervisory Board discussed its performance as a whole, plus the performance of individual members and the individual committees. Topics discussed included the interaction with the Management Board, recent events from which lessons could be learned, and the desired profile, composition, competencies, and expertise of the Supervisory Board. The evaluation process included one-on-one sessions with each member of the Supervisory Board.

The Supervisory Board concluded that it functions well and that its cooperation with the Management Board is positive and effective. There was sufficient time during the Supervisory Board meetings and informal contacts with the Management Board to discuss all relevant topics, including time for deep dives and reflection when necessary. The conclusions of the self-assessment have been used to further improve the way the Supervisory Board operates. In this context, the Supervisory Board intends to continue discussions with various (groups of) employees within Ordina next year.

During 2022, the composition of the Supervisory Board did not change. The Supervisory Board complies with the diversity target as set in terms of male and female members. For new vacancies, the Supervisory Board determines in advance which aspects of diversity must be taken into consideration in order to maintain or improve the desired mix in the composition of the Supervisory Board.

The Supervisory Board assessed the independence of its members and concluded that the requirements referred to in best practice provisions 2.1.7 to 2.1.9 inclusive have been fulfilled.

Regarding Johan van Hall's supervisory board membership at Rabobank, the Supervisory Board has determined that there was no (potential) conflict of interest in 2022. In this context it has been agreed that Johan van Hall will not participate in the deliberations and decision-making if Rabobank is discussed substantively and/or if there is a (potential) conflict of interest situation. Should Rabobank be discussed, Johan van Hall will leave the meeting and this will be recorded in the minutes.

In relation to continuous professional development, several Supervisory Board members follow relevant courses and workshops. In addition, Supervisory Board members give presentations to the Supervisory Board on topics in their field of expertise, covering issues such as technological trends and mergers and acquisitions. New Supervisory Board members follow an introduction program.

Financial reporting and external auditor

The 2022 financial statements have been prepared by the Management Board and were signed by the Management Board and the Supervisory Board. Ernst & Young Accountants LLP has audited the financial statements, attended the Supervisory Board meeting in which the audit of the financial statements was discussed, and has issued an unqualified auditor's report. The independent auditor's report is included in the annual report.

Final remarks

Uncertain macroeconomic circumstances, combined with high levels of inflation, have created some tough challenges in 2022. Thanks to the continued commitment and dedication of the Management Board and all Ordina employees, Ordina was able to make further progress with the execution of our 2026 strategy. We sincerely thank the Management Board and all Ordina employees for their efforts and contributions to long-term value creation for all our stakeholders. We are confident that the results of this work will be evident in 2023 as well.

Nieuwegein, February 15, 2023

Supervisory Board Ordina N.V.
Johan van Hall, Chairman
Caroline Princen, Vice-chair
Dennis de Breij
Thessa Menssen
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“People **don't complain** about digitalization if the new system is actually **more efficient!**”

Technology and the Future

Marcel Levi

Marcel Levi is President of the Executive Board at the Dutch Research Council (NWO), an organization that funds thousands of top scientific researchers. He is also Professor of Medicine at the University of Amsterdam and University College London (UCL).

All too often, the public conversation about healthcare is focused on problems, such as the lack of money, lack of professionals, long waiting lists, and other associated challenges. But when I look around my field today, I see a huge amount of positive innovation with the potential to change the conversation. After all, as a doctor, I always prefer to think in terms of solutions – and digital technology is certainly creating a solution revolution for the medical sector.

I'm extremely excited, for instance, about developments in artificial intelligence (AI) and machine learning. These techniques have a variety of promising applications in healthcare, including interpreting medical images, planning radiotherapy, looking at histopathology, or conducting electrocardiograms. Using traditional methods, all these activities are labor intensive, but with the help of machines, they can be carried out much more quickly and with far greater precision. I don't believe AI will replace radiologists, radiotherapists, or pathologists, but this kind of tech will make medical work much more efficient.

I see the same trend when it comes to collecting and processing patient data. Data collection – on everything from delirium to bedsores – is a huge part of the healthcare profession today, and nurses can spend hours logging this information at computers located far away from their patients. At UCL, though, we found a simple digital solution to this problem: tablets. The new electronic health records work beautifully, allowing nurses to input data at the patient's bedside and spend more time interacting with people. What's more, it turns out that people don't complain about digitalization if the new system is actually more efficient!

The impact of digitalization can also be seen in telemedicine, which, after years of slow progress, has been hugely accelerated by the pandemic. Digital consultations save patients time on travel and in the waiting room, while doctors can help more patients per hour. I must stress, however, that telemedicine isn't the optimal solution in every case. When I have to break bad news to a patient, I always prefer to do that in person. But I now conduct between 30% and 50% of my consultations on digital platforms. As in many other sectors, digital tools are enabling hybrid solutions across the medical sphere – combining the best elements of both human and digital interaction.

Nevertheless, not every innovation in the medical world is a positive step towards addressing real problems. I think the value of certain solutions, like diagnosis support for doctors, is currently overhyped: as things stand, computers simply cannot make an effective diagnosis. It's interesting to speculate about why exactly this is; for instance, I don't think the human body is as schematic as many of these models assume, and there are so many additional, qualitative factors to consider, such as nonverbal communication. In light of this complexity, I'm skeptical that computers will be up to the job any time soon: there's simply too much information that the models don't consider.

There's a similar flaw in some healthcare apps. Many are released with the promise of helping patients manage their asthma, heart disease, diabetes, or other chronic conditions. But on closer inspection, these apps often turn out to be solutions looking for a problem. The software is designed by very smart people, of course, but the providers of these tools are often unable to resolve the patient's problem, or address the issue with the healthcare system. Robotic surgery is another example: it's increasingly being introduced without sufficient evaluation and used in situations where it's not required. This unthinking embrace of technology is exactly what we need to avoid. Instead, we must keep our focus squarely on patient outcomes and follow whichever method will improve them the most.

Indeed, some of the biggest recent improvements in the medical sector aren't technological in nature. Human-focused solutions, such as giving healthcare professionals greater autonomy, can make an equally large impact. I've always found it strange that, after spending around a million euros training a surgeon, we don't trust them to make decisions. But I'm hopeful that this attitude is changing. At UCL, nurses, doctors, and other healthcare professionals displayed great initiative throughout the Covid-19 outbreak, for example by moving respiratory support normally reserved for intensive care units to the general wards. The idea came not from upper management, but from nurses and support staff. If management can recognize when to play a supporting role, rather than a leadership role, frontline health workers can use their experience and expertise to deliver better care.

> We have to remain realistic, and not allow ourselves to get carried away on a **wave of tech optimism**

Why do I mention this example in the context of technology? Because it's important to remember what we're trying to achieve. As medical professionals, we want to do the right thing for our patients. Any solution, technological or otherwise, has to be assessed by that standard. If not, we'll lose sight of what made digital useful in the first place, and continue to design flashy apps that don't address real problems. The means by which the solution comes – whether it's digital transformation, cultural change, or any other route – is far less important than the solution itself.

That's not to say I don't believe technology will revolutionize the healthcare sector and, ultimately, transform it for the better. On the contrary, we'll see solutions emerge in the future that are now considered impossible. But we have to remain realistic, and not allow ourselves to get carried away on a wave of technological optimism. Some solutions will take longer to implement than others. Others won't be useful at all. But if we take all these things into account, and always ask ourselves the simple question of "What problem am I solving?", I think the future of medical technology looks very healthy indeed.

Remuneration report

Remuneration report

Report for advisory vote at the 2023 Annual General Meeting

Introduction

In this remuneration report, also the report within the meaning of Section 135b of Book 2 of the Dutch Civil Code, we look back at the year 2022 and explain the implementation of the Management Board's remuneration policy. We also provide an overview of the performance of Ordina N.V. (the "Company") and the related remuneration of the members of the Management Board. Furthermore, we present the main elements of the Supervisory Board's remuneration policy, including an overview of the remuneration paid to the members of the Supervisory Board in 2022. In line with the provisions of the Corporate Governance Code, the remuneration paid to the Supervisory Board is not in any way related to the Company's performance.

Management Board remuneration policy 2020

Below we provide a summary of the remuneration policy dating from 2020, and an account of how this was applied in the year under review. The full remuneration policy is available on Ordina's website.

The 2020 remuneration policy was adopted by the Annual General Meeting of Shareholders (AGM) on June 30, 2020, by a majority of more than 99% of the votes cast. At the AGM of April 7, 2022, a positive advisory vote was cast on the 2021 remuneration report by a majority of more than 99% of the votes. The Supervisory Board sees this as confirmation of the support among shareholders for (the implementation of) Ordina's current remuneration policy and how it is accounted for.

Ordina aims for its remuneration policy to be in line with the market and to reward Management Board members for realizing challenging operational and performance-driven targets in the short term and ambitious strategic and financial targets in the long term. The remuneration policy should help to attract and retain high-caliber, qualified and expert directors who possess the orientation and background required to lead and manage a successful IT company.

Ordina takes into account its identity, mission and values when formulating the remuneration policy. This means that the remuneration policy is in line with Ordina's pursuit of sustainable long-term value creation through innovative solutions that are relevant and attractive to various stakeholders, such as customers and employees based on Ordina's value creation model. The specific targets defined this way (in the areas of improved returns, (revenue) growth, growth in added value, employee engagement and corporate social responsibility) form the basis for the formulation of the performance criteria used to determine the remuneration of the Management Board.

When determining the total remuneration, Ordina takes into account the remuneration ratios within the Ordina Group and the policy pursued at any time within the Group with regard to the remuneration of employees. The same rules apply to members of the Management Board as to other employees, for instance with regard to mobility and pensions. Where appropriate, past conduct and the specific Ordina context and history are also taken into account. Alignment with social developments and public support is sought through frequent contacts with stakeholders. These contacts did not result in anything of note or specific points of attention in 2022. In addition, discussions are held annually with Ordina's Works Council on the level and content of employee benefit schemes.

The Remuneration, Nomination and Human resources (RNH) Committee conducts an annual scenario analysis and, as such, has a clear picture of the possible outcomes of the various scenarios. The scenario analyses are mainly qualitative in nature. One factor for this is that the remuneration policy does not include any (share) options and that the variable remuneration is limited in various ways (for example, there are threshold values for individual key performance indicators (KPIs). Another factor taken into consideration is whether the Company's strategic objectives are in line with the targets applied for the relevant reference year/period. For the year 2022, it was determined that this was the case, and the chosen targets were found to be appropriate.

Reference market

The RNH Committee evaluated the remuneration policy of the Management Board in early 2020. This evaluation was based on the results of a benchmark study, in which the remuneration was tested for market conformity. Particular attention was paid to its alignment with the business strategy and consistent internal pay ratios, in light of the statutory requirements in this context. As part of the aforementioned benchmark study, the Supervisory Board determined the reference market in 2020 on the basis of size (market capitalization, FTEs and revenue). Companies active in the real estate sector and pharmaceutical industry are excluded, as these are subject to specific legislation and/or have a different dynamic. The reference market is unchanged and is shown below:

- Accell Group B.V.
- ForFarmers NV
- Heijmans NV
- ICT Group NV
- Kendrion NV
- Nederlandsche Apparatenfabriek Nedap NV
- Neways Electronics International NV
- Sif Holding NV
- Brunel International NV
- DPA Group NV
- Basic Fit NV
- Beter Bed NV
- Hydratec Industries NV
- Wessanen B.V.

The remuneration policy aims to position the total remuneration for the Management Board in a general sense at a competitive level in the general executive market in the Netherlands, assessed on the basis of job level. The Supervisory Board determined the relevant reference market in early 2020 (see above) and the basic premise is a positioning of the total fixed and variable remuneration package at around median level.

Elements of Management Board remuneration policy

In line with common practices in the market, the remuneration policy for the Management Board comprises the following elements:

- Base salary, including holiday allowance;
- Short-term variable remuneration;
- Long-term variable remuneration;
- Pension provision;
- Participation in the applicable car lease scheme at Ordina and the use of a laptop and a mobile phone.

Base salary including holiday allowance

The Supervisory Board, upon the advice of the RNH Committee, determines at least every four years whether the base salary level needs to be adjusted. In principle, the RNH Committee performs this review in the first half of the year, also taking into consideration the relevant reference market and individual performances. In connection with the reappointment of the members of the Management Board as of June 30, 2020, the policy level of the base salary including holiday allowance of the CEO and the then CFO were redefined as of January 1, 2020. This means that as per the aforementioned date, the salaries on a full-time basis of the members of the Management Board were as follows:

CEO	EUR 430,000
CFO	EUR 315,000

Variable remuneration

The Management Board's remuneration policy includes both short-term and long-term components with respect to variable remuneration. The aim of this is to realize both

Remuneration component	Policy level
Base salary, including holiday allowance	The level of the base salary, including holiday allowance, reflects the demands made on the CEO and other members of the Management Board. In principle, the various tasks and responsibilities of the CEO and the other members of the Management Board justify a remuneration difference of 20%-30% between the CEO and the other members (defined on the basis of the CEO). Salaries may be subject to annual indexation (taking into account the salary margin made available to staff in the Netherlands).
Short-term variable remuneration	On-target: 50% Maximum: 70% of the base annual salary including holiday allowance (8%)
Long-term variable remuneration	On-target: 50% Maximum: 85% of the base annual salary including holiday allowance (8%)
Pension provision	Participation in capital insurance on defined contribution basis and maxi-mum legal pensionable salary (2022: EUR 114,866) Pension premiums are for the account of the Company
Participation in the car lease scheme applicable at Ordina	Participation in the car lease scheme applicable at Ordina (in line with the scheme that applies to all employees in the Netherlands)
Provision of laptop and mobile phone	Provision of laptop and mobile phone in line with the mobile phone scheme applicable at Ordina (the scheme applicable to all employees in the Netherlands)

more short-term targets for the Company and long-term value creation. This is also taken into account in the annual determination of the performance criteria (KPIs) and their weighting. Claw-back clauses and a minimum holding period for unconditionally awarded performance shares also underline the importance attached to long-term value creation in this context.

During 2022 the Supervisory Board regularly discussed developments in Ordina's results with the Management Board. The financial headroom for making distributions and awarding variable remuneration was also discussed in this context. Taking this into consideration and including the cash flow and strength of the balance sheet, the Supervisory Board decided to pay out variable remuneration, based on Ordina's results including the impact of external circumstances such as increased inflation. Ordina did not make use of any financial governmental arrangements that include conditions with implications for making distributions or awarding variable remuneration.

Short-term variable remuneration

Each year, a short-term variable remuneration can be paid out. The amount of the reward depends on the realization of specific targets. The Supervisory Board, upon the advice of the RNH Committee, determines the relevant KPIs annually; some of these KPIs are linked to financial targets (minimum of 70%) and some to non-financial targets (maximum of 30%). Examples of KPIs include (revenue) growth, improved returns (EBITDA margin), employee engagement, client satisfaction, growth in added value, resilience, and corporate social responsibility.

At the start of each reference year, the Supervisory Board determines whether the (list of) KPIs needs to be adjusted, depending on current circumstances and (strategic) priorities. Each year, the Supervisory Board also determines the targets for that reference year, including the weighting. After the end of a reference year, the Supervisory Board assesses the extent to which the various performance criteria have been realized. If, in the opinion of the Supervisory Board, all stated performance criteria have been realized in a reference year (on-target performance), the members of the Management Board are awarded a short-term variable remuneration for this reference year equivalent to 50% of their reference salary. An exceptionally good performance (maximum above-target performance) may, under the policy, result in a maximum short-term variable remuneration of 140% of the on-target short-term remuneration awarded (70% of the reference salary). If the Management Board members fail to realize at least 80% of the relevant performance target (below-minimum performance), no short-term variable remuneration is paid for that target.

Short-term variable remuneration (STI) – pay-out range (in EUR)

Score	Pay-out range
below 80% of target (minimum)	-
on target	50% of reference salary
above target (maximum)	70% of reference salary

The level of the actual short-term variable remuneration to be paid out - within the above pay-out range - is determined on the basis of a weighted average (i.e. the sum of all weighted sub-scores per KPI).

Long-term variable remuneration

Each year, a number of Ordina N.V. long-term performance shares are conditionally awarded to the members of the Management Board. The realization of the Management Board's long-term variable remuneration is determined on the basis of a number of KPIs, both financial and non-financial, set by the Supervisory Board.

A minimum of 70% of the long-term variable remuneration is related to financial targets, the remaining maximum 30% is related to non-financial targets. The Supervisory Board, upon the advice of the RNH Committee, determines the relevant KPIs annually; some of these KPIs are linked to financial targets (minimum of 70%) and some to non-financial targets (maximum of 30%). Examples of KPIs include (revenue) growth, sustainable returns (EBITDA margin), employee engagement, client satisfaction, growth in added value services, resilience and corporate social responsibility. KPIs are partly the same as those for the short-term variable remuneration, but each KPI has its own dynamics, depending on the long-term - or short-term horizon.

At the start of each reference year, the Supervisory Board determines whether the (list of) KPIs for the relevant reference period needs to be adjusted, depending on the current circumstances and (strategic) priorities. The Supervisory Board also determines the targets for the relevant reference period each year, including the weighting. When weighting the KPIs, the Supervisory Board takes into account the long-term nature of (this part of) the remuneration. The number of shares that can be obtained after the end of a reference period in the event of on-target performance is determined on the basis of 50% of the base salary (including 8% holiday allowance: "reference salary") paid to the Management Board member in the first year of the reference period, divided by the closing price on the last trading day of the previous financial year. An exceptionally good performance can lead to the unconditional vesting, after the end of the reference period, of 170% of the on-target number of conditionally awarded performance shares (85% of the reference salary). If a member of the Management Board achieves 80% of the KPIs set for the relevant reference period, 50% of the on-target number of performance shares conditionally awarded will be vested unconditionally. If a member of the Management Board fails to achieve at least 80% of the relevant performance target (minimum performance), no long-term variable remuneration will be paid out for that target.

Long-term variable remuneration (LTI) – pay-out range (in shares)

Score	Pay-out range
below 80% of target (minimum)	-
on target	50% of reference salary[1]
above target (maximum)	85% of reference salary[1]

The level of the long-term variable remuneration to be granted - within the above pay-out range - is determined on the basis of a weighted average (i.e. the sum of all weighted sub-scores per KPI).

Pension

Members of the Management Board participate in the standard Ordina pension scheme, as outlined in the Insurances addendum of the General Employment Terms and Conditions and in accordance with the prevailing pension scheme. The pension basis used is the legally maximized pensionable salary less the franchise. The annual pension premiums for said scheme are for the account of the Company and will be paid by the Company.

Other benefits

The Company makes a car, a laptop, and a mobile phone available to members of the Management Board.

Management agreement

- The members of the Management Board work on the basis of a management agreement. This agreement includes a notice period of three months and six months (for the Board members and the Company) respectively.
- The management agreement is subject to a change-of-control clause (if the position or tasks of a member of the Management Board change significantly as a result of the acquisition of the Company, resulting in a change of control of the Company, a member of the Management Board will receive compensation equal to one year's base salary).
- In certain circumstances, members of the Management Board are entitled to a severance payment. This payment will not exceed one year's base salary.

1 Note: divided by the closing price on the last trading day of the financial year previous to the first year of the reference period

Application remuneration policy in 2022

Base salary

The base salaries, including holiday allowance, of the members of the Management Board were indexed by 2.79% as of January 1, 2022, and amounted to EUR 441,997 (CEO) and EUR 295,521 (CFO) on full-year basis. For the CFO an incremental increase arrangement is in place. As per January 1, 2023, the base salaries of the members of the Management Board were indexed by 2.38%.This percentage is based on the average salary increase within Ordina the Netherlands in 2022. This means that as of the aforementioned date, the salaries of the members of the Management Board are as follows:

Base salary on full-year basis

	Base salary 2022	After indexation as per January 1, 2023
CEO	441,997	452,517
CFO	295,521	331,495

The fixed salary of Ms. Joyce van Donk-van Wijnen is subject to the following incremental increase arrangement:

Incremental increase arrangement Joyce van Donk-van Wijnen/CFO

	Base salary
as from January 1, 2021	260,000
as from January 1, 2022 (indexed)	295,521
as from January 1, 2023 (indexed)	331,495

Short-term variable remuneration

In accordance with the remuneration policy for the Management Board of Ordina N.V., the short-term remuneration is based on financial and non-financial targets, with the financial targets carrying greater weight than the non-financial targets. Both members of the Management Board have the same targets.

The ratio between financial and non-financial targets has been set as follows for the year under review: at least 70% of the short-term variable remuneration is based on financial targets in the reference year. The chosen KPIs are revenue (30%) and EBITDA margin (40%). The remaining 30% of the short-term variable remuneration for the year under review is based on non-financial targets. These include employee engagement, client satisfaction, ESG objectives, growth of added value services, house in order, and resilience. The targets have been selected in such a way that they do not provide any incentive for a member of the Management Board to put their own interests above those of the Company or to take risks that are not in line with the Company's strategy.

The Supervisory Board determined that the financial targets for 2022 were realized below target. On an underlying level, the revenue from business propositions increased and prices were higher compared to last year. The pay-out percentage for the revenue target has been set at 99.9%, or a weighted 100%. For the EBITDA margin target, this has been set at 95%, or a weighted 75%. The EBITDA margin was impacted in 2022 by lower productivity and by inflation. The total weighted pay-out on the financial targets amounts to 86%.

The score for the non-financial targets was set at 3 (on target). A number of the non-financial KPIs were achieved in 2022, such as client satisfaction and employee engagement, while others fell short of the formulated ambition. The various indicators of client satisfaction and employee engagement, which were measured by the Supervisory Board on the basis of the outcome of surveys, confirmed

Short-term variable remuneration (STI) – realization of 2022 targets

Target	Nature of the target	Weighting	On target determination	Realization absolute	Pay out factor	Pay out in % of weighting target
Revenue (in EUR millions)	Financial	30.0%	430.0	429.4	1.00	30.0%
EBITDA margin (in %)	Financial	40.0%	12.3%	11.7%	0.75	30.0%
Subtotal financial criteria		**70.0%**				**60.0%**
Client Satisfaction Index	Non-financial		7.5			
Employee Engagement Score	Non-financial		7.5			
Annual ESG targets (scale 1-5)	Non-financial		3.0			
Health index	Non-financial		80.0%			
Resilience	Non-financial		6.0			
Growth in added value (% business proposition revenue)	Non-financial		47.8%			
Subtotal non-financial criteria		**30.0%**	**3.0**	**3.0**	**1.00**	**30.0%**
Total		**100%**				**90.0%**

the positive impact of the related actions taken as part of Ordina's 2026 strategy. In 2022, Ordina realized a significant growth in business proposition revenue, mainly from high-performance teams and digital acceleration; however the target was just not achieved (1% difference), owing to the strong growth of total revenue. Meanwhile, Ordina made ESG part of its strategy and achieved the target for the year to reduce carbon emission. In the context of the annual ESG targets, the diversity target regarding the male/female ratio was not met. Nevertheless, Ordina is on track regarding its health index and resilience targets and will continue this in 2023. The pay-out percentage for the non-financial targets has been set at 100%, or a weighted 100%.

In view of the above, the Supervisory Board decided to award Jo Maes (CEO) a short-term remuneration of EUR 198,899 and Joyce van Donk-van Wijnen (CFO) a short-term remuneration of EUR 132,985. The short-term remuneration for both members of the Management Board is equivalent to a pay-out percentage of 90% of the on-target short-term variable remuneration.

Long-term variable remuneration

Like the short-term remuneration, the long-term remuneration is based on financial and non-financial targets, with the financial targets carrying more weight than the non-financial targets. These targets are also the same for both members of the Management Board and are determined at the start of every three-year period for the total duration of this performance period for the relevant (three-year) reference period.

If the targets defined as on-target are realized, the long-term variable remuneration amounts to 50% of the gross annual base salary increased by the applicable percentage of holiday allowance. The long-term component of the variable remuneration pertains to a payment in Ordina N.V. shares, and each current scheme has a term of three years. Pursuant to the remuneration policy, the value of the on-target number of shares to be awarded is equal to 50% of the fixed salary (including holiday allowance) payable to the members of the Management Board in the first year of the three-year period. At the start of each three-year period, directors are conditionally awarded a number of shares on the basis of the closing share price of Ordina N.V. shares at the end of the preceding calendar year. At the end of the three-year period, shares are granted unconditionally ("vested") on the basis of targets realized measured against the targets set. Shares obtained this way are delivered in the year after the last year of the three-year period. Members of the Management Board are not permitted to sell their shares within two years of the vesting date, unless any sale of such shares is for the sole purpose of paying any levies and premiums due with respect to those granted shares. In view of this, unconditionally granted shares are delivered into a blocked deposit account.

Long-term variable remuneration (LTI) – realization of 2020-2022 targets

	Nature of the target	Weighting	On target determination	Realization absolute	Pay out factor	Pay out in % of weighting target
Revenue (in EUR millions)	Financial	30.0%	420.0	429.4	1.35	40.5%
EBITDA margin (in %)[1]	Financial	40.0%	11.3%	11.7%	1.35	54.0%
Subtotal financial criteria		**70.0%**				**94.5%**
Client Satisfaction Index	Non-financial		7.5			
Employee Engagement Score	Non-financial		7.0			
Annual ESG targets (scale 1-5)	Non-financial		3.0			
Attrition direct employees	Non-financial		17%			
Resilience	Non-financial		6.0			
Growth in added value (% business propositions revenue)	Non-financial		65%			
Subtotal non-financial criteria		**30.0%**	**3.0**	**2.5**	**0.75**	**22.5%**
Total		**100%**				**117.0%**

1 This pertains to a non-IFRS valuation. The 2020-2022 LTI scheme is subject to an EBITDA target before the application of IFRS Leases

The ratio of financial and non-financial targets for the 2020-2022 scheme is as follows: 70% of the long-term variable remuneration is related to the development of Ordina's results. The KPIs for this scheme are revenue (30%) and EBITDA margin (40%). The non-financial targets for the long-term variable remuneration are: employee engagement, client satisfaction, growth in added value services, and ESG targets. Achieving these objectives is crucial on both an operational and strategic level, which is why some of these objectives are partly used for both short-term and long-term variable remuneration. The chosen KPIs each have their own dynamics in these different time horizons and therefore have their own impacts on the Management Board's performance.

The Supervisory Board determined that the revenue target was realized above target in 2022. The EBITDA margin was also above target as a result of the improvement in productivity, growth in FTE and growth of business proposition revenue during the performance period. The pay-out percentage for the revenue target has been set at 102.2%, or a weighted 135%. The pay-out for the EBITDA target has been set at around 103.5%, or a weighted 135%. The total weighted pay-out for the financial targets amounts to 135%. The score for the non-financial targets was determined at 2.5 (below target). A number of the non-financial targets were realized while others fell short of the formulated ambition for the performance period, such as the target for growth in value added services, which was measured by the Supervisory Board on the basis of business proposition revenue. Although the shift in Ordina's business model did result in strong growth, it was not as strong as the target set for the performance period. Ordina will continue to shift its business model towards business proposition revenue, preferably delivered through high-performance teams. Although Ordina realized growth in direct FTE, the target for attrition of direct employees was not achieved. All other non-financial targets were realized above target. The pay-out percentage for the non-financial targets has been set at 75%, or a weighted 75%. The total weighted pay-out for non-financial targets amounts to 75%.

In view of the above, 110,650 (Jo Maes) and 14,875 (Joyce van Donk-van Wijnen) performance shares were vested. This is equivalent to a pay-out percentage of 117% of the on-target long-term variable remuneration of the Management Board. The shares to be granted unconditionally in the context of the above will be delivered in the first quarter of 2023.

The main aspects of the current variable remuneration schemes for the members of the Management Board are included in the below overview.

Outlook

In its meeting of February 16, 2022, the Supervisory Board decided to adjust the list of targets for the long-term variable remuneration and the weighting of same, to put more emphasis on (the implementation of) the 2026 strategy. For the long-term 2022-2024 variable remuneration, the Supervisory Board used the following financial targets: revenue growth (30%) and EBITDA margin (40%). Of the revenue growth target, 10% depends on revenue growth

Contents

Current long-term variable remuneration schemes

	General terms share schemes				Information about the financial year					
					opening balance	in the course of the year		Closing balance		
	Performance period	Conditional granting date	Unconditional granting date	End holding period	Number of shares granted at the start of the year	Number of shares granted conditonally	Number of shares granted unconditionally	Number of shares dependent on performance criteria	Number of shares granted and conditional at year-end	Number of shares dependent on holding criteria
J.G. Maes	2018-2020	25-04-18	18-02-21	17-02-23	-	-	-	-	-	88,619
	2019-2021	22-03-19	17-02-22	16-02-24	135,724	-	173,727	-	-	92,032
	2020-2022	12-02-20	Q1 2023	Q1 2025	94,573	-	-	94,573	94,573	-
	2021-2023	18-02-21	Q1 2024	Q1 2026	74,783	-	-	74,783	74,783	-
	2022-2024	2-02-22	Q1 2025	Q1 2027	-	53,902	-	53,902	53,902	-
J.F. van Donk-van Wijnen[1]	2018-2020	5-07-18	18-02-21	n.a.	-	-	-	-	-	-
	2019-2021	9-05-19	Q1 2022	n.a.	18,248	-	23,357	-	-	-
	2020-2022	22-06-20	Q1 2023	n.a.	12,714	-	-	12,714	12,714	-
	2021-2023	18-02-21	Q1 2024	Q1 2026	45,217	-	-	45,217	45,217	-
	2022-2024	2-02-22	Q1 2025	Q1 2027	-	36,039	-	36,039	36,039	-

1 The 2018-2020, 2019-2021 and 2020-2022 schemes for J.F. van Donk-van Wijnen were awraded under the senior management bonus scheme.

achieved through acquisitions. For the non-financial targets (30%), the Supervisory Board used the following targets: client satisfaction, employee engagement, ESG targets, net growth in direct employees and growth in added value services. The realization of these targets will once again be assessed on a combined basis. The targets deemed leading in the context of the Ordina 2026 strategy will generally have a greater relative weighting than the other targets. This approach will be continued for the long-term 2023-2025 variable remuneration.

Pension scheme

Both members of the Management Board participate in the pension scheme provided by the Company.

Other benefits

The Company makes a laptop, a mobile phone and a car available to the members of the Management Board. The associated costs of these benefits for the Management Board members was around EUR 0.1 million in 2022. Said costs are included as part of the overall remuneration in the above overview. In addition to a car being made available to them, the Management Board members also have the option of hiring a driver in certain circumstances. These costs are not part of the other benefits and have therefore not been included in the above overview.

Severance pay

In the year under review, no severance pay was paid out to Management Board members. There were also no instances of a claw-back of a remuneration under Article 2:135 Section 8 of the Dutch Civil Code.

Share options

The Management Board members have not received any share options (share options are not part of the remuneration policy).

Personal loans, advances and guarantees

No personal loans, advances or guarantees were issued for the benefit of members of the Management Board.

Developments in remuneration

In accordance with Article 2:135b Section 2 sub e of the Dutch Civil Code, the table on the next page shows the annual changes in the remuneration of the individual Management Board members over the past five financial years, the average remuneration of employees of the Company over the past five financial years on the basis of a full-time working week, and the development in the Company's performance based on the following KPIs: revenue, net profit, and employee engagement. These targets were selected on the basis of their relevance in

Remuneration Management Board

	J.G. Maes			J.F. van Donk-van Wijnen		
amounts in euro 1,000, unless indicated otherwise	2022	2021	change	2022	2021	change
Base salary	442	430	3%	296	260	14%
Other payments	16	46	-65%	19	17	12%
One-year variable	199	245	-19%	133	148	-10%
Multi-year variable	249	337	-26%	122	78	56%
Extraordinary items	-	-	0%	-	-	0%
Pension expense	8	8	0%	7	7	0%
Total	**914**	**1,066**	**-14%**	**577**	**510**	**13%**
Base compensation	51%	45%		56%	56%	
Performance related	49%	55%		44%	44%	

recent years and because they facilitate consistent reporting and comparison across the aforementioned years.

Developments in remuneration

	2022	2021	2020	2019	2018
Directors remuneration (on a full-time equivalent basis)					
J.G. Maes, CEO	914	1,066	991	891	747
J.F. van Donk-van Wijnen, CFO	577	510	n.a.	n.a.	n.a.
J.W. den Otter, CFO	n.a.	n.a.	692	609	515
Company performance					
Revenue (in euro millions)	429.4	394.5	369.2	372.3	358.5
Net profit (in euro millions)	23.9	24.6	22.3	14.9	6.9
Employee engagement score	7.6	7.6	7.5	7.1	7.1
Average remuneration (on a full-time equivalent basis)					
Directors of the company	745.5	788.0	841.5	750.0	631.0
Employees of the company	75.9	73.5	71.1	70.7	72.1
Pay ratio Directors	9.8	10.7	11.8	10.6	8.8
Pay ratio CEO	12.0	14.5	13.9	12.6	10.4

The amounts in the table above have been extrapolated and are presented on an annual (total) basis.

Pay ratio

Pursuant to best practice provision 3.4.1 sub iv of the Dutch Corporate Governance Code 2016, Ordina determines the pay ratio between the Management Board and other employees in the Ordina Group every year. Ordina calculates this pay ratio by dividing the average costs of the Management Board by the average costs per employee for the entire Ordina Group. The pay ratio calculated in this manner was 9.8 for 2022 (2021: 10.7). With effect from reporting year 2020, the ratio is also calculated by presenting the ratio between the total annual remuneration of the CEO and the average annual remuneration of the Company's own employees. This ratio was 12,0 in 2022 (2021: 14.5). External hires have not been included in this calculation. This is also in line with Ordina's strategy, which is targeting growth in the Company's own employees. The Supervisory Board is of the opinion that the development of the pay ratios within Ordina is well balanced.

The changes in these ratios were largely due to the lower variable remuneration in 2022 compared to 2021.

Supervisory Board remuneration

The aim of the Supervisory Board's remuneration policy is to enable Ordina to recruit competent Supervisory Board members. In accordance with best practice provision 3.3.1 of the Dutch Corporate Governance Code 2016, the remuneration of the Supervisory Board members reflects the time commitment and responsibilities of their position and does not depend on the Company's results. The remuneration is based on the current remuneration policy as adopted by the AGM of June 30, 2020. The RNH Committee reviews the policy on an annual basis, submitting it for adoption by the General Meeting at least every time the policy is changed substantively or, in the absence of such a change, every four years. Various stakeholders are consulted before determining the policy, including Ordina's Works Council.

In line with the policy, the fixed remuneration for a member of the Supervisory Board was EUR 40,000 in 2022. The remuneration for the chair of the Supervisory Board was EUR 60,000 in the year under review. In addition to the above remuneration, the chairs and members of the Audit Committee and RNH Committee received an annual stipend of EUR 7,500 and EUR 5,000 respectively. The Supervisory Board members do not receive a variable remuneration.

No personal loans, advances, or guarantees were provided for the benefit of members of the Supervisory Board in 2022. Members of the Supervisory Board are permitted to hold shares in Ordina N.V. for long-term investment purposes (with due observance of the prevailing laws and regulations in this area). At both year-end 2022 and year-end 2021, the members of the Supervisory Board did not hold any Ordina N.V. shares.

Compensation Supervisory Board

	2022	2021	2020	2019	2018
J. van Hall, chairman	65	66	65	65	n.a.
C. Princen, vice chairman	48	48	47	47	44
T. Menssen	48	48	24	n.a.	n.a.
D.R. de Breij	45	33	n.a.	n.a.	n.a.
B. Van Reet	45	33	n.a.	n.a.	n.a.
F. Michiels	n.a.	4	23	n.a.	n.a.
J. Niessen	n.a.	n.a.	32	45	45
D.J. Anbeek	n.a.	n.a.	24	48	48
P.G. Boumeester	n.a.	n.a.	n.a.	12	48
J.G. van der Werf	n.a.	n.a.	n.a.	n.a.	20
A. Kregting	n.a.	n.a.	n.a.	n.a.	45
Total	**250**	**232**	**215**	**217**	**250**

Financial statements

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Consolidated statement of financial position as at 31 December

(Before appropriation of profit)

(In euro thousands)	Notes	2022	2021
Assets			
Non-current assets			
Intangible assets	8	130,916	132,677
Right-of-use assets	9	29,318	32,613
Property, plant and equipment	10	8,137	7,058
Investments in associated companies	11	319	326
Deferred income tax assets	12	6,004	8,564
Total non-current assets		**174,694**	**181,238**
Current assets			
Trade receivables	14	47,693	41,195
Unbilled receivables	14	17,776	16,125
Contract assets	14	9,786	7,806
Other current assets	14	4,768	2,903
Cash and cash equivalents	15	37,205	43,599
Total current assets		**117,228**	**111,628**
Total assets		**291,922**	**292,866**

The notes 1 through 32 are an integral part of these consolidated financial statements.

Consolidated statement of financial position as at 31 December

(Before appropriation of profit) (continued)

(In euro thousands)	Notes	2022	2021
Equity and liabilities			
Equity			
Issued capital	16	9,002	9,326
Share premium reserve	17	124,433	136,219
Retained earnings	17	14,203	8,805
Net profit for the year	17	23,895	24,598
Total equity		**171,533**	**178,948**
Liabilities			
Non-current liabilities			
Employee related provisions	19	555	912
Lease liabilities	9	19,520	24,018
Other provisions	20	-	1,481
Deferred income tax liabilities	12	458	525
Total non-current liabilities		**20,533**	**26,936**
Current liabilities			
Lease liabilities	9	10,777	10,503
Other provisions	20	1,424	2,391
Trade payables	21	17,191	10,705
Contract liabilities	21	6,871	5,889
Other current liabilities	21	61,636	56,153
Current income tax payable		1,957	1,341
Total current liabilities		**99,856**	**86,982**
Total liabilities		**120,389**	**113,918**
Total equity and liabilities		**291,922**	**292,866**

The notes 1 through 32 are an integral part of these consolidated financial statements.

Consolidated statement of profit and loss

(in euro thousands)	Notes	2022	2021
Revenue from contracts with customers	6	**429,416**	**394,471**
Operating expenses			
Cost of hardware, software and other direct costs		-5,433	-5,832
Subcontracted work		-113,069	-98,756
Personnel expenses	22	-247,118	-225,145
Amortisation intangible assets	8	-1,692	-1,722
Depreciation right-of-use assets	9	-10,972	-10,648
Depreciation property, plant and equipment	10	-2,369	-2,069
Other operating expenses	23	-13,407	-14,549
Total operating expenses		**-394,060**	**-358,721**
Operating profit		**35,356**	**35,750**
Finance income	24	-	-
Finance costs	24	-1,357	-1,301
Share of profit of associated companies	11	-7	2
Profit before tax		**33,992**	**34,451**
Income tax expense	25	-10,097	-9,853
Net profit for the year		**23,895**	**24,598**
Net profit is attributable to:			
Shareholders of the company		23,895	24,598
Net profit for the year		**23,895**	**24,598**

(In euro's)	Notes	2022	2021
Earnings per share - basic	26	0.26	0.26
Earnings per share - diluted	26	0.26	0.26

The notes 1 through 32 are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

(in euro thousands)	Notes	2022	2021
Net profit for the year	17	**23,895**	**24,598**
Items not to be reclassified to profit or loss in subsequent periods			
Actuarial gains and losses on defined benefit plans	17/19	335	153
Tax related to actuarial gains and losses on defined benefit plans	12/17	-85	-38
Other comprehensive income for the year, net of tax		**250**	**115**
Total comprehensive income for the year		**24,145**	**24,713**
Total comprehensive income for the year is attributable to:			
Shareholders of the company		24,145	24,713
Total comprehensive income for the year		**24,145**	**24,713**

The notes 1 through 32 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

		2022					2021				
(in euro thousands)	Notes	Issued capital	Share premium reserve	Retained earnings	Net profit for the year	Total	Issued capital	Share premium reserve	Retained earnings	Net profit for the year	Total
At 1 January		9,326	136,219	8,805	24,598	178,948	9,326	136,219	9,976	22,290	177,811
Net profit for the year	17	-	-	-	23,895	23,895	-	-	-	24,598	24,598
Other comprehensive income											
Actuarial gains and losses on defined benefit plans	17/19	-	-	335	-	335	-	-	153	-	153
Tax related to actuarial gains and losses on defined benefit plans	12/17	-	-	-85	-	-85	-	-	-38	-	-38
Other comprehensive income for the year, net of tax		**-**	**-**	**250**	**-**	**250**	**-**	**-**	**115**	**-**	**115**
Total comprehensive income for the year		**-**	**-**	**250**	**23,895**	**24,145**	**-**	**-**	**115**	**24,598**	**24,713**
Transactions with shareholders											
Appropriation of profit previous year	17/27	-	-	24,598	-24,598	-	-	-	22,290	-22,290	-
Dividend distribution	17/27	-	-	-14,734	-	-14,734	-	-	-22,288	-	-22,288
Treasury shares purchased related to the share buy-back program	16/17	-324	-11,786	-2,890	-	-15,000	-	-	-	-	-
Shares purchased related to the share-based payments settlement	16/17	-	-	-2,802	-	-2,802	-	-	-2,602	-	-2,602
Share-based payments - personnel expenses	17/22	-	-	976	-	976	-	-	1,314	-	1,314
Total transactions with shareholders		**-324**	**-11,786**	**5,148**	**-24,598**	**-31,560**	**-**	**-**	**-1,286**	**-22,290**	**-23,576**
At 31 December		**9,002**	**124,433**	**14,203**	**23,895**	**171,533**	**9,326**	**136,219**	**8,805**	**24,598**	**178,948**

The notes 1 through 32 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

(in euro thousands)	Notes	2022	2021
Operating activities			
Net profit for the year		23,895	24,598
Adjustments for			
Finance costs -net	9/24	1,357	1,301
Share of profit of associated companies	11	7	-2
Income tax expense	25	10,097	9,853
Amortisation intangible assets	8	1,692	1,722
Depreciation right-of-use assets	9	10,972	10,648
Depreciation property, plant and equipment	10	2,369	2,069
Movements in provisions	19/20	-47	560
Share-based payments	16/17/22/31	976	1,314
Working capital changes			
Movements in receivables		-11,521	-6,302
Movements in current liabilities		11,315	4,870
Cash generated from operations		51,112	50,631
Interest paid		-1,065	-1,143
Income tax paid	7	-7,074	-7,091
Net cash flow from operating activities		**42,973**	**42,397**

The notes 1 through 32 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows (continued)

(in euro thousands)	Notes	2022	2021
Investing activities			
Acquisition of a subsidiary, net of cash acquired	20/30	-1,000	-3,489
Purchase of intangible assets	8	-	-67
Purchase of property, plant and equipment	10	-4,006	-4,918
Proceeds from sale of property, plant and equipment	10	76	104
Net cash flows used in investing activities		**-4,930**	**-8,370**
Financing activities			
Lease payments	9	-11,901	-9,943
Shares purchased related to the share-based settlement	16/17	-2,802	-2,602
Dividends paid to shareholders	17/27	-14,734	-22,288
Treasury shares purchased related to the share buy-back program	16/17	-15,000	-
Net cash flows used in financing activities		**-44,437**	**-34,833**
Net movement in cash and cash equivalents		**-6,394**	**-806**

(in euro thousands)	2022	2021
Net movement in cash and cash equivalents	-6,394	-806
Cash and cash equivalents at beginning of year	43,599	44,405
Cash and cash equivalents at end of year	**37,205**	**43,599**

The notes 1 through 32 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1 General information

Ordina N.V. is a public limited liability company, incorporated in 1973 in the Netherlands and has its registered office at Ringwade 1, 3439 LM Nieuwegein, the Netherlands, under Trade Register number 30077528. Ordina N.V. shares have been listed on the Euronext Amsterdam stock exchange since 1987 and are included in the Small Cap Index (AScX).

The Management Board prepared the consolidated financial statements for the year ending 31 December 2022 for Ordina N.V. and all its group companies (jointly referred to as Ordina) on 15 February 2023. The consolidated financial statements were approved for publication by the Supervisory Board on 15 February 2023. They will be submitted for adoption to the General Meeting of 6 April 2023.

Ordina is the digital business partner that harnesses technology and market know-how to give its customers an edge. We do this by using smart solutions to connect technology, business challenges and people. We help our customers to accelerate, to develop smart applications, to launch new digital services and ensure that people embrace those services.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. Ordina has applied these policies consistently to all periods presented in these financial statements.

Fluctuations in the economic climate, for example due to an unstable (geo)political situation may have an impact on Ordina. The macro economic outlook has been adjusted downwards during the year 2022, but is also surrounded by a great deal of uncertainty. The war in Ukraine and the impact on global supply chains could have an impact on our clients and therefore an indirect impact on Ordina. Based on current developments the impact of the war in Ukraine on Ordina in the immediate future is limited.

Ordina's revenue in 2022 increased to EUR 429.4 million (2021: EUR 394.5 million), while the net result amounts to EUR 23.9 million (2021: EUR 24.6 million). The company's free cash flow was EUR 27.1 million in 2022 (2021: EUR 27.6 million). The general direction is very positive for our sector. At the same time, there is considerable uncertainty in the wider economy. We need to consider the possibility of a global recession, find ways to cope with accelerating inflation, and make room to continue paying our people in a way that maintains a high standard of living. The fact that our clients are facing complex challenges is all the more reason to accelerate our existing strategy in becoming a digital business partner. Although we expect to encounter some roadblocks, our activities this year have put us in a much stronger position to help our clients stay ahead of change – whatever the future holds.

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and also comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code.

The financial statements are published in both English and Dutch. The English version is leading.

Ordina has prepared the financial statements on the basis that it will continue to operate as a going concern.

The consolidated financial statements are presented in euro (EUR) and stated in thousands of euros, unless otherwise indicated, as a result of which rounding differences may occur. The consolidated financial statements have been prepared on a historical cost basis, unless indicated otherwise. Personnel-related provisions ensuing from defined benefit plans are stated at present value applying IAS 19.

The financial statements provide comparative figures in respect of the previous periods. The financial statements are prepared consistently with prior year and there are no differences in opening balances.

The preparation of the financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and income and expenses. Estimates and assumptions are based on historical experience and various other factors that are assumed to be reasonable under the circumstances, the result of which forms the basis for making aforesaid judgments about the carrying amounts of the recognized assets and liabilities. Actual results and circumstances may differ from these estimates.

The estimates and underlying assumptions are continuously evaluated and adjusted where appropriate. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Assumptions and estimates made by management in the application of IFRS that have a significant impact on the financial statements and future periods are disclosed in note 5.

Application of new standards

Ordina applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2022 (unless otherwise stated). Ordina has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

New standards and amendments to existing standards in 2022 have no material impact on Ordina's capital and results, nor on the notes to the financial statements. The published amendment of IAS 37 related to onerous contracts, which must be applied from 1 January 2022, had no material impact for Ordina, as Ordina already recognizes this item in line with the amended standard.

Published standards which have not yet come effective
At year-end 2022, various new and amended standards and interpretations have been published but were not yet effective at the time of publication of these financial statements. Ordina will apply these new and amended standards and interpretations, insofar as applicable, as soon as they come effective.

Any published, new and amended IFRS standards and interpretations that are not yet applicable to reporting periods commencing on 1 January 2022 have not been applied early. We do not expect new standards that become applicable after 2022 to have a material impact on Ordina's capital and results, nor on the notes to the financial statements.

2.2 Basis of consolidation

Group companies are all entities over which Ordina has control. Control is achieved when Ordina is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of such group companies are included in the consolidated financial statements of Ordina N.V. from the date Ordina gains control until the date that it ceases control. All group companies included in the consolidated financial statements for 2021 and 2022 are wholly owned by Ordina. Consequently, there is no third party non-controlling interest.

The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, Ordina elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Intercompany balances, transactions and unrealized gains on transactions between group companies are eliminated upon consolidation. Transactions with associated companies are eliminated in the consolidation to the extend of Ordina´s share in the associated company in question.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with Ordina's accounting policies.

Other investments in associated companies all relate to minority interests in companies in which Ordina has significant influence, but not control. Significant influence is generally assumed in the case of a shareholding of between 20% and 50% of the voting rights. These investments are accounted for using the equity method. Under the equity method, the investment in an associated company or a joint venture is initially recognized at cost (see section 2.8).

2.3 Segment reporting

Information per segment is reported in line with how reporting lines and decision-making are organised within Ordina. The Management Board is identified as the highest body with regard to strategic decision making (the so-called chief operating decision maker). The Management Board comprises the CEO and the CFO.

See note 7 for a more detailed explanation of segment information.

2.4 Foreign currency

2.4.1 Functional and presentation currency

The consolidated financial statements are presented in 'euro' (€), the currency of Ordina's primary economic environment. All group companies use the euro as their functional currency.

2.4.2 Translation other currencies

Where applicable, foreign currency transactions and balances are translated to the functional currency (euro) using the exchange rates prevailing at the transaction date and reporting date respectively. Foreign exchange gains and losses are recognized in the statement of profit or loss.

2.5 Intangible assets

2.5.1 Goodwill

Business combinations are accounted for using the acquisition method. Goodwill results from the acquisition of group companies. Goodwill represents the difference between the cost of an acquisition and the fair value of the acquired identifiable assets and liabilities, including contingent liabilities, at the date of acquisition. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, Ordina elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Any contingent consideration to be transferred by Ordina will be recognized at fair value at the acquisition date, with changes in fair value being recognized in profit or loss. Goodwill is initially measured at cost. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Acquisition-related costs are expensed as incurred and included in administrative expenses.

Ordina determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort or delay in the ability to continue producing outputs.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of Ordina's cash-generating units (operating segments) that are expected to benefit from the combination. Impairment of goodwill is recognized as an expense and is not subsequently reversed. If Ordina loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

Any negative goodwill (badwill) arising from an acquisition is recognized directly in profit or loss.

Goodwill related to associated companies or joint ventures is included in the carrying amount of the investment and is not tested for impairment separately.

2.5.2 Software

Software licences acquired separately are measured on initial recognition at cost. Costs of a separately acquired intangible asset comprises its purchase price and any directly attributable costs of preparing the asset for its intended use. Internally developed software is capitalised insofar as the costs are the result of the development and testing phase of a project and when Ordina can demonstrate:

- the technical feasibility of completing the asset so that the asset will be available for use or sale;
- there is an intention to complete the project and an ability to use or sell the software;
- the software will generate future economic benefits;
- the availability of resources to complete the software;
- it is possible to reliably measure the expenditure during development.

Directly attributable costs that are attributed to internally developed software comprises personnel costs and directly attributable external costs. Other expenses relating to internally developed software that do not meet the criteria are expensed as incurred.

Software has a finite useful life and is amortised using the straight-line method over the useful economic life of the software and assessed for impairment whenever there is an indication that the software may be impaired. Amortisation is charged to the statement of profit or loss. Internally developed software is amortised from the date it is taken into use.

2.5.3 Intangible assets related to customers

The intangible assets related to customers relate to the intangible assets of acquisitions and include brand names and client and contract portfolios identified in accordance with IFRS 3 (Business Combinations) and are recognized and measured at fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

2.5.4 Amortisation of intangible assets

Amortisation is calculated using the straight-line method to allocate the costs of intangible assets over their estimated useful lives. Goodwill is not amortised and tested annually for impairment at each reporting date. Other intangible assets are amortised from the date they are available for use.

The useful lives of the intangible fixed assets as estimated by management are as follows:

- Software: 3-7 years
- Brand names: 3 years
- Client lists: 10 years

The useful lives of assets are reviewed annually and adjusted where appropriate.

2.6 Leases

Ordina assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.6.1 Right-of-use assets

Ordina recognizes a right-of-use asset at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liability. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and lease payments made prior to or at the moment Ordina enters into the lease, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the asset.

The estimated useful lives of the leased assets are as follows:

- Cars 2-5 years
- Rental buildings 2-10 years
- Other 2-4 years

The lease contracts that Ordina enters into do not include a purchase option that can be exercised with any reasonable degree of certainty. Right-of-use assets are assessed for impairment.

2.6.2 Lease liabilities

At the commencement date of the lease, Ordina recognizes a lease liability measured at present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

If it is not possible to determine the interest rate implicit in the lease, the present value is calculated on the basis of an incremental borrowing rate (IBR) on the commencement date of the contract, which is determined on the basis of the underlying asset and the term of the lease contract in question. The IBR is the rate of interest that Ordina would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what Ordina 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). Ordina estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2.6.3 Short-term leases and low-value leases

Ordina applies the short-term lease recognition exemption to its short-term leases of equipment and rental cars (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Ordina also applies the low-value assets recognition exemption to leases that are considered to be of low value (less than EUR 5,000). Payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

2.6.4 Significant estimates and assumptions when assessing options to extend a lease

Ordina views the term of the lease contract as the non-cancellable lease term, in conjunction with any potential option to extend or terminate the lease. Ordina has various lease contracts that include an extension option. Any measurement takes into account the extension option, insofar as it is reasonably certain that Ordina will make use of the extension option or any option to terminate the lease, if it is reasonably certain it will not be exercised. When assessing whether to make use of the option, Ordina takes into account all relevant factors to realise an economic advantage from a potential extension. Ordina assesses whether it will make use of extension options at the commencement of the lease contract and subsequently each time there is a reason for such an assessment. Ordina has taken extension options into account for several rental contracts. A contract extension is considered to be reasonably certain for these contracts. The term of the extension options included in rental contracts varies between three and five years. Ordina does not take into account any extension options in the case of contracts for lease cars, as Ordina's policy is in general to never allow car lease contracts to run for more than four years, regardless of any potential extension options.

2.7 Property, plant and equipment

2.7.1 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, which includes expenditure that is directly attributable to the acquisition or manufacture of the asset. Subsequent costs are included in the carrying amount of the asset or recognized as a separate asset, as appropriate, if it is probable that future economic benefits associated with the item will flow to Ordina and the cost of the item can be measured reliably. Repair and maintenance costs are recognized in the statement of profit or loss during the financial period in which they are incurred.

Land is stated at cost less impairment losses. Government grants received in connection to the acquisition of land are deducted from the acquisition price.

An item of property, plant and equipment initially recognized is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal.

2.7.2 Depreciation

Depreciation of property, plant and equipment is calculated using the straight-line method on the basis of the estimated useful life of an asset as estimated by management.

The estimated economic life of property, plant and equipment used to calculate the depreciation is as follows:

- Land: unlimited
- Renovations: 2-10 years
- Equipment: 2-4 years
- Fixtures and fittings: 3-5 years

Building renovations are depreciated on the basis of the shorter of the remaining terms of the leases for the respective buildings and their useful lives.

The residual value, which is usually set at nil, and remaining useful lives of property, plant and equipment are reviewed annually on the reporting date and adjusted when appropriate.

2.8 Investments in associated companies

Associated companies are all entities over which Ordina has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. Generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associated companies are accounted for using the equity method. Under the equity method, the investment in an associated company is initially recognized at cost and the carrying amount is increased or decreased to recognize Ordina's share of the net asset of the associated company after the date of acquisition. Goodwill relating to the associated company or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit and loss reflects Ordina's share of the result of operations of the associated company. Any change in other comprehensive Income (OCI) of those associated companies is presented as part of Ordina's OCI.

When its share of losses in an associated company equals or exceeds the carrying amount of the associated company, Ordina does not recognize further losses, unless it has issued guarantees for the associated company, incurred obligations or made payments on behalf of the associated company. In the event of obligations not shown on the statement of financial position relating to associated companies for which Ordina can be held liable, these are included in the contingent and contractual obligations not shown on the balance sheet (see note 29).

2.9 Trade receivables and other current assets

Trade receivables and other current assets are initially recognized at the transaction price and subsequently measured at amortised cost using the effective interest method, less any expected credit losses. In accordance with IFRS 9 'Financial instruments', Ordina recognizes an allowance for expected credit losses (ECLs) for trade receivables, unbilled receivables and contract assets based on the expected settlement terms of said assets. The allowance for expected credit losses is determined on the basis of historical credit losses on trade receivables, unbilled receivables and contract assets, adjusted for economic developments and future expectations relevant to the specific receivables. The amount of the provision for expected credit losses is recognized in the profit or loss under other operating expenses.

Other current assets include unbilled receivables, contract assets, other receivables and prepayments.

A contract asset is the right to payment in exchange for goods or services that have been transferred to the client. A contract asset is recognized if this right to payment arises before the client makes this payment or before payment is due. Contract assets are recognized under other current assets, insofar as these contract assets have already exceeded the amounts billed for these projects. A contract liability is the obligation to transfer goods or services to a client, for which Ordina has received payment from the client. Contract liabilities are recognized as income when Ordina has met its contractual performance obligation.

If the contract liabilities for current projects exceed the sum of the costs incurred and gains realised, the balance of these projects is recognized under current liabilities. In this regard, reference is made also to the accounting policies for revenue recognition (see section 2.17).

2.10 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the consolidated statement of financial position, bank overdrafts are shown within ‘borrowings’ in current liabilities.

2.11 Assets and liabilities held for sale

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification. Assets held for sale are measured at the lower of their carrying value and fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

2.12 Impairment of non-financial assets

Intangible assets that have an indefinite useful life, as well as assets that are not yet available for use are not subject to amortisation but tested annually for impairment. Assets that have a finite useful life are amortised and tested for impairment whenever there is an indication that their carrying amounts may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of an asset exceeds its recoverable amount.

2.12.1 Calculation of recoverable amount

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less cost of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm’s length, for similar assets or observable market prices less incremental costs of disposing of the asset.

For an asset that does not generate independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

2.12.2 Reversal of impairment losses

Impairment losses recognized for goodwill will never be reversed.

An impairment loss recognized for other assets is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized. It is assessed at each reporting date whether there is any indication that an impairment loss recognized in prior periods for an asset other than goodwill may no longer exist or may have decreased. If there is such an indication, the recoverable amount of that asset is re-determined and the impairment loss adjusted when such is warranted by the assessment.

2.13 Shareholders' equity

2.13.1 Share capital

The authorised capital of Ordina N.V. consists of 160,000,000 ordinary shares, 39,999,995 preference shares and one priority share. The issued and paid-up priority share and the issued and paid-up ordinary shares are classified as shareholders' equity.

Costs directly related to the issue of new ordinary shares are charged (after deduction of taxes) immediately upon issue as a correction to the proceeds of the issuance of shares and charged to the shareholders' equity.

2.13.2 Treasury shares

When Ordina N.V. repurchases its own shares (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from shareholders' equity until the moment the shares are cancelled, re-issued or sold. In the event that such shares are subsequently sold or re-issued, any amount received, net of any directly attributable costs and the related income tax effects, is credited to the shareholders' equity. In the event that treasury shares are cancelled, the value above the nominal value of those shares are deducted from the share premium reserve and the retained earnings based on the ratio of these reserves at the beginning of the financial year in which the shares are cancelled.

2.13.3 Dividends

Dividend payments to Ordina N.V. shareholders are classified as liabilities as soon as the General Meeting passes a motion to make such payments.

2.14 Employee benefits

2.14.1 Pension plans

Ordina has both defined contribution plans and defined benefit plans. A defined contribution plan is a pension plan under which Ordina pays fixed contributions to an insurance company. Ordina has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the pension benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, salary and years of service.

2.14.1.1 Defined contribution plans (based on the available contribution system)

Contributions to defined contribution plans are recognized as employee benefit expenses in the period in which the related services are received. Ordina has no other obligations in relation to defined contribution plans.

2.14.1.2 Defined benefit plans

The liability recognized in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries based on actuarial assumptions using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise. Pension costs incurred during the year (including costs, interest expenses and expected returns on plan assets) are recognized in the statement of profit or loss.

2.14.2 Share-based payments

The members of the Management Board and the senior management are entitled to long-term profit-sharing and bonus benefits in the form of Ordina N.V. shares. For the purposes of these long-term benefits, performance criteria are determined annually for each upcoming three-year period. Based on these performance criteria, the number of shares in Ordina N.V. to be awarded is determined annually and for each individual three-year period.

The shares that are expected to be awarded are valued on the basis of the price of Ordina N.V. shares at the grant date. Any awarded shares to the Management Board will be subject to a lock-up period of two consecutive years. This lock-up period does not apply to the sale of part of the awarded shares for which its proceeds will be used to fulfil any tax obligations related to the delivery of the shares.

The cost for share-based payments is recognized in employee benefits expense, together with a corresponding increase in equity (retained earnings), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and Ordina's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period. In the event that new shares are issued upon settlement, the recognized value of the share based payments is recognized as a payment on the newly issued shares. If previously issued shares are purchased to meet the obligations of the share scheme, this purchase results in an outgoing cash flow from financing activities (see also note 2.13.2).

2.15 Provisions

Provisions are recognized in the statement of financial position when the following conditions are met:

- there is a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expected expenditures required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

In addition to the provision for defined benefit plans referred to in section 2.14.1.2, provisions are recognized for restructuring costs, current warranty and project commitments, onerous contracts and unsettled earn-out obligations.

A provision for restructuring costs will be recognized when Ordina has a detailed formal plan for the restructuring and has started to implement the restructuring or announced the restructuring publicly. Costs relating to future operating activities are not included in the restructuring provision.

A provision is recognized for warranty commitments pending at the reporting date. This provision is based on the activities that are expected to be performed under these commitments. Initial recognition is based on the cost of the expected activities. The estimate of warranty-related costs is revised annually.

The provision for onerous contracts relates to activities expected to be performed with regard to these contracts. The amount of the provision corresponds to the excess of the unavoidable costs Ordina will incur to meet the obligations under such contracts over and above the economic benefits expected to be received.

2.16 Trade payables and other current liabilities

Trade payables and other current liabilities are initially recognized at fair value and are subsequently measured at amortised cost using the effective interest method.

2.17 Revenue from contracts with customers

Ordina is active in the IT services sector. Revenue from contracts with customers is recognized when Ordina has met its performance obligations and has effectively transferred control of the goods or services to the customer. Revenue is recognized at the amount that reflects the consideration to which Ordina expects to be entitled in exchange for those goods and services.

With respect to the most important estimates and assumptions in the recognition of revenue from contracts with customers, please see note 5.

Ordina determines whether there are separate performance obligations within a contract. A performance obligation is a promise to a customer to deliver goods and/or services. A performance obligation may concern an individual service or good or a series of separate individual services or goods, which are generally the same and are delivered according to a similar pattern. A performance obligation is determined at the commencement of the contract on the basis of the contractual conditions and agreements.

Revenue is recognized for each individual performance obligation in the amount that Ordina expects to receive for each individual performance obligation, and if applicable taking into account variable consideration, significant financing components, non-cash payments and payments that are made to the customer.

When determining the transaction price, Ordina takes into account variable considerations insofar as it is highly probable there will be no significant reduction in this variable consideration in the cumulatively recognized revenue. Estimates with respect to variable consideration are periodically re-evaluated and updated when necessary.

Ordina applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less. Ordina’s contracts concerning the delivery of IT services and/or the sale of software have in general a period of less than one year between the transfer of the promised goods or service and the payment.

Any overall discount compared to the aggregate of standalone selling prices is allocated between performance obligations on a relative standalone selling price basis. In certain circumstances, it may be appropriate to allocate such a discount to some but not all of the performance obligations.

Compensation or a penalty payment is taken into account in determining the transaction price, unless it is highly probable that Ordina is not bound to pay the compensation to its customer.

Ordina recognizes revenue from IT services over time, given that Ordina’s performance creates an asset that the customer controls as the asset is created, and/or Ordina’s performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date. In the case of fixed-rate projects, Ordina recognizes revenue on the basis of the ratio of the costs already incurred to the total amount of costs it expects to incur.

Ordina recognizes revenue from the sale of hardware and/or software at the point in time when control of the asset is transferred to the customer.

Ordina sometimes closes contracts with customers that involve Ordina, acting on behalf of its customer, purchasing hardware, licenses or specific services from third parties. In these situations, Ordina determines whether it is acting in the role of principal or agent. Under these contracts, Ordina may facilitate the purchase of the goods or services, without bearing primary responsibility for the actual delivery of said goods or services. In this situation, Ordina does not run any inventory risk before or during the delivery. If Ordina has no control over the goods or services to be delivered it acts as an agent and only recognizes revenue for the margin realised. If Ordina does have control of the goods or services during the delivery, it acts as a principal and recognizes revenue for the gross amounts.

2.18 Costs

2.18.1 Costs of hardware, software, other direct costs and subcontracted work

Costs of hardware, software, other direct costs and subcontracted work are expensed in the period in which the corresponding income is recognized.

2.18.2 Lease payments

Lease payments are primarily recognized in line with note 2.6 Leases. Payments part of a lease agreement that do not qualify as lease payment (such as payments for service components) or short-term lease payments and low value lease payments are expensed on a straight-line basis over the period of the lease.

2.18.3 Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants that are receivable as a compensation for expenses or losses already incurred are recognized in the statement of profit or loss in the period in which they become receivable. Ordina presents such government grants as a reduction to the related expenses in the statement of profit and loss.

2.18.4 Finance income and costs

Finance income includes interest on loans granted, current account balances held with banks, and interest payments for settlement of tax receivables. Finance income is recognized using the effective interest method.

Finance costs comprises the interest charged by banks on withdrawals, commitment fees, interest charges incurred for the settlement of tax obligations and pension commitments, as well as the interest related to movements in provisions due to the passage of time. Where applicable, the interest component of lease liabilities is also recognized as finance costs (see note 2.6.2). Finance costs are recognized in the statement of profit and loss using the effective interest method.

2.19 Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where Ordina operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and establishes provisions where appropriate.

Deferred taxes are recognized for temporary differences arising between the fiscal values of assets and liabilities, and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither commercial nor fiscal results. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets for tax losses are recognized only when it is probable that taxable profits will be available against which they can be utilised.

Ordina offsets deferred tax assets and deferred tax liabilities only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3 Presentation of the statement of cash flows

Ordina prepares the statement of cash flows using the indirect method. The statement of cash flows distinguishes between cash flows from operating activities and those from investment and financing activities.

Net cash flow from operating activities include income and expenses before taxes, as well as interest received and paid (including interest payments related to lease liabilities) and taxes received and paid.

Cash flows arising from the acquisition or disposal of financial interests (participations and investments) are included in cash flows from investing activities net of any cash and cash equivalents held by such interests.

Lease payments (excluding the interest component) and dividends paid out are presented as part of cash flows from financing activities.

4 Financial risk management

Ordina's activities are exposed to a variety of financial risks, including market risk, credit risk and liquidity risk. The Management Board has the overall responsibility for risk management. Ordina's risk management encompasses more than just financial risks. Risk management focuses on identifying key risks and managing these using guidelines, procedures, systems, best practices, specific controls and audits. Our financial risk management focuses specifically on risks that are relevant to Ordina in this regard.

The Management Board bears the ultimate responsibility for the design, implementation and the supervision of risk management within Ordina. Risk management policies and systems are evaluated regularly and if necessary adjusted to changes in market conditions and Ordina's activities.

4.1 Market risk

Market risk is related to the risk that Ordina's income is influenced by changes in market prices, such as interest rates and exchange rates. The management of market risks is aimed at keeping market risk positions within acceptable boundaries while optimising returns.

4.1.1 Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Ordina is exposed to interest rate risk, which is limited to the Eurozone. Ordina's interest rate risk policy seeks to limit the entity's exposure to interest rate risk on borrowings. Interest rate risks may arise on both non-current and current borrowings. Ordina continually analyses developments in cash flows in relation to available financing facilities and interest rate fluctuations.

The non-current interest-bearing borrowings at year-end 2022 and 2021 are limited to lease liabilities.

With respect to the interest-bearing bank borrowings ensuing from the current account credit facility, Ordina is due a floating interest rate calculated on the basis of the one-month EURIBOR plus a fixed margin of 0.7%. The existing financing facility agreement ends as of July 2024. The use of the current account credit facility depends on Ordina's liquidity requirements. In 2022 no use was made of the credit facility. If a sensitivity analysis had resulted in an assumed increase in the floating rate of interest of on average 1.0%, this would only have resulted in a very limited increase in financing expenses.

Ordina has no significant interest-bearing assets. Ordina's income is therefore almost entirely independent of changes in interest rates. When the financing facility has to be used in the future, the financing costs will increase as a result of the increased interest rates.

4.1.2 Currency risk
Currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. All of Ordina's group companies are based in the Eurozone, where most of their revenue is realized. Ordina has therefore chosen the euro as its functional and reporting currency. Ordina has no assets or liabilities outside the Eurozone. The Management Board qualifies the currency risks at year-end 2022 as limited.

4.2 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or contract, leading to a financial loss. Ordina is exposed to credit risk from its operating activities (primarily trade receivables) and from its finance activities.

Credit risk is managed on a group basis. Credit risk arises on cash and cash equivalents, derivative financial instruments and transactions with customers, including credit exposures. For banks and financial institutions, only independent professional parties based in the Netherlands, Belgium and Luxembourg are accepted, with risks being spread over a range of parties.

The creditworthiness of customers is assessed in advance using project acceptance criteria. If available, external credit ratings are used. If there is no independent rating, Ordina assesses the creditworthiness of customers based on internal guidelines, taking into account their financial position, past experience and other factors. The exposure to credit risk related to customers is assessed on an ongoing basis using the internal guidelines. Concentration of credit risks related to trade and other receivables is identified in the public sector. The concentration of credit risk related to other customers is limited in view of the individual size and independent position of the various customers. Ordina has done business with a large proportion of its customers for many years and in the past there have only been occasional instances of customers defaulting on their obligations. Customers are assessed continually and individually for compliance with payment terms. The findings are periodically reported to the Management Board. We refer to note 14 of this annual report for further information on trade receivables.

The Management Board qualifies the credit risk related to customers as limited at year-end 2022. As a result of macro-economic developments and inflation, we could see an increase in credit risk at specific customers. To date, there has been an extremely limited visible increase in credit risk within Ordina's client portfolio. There is also some question of a concentration of risks in situations that involves the intervention of so-called brokers. Such parties could experience solvency or continuity issues due to market conditions.

Ordina N.V. has filed a declaration of joint and several liability for the majority of its Dutch group companies with their respective Chamber of Commerce.

4.3 Liquidity risks

Liquidity risk is the risk that Ordina cannot meet its financial obligations. The objective of liquidity risk management is that insofar as possible there should be sufficient liquidity for the company to meet its current and future financial obligations in both normal and difficult circumstances, without this entailing unacceptable losses or the threat of damage to Ordina's reputation.

Ordina has centralised its cash management, using the centrally managed credit facility Ordina closed in July 2019. At year-end 2022, Ordina has a committed facility of EUR 30.0 million which was not used in 2022. The committed facility consists entirely of a current account credit facility. The maximum term is five years, with an initial term of three years and an option to extend the term twice by one year. In 2021, Ordina reached an agreement with its banks to extend the credit facility for a second period of one year, as a result of which the agreement now ends in July 2024. For information on the available credit facilities and the applicable covenants, we refer to note 15 in this annual report.

Cash management is aimed at putting Ordina's available cash resources and overdraft facilities to the best possible use. To this end, cash flow forecasts are prepared periodically for both the short and medium terms. These forecasts are revised periodically based on actual results and any revised forecasts.

The table below summarises the maturity of Ordina's financial liabilities based on contractual undiscounted payments:

	2022				2021			
		Maturity date				Maturity date		
	Financial liability	< 1 year	within 1 to 2 years	> 2 years	Financial liability	< 1 year	within 1 to 2 years	> 2 years
At 31 December								
Borrowings	-	-	-	-	-	-	-	-
Lease liabilities	-31,644	-11,283	-8,083	-12,278	-35,921	-11,242	-9,122	-15,557
Trade payables	-17,191	-17,191	-	-	-10,705	-10,705	-	-
Other current liabilities	-33,913	-33,913	-	-	-30,924	-30,924	-	-

4.4 Capital risk management

Capital is managed centrally to safeguard Ordina's ability to continue as a going concern and to maintain an optimal capital structure to reduce the cost of capital and provide returns for shareholders.

Instruments for achieving an optimal capital structure are dividend policy, the option to purchase treasury shares and the option to issue new shares, in particular to fund potential acquisitions or to reduce debt.

At year-end 2022, Ordina's solvency stood at around 59% (year-end 2021: around 61%). Solvency at year-end 2022 was slightly down compared to year-end 2021. This decrease is partly due to the EUR 15 million share buy-back program that was executed in 2022.

Any impairment of goodwill has a major impact on the solvency ratio. If it is assumed in the context of a sensitivity analysis that there will be an impairment of 20%, Ordina's solvency would have stood at around 55% at year-end 2022. Ordina considers a solvency rate (ratio of shareholders equity to the total of the statement of financial position excluding goodwill) of 25% as a responsible minimum. Excluding goodwill, solvency stood at around 26% at year-end 2022 (year-end 2021: around 31%).

5 Significant accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent assets and liabilities. Estimates and judgments are evaluated continuously and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Ordina's management makes estimates and assumptions concerning the future on an ongoing basis. The accounting estimates and assumptions used will, by definition, seldom equal actual results.

The estimates and assumptions that carry a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

5.1 Impairment of goodwill

For the (groups of) cash-generating units, Ordina tests at least once a year for impairment of goodwill attributed to the relevant (groups of) cash-generating units (see section 2.12). An impairment of goodwill is recognized when the carrying amount exceeds its recoverable amount. These calculations involve certain estimates and assumptions for example regarding to revenue growth, development in costs, margins, investments and working capital for a five-year period. The recoverable value is the higher of fair value less disposal costs and the value in use. The actual situation may deviate from these estimates. For a more detailed explanation of the impairment test see note 8.6.

5.2 Revenue from contracts with customers

Ordina recognizes revenue on the basis of the amount it expects to receive in exchange for the goods and services it delivers (see accounting policy 2.17 and note 6). In the event of fixed-price contracts, Ordina recognizes revenue on the basis of the ratio of the costs already incurred and total expected costs. The expected costs are determined on the basis of periodically available information regarding the status of the projects in question, as well as on the basis of past experience of comparable situations. The actual situation may deviate from these estimates.

5.3 Restructuring provision

Ordina recognizes a restructuring provision when it has prepared a detailed formal plan for the restructuring and has started to implement the restructuring or announced it publicly (see accounting policy 2.15). Restructuring provisions include estimates and assumptions involving redundancy and severance payments. The actual situation may differ from these estimates.

5.4 Onerous contracts

The amount of the provision for onerous contract corresponds to the excess of the unavoidable costs Ordina will incur to meet the obligations under such contracts over and above the economic benefits expected to be received from said contracts (see accounting policy 2.15 and note 20). The actual situation may differ from these estimates.

5.5 Legal procedures as a result of conflicts with customers or suppliers

In the pursuance of our activities, we may face discussions related to the (financial) settlement of contractual relationships with customers or suppliers. At the moment such a discussion escalates into a claim, Ordina assesses whether this meets the conditions that would require Ordina to recognize a provision (see accounting policy 2.15 and note 20). The actual outcome of a legal procedure may deviate from said estimation of whether a provision should be set aside and, if so, for what amount.

5.6 Economic developments and unstable (geo)political circumstances

Fluctuations in the economic climate, for example due to an unstable (geo)political situation in combination with a relatively fixed cost structure or supply chain dynamics, have a direct impact on the results of Ordina. The macro-economic outlook has been adjusted downwards during 2022, but is also surrounded by a great deal of uncertainty. Rising inflation and the tight labor market are pushing up wage costs. This has a direct impact on our profitability. To date, we have been able to compensate for increased wage costs by raising our rates. In the future, this may lead to timing differences with a concomitant financial impact. The direct impact of the war in Ukraine on Ordina is limited. The war in Ukraine could have an impact on our clients and therefore an indirect impact on Ordina. Despite the fact that the impact of the war in Ukraine on our company has been relatively limited so far, the impact may be different in the future.

6 Revenue from contracts with customers

6.1 Revenue from contracts with customers

With respect to the recognition of revenue from contracts with customers, please see the table below.

	2022			2021		
	the Netherlands	Belgium / Luxembourg	Total	the Netherlands	Belgium / Luxembourg	Total
Type of goods or service						
Sale of hardware and software	177	429	606	338	1,042	1,380
IT services	283,181	145,629	428,810	258,857	134,234	393,091
Total revenue from contracts with customers	**283,358**	**146,058**	**429,416**	**259,195**	**135,276**	**394,471**
Timing of revenue recognition						
Goods transferred at a point in time	221	223	444	338	916	1,254
Services transferred over time	283,137	145,835	428,972	258,857	134,360	393,217
Total revenue from contracts with customers	**283,358**	**146,058**	**429,416**	**259,195**	**135,276**	**394,471**

	2022	2021
Revenue by market		
Public	183,777	163,853
Finance	112,833	103,699
Industry	132,806	126,919
Total	**429,416**	**394,471**

Ordina recorded revenue growth in all its markets in 2022, with the public sector achieving the strongest growth at 12.2%, while also being the largest market with revenue of EUR 183.8 million (2021: EUR 163.9 million). In the public sector, Ordina started numerous new high performance teams in 2022. In 2022 we also realized strong growth in the business platforms & cloud business proposition. Revenue growth was partly achieved via the use of more subcontractors as a result of contractual tender obligations.

Revenue from the financial services segment came in 8.8% higher at EUR 112.8 million (2021: EUR 103,7 million). Financial service providers are also making extensive use of Ordina's high performance teams. Also health insurers and financial institutions are devoting a great deal of attention to digital customer interaction and digital transformation issues.

Ordina operates in a number of subsectors in the industry market, such as utilities, logistics and life sciences. Revenue in the industrial market increased by 4.6% to EUR 132.8 million in 2022 (2021: EUR 126.9 million). In the industry market, we operate at a greater number of relatively small clients. Based on our strategic objective to grow from a valuable IT partner to a digital business partner with our clients, we are focusing on our top 70 clients. This resulted in a shift of revenue from this market to our other markets.

Business proposition revenue as a percentage of total revenue amounts to 47% in 2022 (2021: 40%). For a definition of the revenue from business propositions we refer to the glossary (page 184).

6.2 Balance sheet positions related to contracts with customers

The balance sheet positions related to contracts with customers can be specified as follows:

	31 December 2022	31 December 2021
Trade receivables - net	47,693	41,195
Unbilled receivables	17,776	16,125
Contract assets	9,786	7,806
Contract liabilities	6,871	5,889
Provisions for onerous contracts	1,424	1,449

The trade receivables are non-interest-bearing and are subject to payment terms ranging from 20 to 90 days. Billing takes place immediately after the fulfilment of the performance obligation, on the basis of the contract agreement with the customer in which, as a rule, a period of one calendar month is applied. In the case of billing with respect to projects, different billing agreements may apply.

Unbilled receivables relate to fulfilled performance obligations for which customers will be billed in the near future.

Contract assets relate to revenue earned from ongoing services. As such, the balances of this item vary and depend on the number of ongoing contracts at the end of the year.

At year-end 2022, Ordina recognizes a provision for expected credit losses on trade receivables, unbilled receivables and contract assets of around EUR 0.5 million (year-end 2021: around EUR 0.7 million).

A contract liability is recognized if a payment is received or a payment is due (whichever is earlier) from a customer before Ordina transfers the related goods or services. It is expected that performance obligations on contract liabilities will be fulfilled within a period of 1 year ('practical expedient' IFRS 15.121). Contract liabilities are recognized as revenue when Ordina performs under the contract (i.e. transfer control of the related goods or services to the customer). All contract obligations recognized at year-end 2021 resulted in revenue in 2022.

The provisions for onerous contracts are related to work still to be carried out on onerous contracts (see note 20).

6.3 Performance obligations

Information about the performance obligations of Ordina are summarised below:

IT services
The performance obligation is met over time. The payment terms generally vary from 20 to 90 days from the moment Ordina bills the services. The contracts related to the delivery of IT services contain no significant financing component. If there is any question of (volume) discount, these are settled with customers on the basis of any contractual agreements. Obligations related to (volume) discounts are reviewed monthly and this is used as a basis for any adjustment of the recognized revenue.

Sale of hardware and/or software
The performance obligation is met when the hardware and/or software is delivered (transfer of control of the related goods or services to the customer). The payment term generally varies from 20 to 90 days from the moment Ordina bills for the delivery. The contracts related to the delivery of hardware and software contain no significant financing component. In general there is no right of possible restitution in the sale of hardware and/or software. When Ordina acts as an agent in the sale of hardware and/or software, Ordina recognizes revenue at the net amount that is retained for these arrangements.

7 Segment information

Ordina's organization is structured in line with its geographical locations. The reportable segments of Ordina are the Netherlands and Belgium/Luxembourg. The Management Board is the Chief Operating Decision Maker (CODM) and monitors the operating results of the reportable segments. Information is reported on a monthly basis to the Management Board in its capacity as CODM in line with this structure. The Management Board's decision-making is based on the information provided for the reportable segments. Ordina discloses segment information on the basis of how the internal governance, reporting and decision-making is organised within the company.

The Management Board's assessment of the reportable segments from a financial perspective focuses primarily on revenue and EBITDA (Earnings before interest, taxes, depreciation and amortisation; a non IFRS measure). Segment information is provided for the segments the Netherlands and Belgium/Luxembourg. Segment results, assets and liabilities are items that are directly or reasonably attributable to a segment. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties. Segment capital expenditure is the total amount incurred during the period to acquire assets that are expected to be used for more than one year. Management information related to balance sheet positions and the analysis of same is aggregated at the level of the Netherlands and Belgium/Luxembourg.

The segment results can be specified as follows:

	2022			2021		
	the Netherlands	Belgium / Luxembourg	Total	the Netherlands	Belgium / Luxembourg	Total
Total revenue	287,406	154,234	441,640	263,462	141,987	405,449
Inter-segment revenue	-4,048	-8,176	-12,224	-4,267	-6,711	-10,978
Revenue from contracts with customers	**283,358**	**146,058**	**429,416**	**259,195**	**135,276**	**394,471**
EBITDA	**28,827**	**21,562**	**50,389**	**28,061**	**22,128**	**50,189**
Amortisation intangible assets	-1,474	-218	-1,692	-1,504	-218	-1,722
Depreciation right-of-use assets	-6,737	-4,235	-10,972	-6,793	-3,855	-10,648
Depreciation property, plant and equipment	-1,692	-677	-2,369	-1,486	-583	-2,069
Operating profit	**18,924**	**16,432**	**35,356**	**18,278**	**17,472**	**35,750**
Finance costs – net	-1,093	-264	-1,357	-1,069	-232	-1,301
Share of profit of associated companies	-7	-	-7	2	-	2
Profit before tax	**17,824**	**16,168**	**33,992**	**17,211**	**17,240**	**34,451**
Income tax expense	-4,800	-5,297	-10,097	-4,476	-5,377	-9,853
Net profit for the year	**13,024**	**10,871**	**23,895**	**12,735**	**11,863**	**24,598**

For a Dutch customer, the revenue for 2022 amounts more than 10% of the total revenue. The revenue generated from this customer was approximately EUR 50.9 million (2021: revenue of approximately EUR 51.2 million). Four other customers together account for around 20% of total revenue (each individually less than 10%).

The assets and liabilities can be specified as follows:

	31 December 2022					31 December 2021				
	the Netherlands	Belgium / Luxembourg	Total	Eliminations	Consolidated	the Netherlands	Belgium / Luxembourg	Total	Eliminations	Consolidated
Total assets	270,983	103,281	374,264	-82,342	291,922	273,644	98,504	372,148	-79,282	292,866
Total liabilities	99,450	45,749	145,199	-24,810	120,389	94,696	41,810	136,506	-22,588	113,918

Other segment information can be specified as follows:

		2022			2021		
	Notes	the Netherlands	Belgium / Luxembourg	Total	the Netherlands	Belgium / Luxembourg	Total
Carrying amount at year end of intangible assets	8	113,772	17,144	130,916	115,314	17,363	132,677
Carrying amount at year end of right-of-use assets	9	21,112	8,206	29,318	24,498	8,115	32,613
Carrying amount at year end of property, plant and equipment	10	6,117	2,020	8,137	5,516	1,542	7,058
Carrying amount at year end of financial fixed assets	11/12	6,125	198	6,323	8,640	250	8,890
Purchases of intangible assets	8	-	-	-	67	-	67
New group companies intangible assets	8	-	-	-	6,129	-	6,129
Purchases of right-of-use assets	9	3,352	4,325	7,677	3,536	4,234	7,770
Purchases of property, plant and equipment	10	2,429	1,165	3,594	3,636	898	4,534
Amortisation intangible assets	8	1,474	218	1,692	1,504	218	1,722
Depreciation right-of-use assets	9	6,737	4,235	10,972	6,793	3,855	10,648
Depreciation property, plant and equipment	10	1,692	677	2,369	1,486	583	2,069
Income tax recognised in income statement	25	4,800	5,297	10,097	4,476	5,377	9,853
Income tax paid in reporting period		1,591	5,483	7,074	1,721	5,370	7,091
Number of employees at year-end (fte's)	22	1,712	1,093	2,805	1,690	1,025	2,715
Average number of employees (fte's)	22	1,661	1,056	2,717	1,619	964	2,583

8 Intangible assets

This item can be specified as follows:

	2022				2021			
	Goodwill	Software	Related to customers	Total	Goodwill	Software	Related to customers	Total
At 1 January								
Cost	196,825	14,318	2,120	213,263	192,816	14,312	-	207,128
Accumulated amortisation and impairments	-68,321	-12,179	-86	-80,586	-68,321	-10,604	-	-78,925
Carrying amount at 1 January	**128,504**	**2,139**	**2,034**	**132,677**	**124,495**	**3,708**	**-**	**128,203**
Movements in carrying amount								
Additions	-	-	-	-	-	-	-	-
Internally developed	-	-	-	-	-	67	-	67
Acquisition of a subsidiary	-	-	-	-	4,009	-	2,120	6,129
Amortisation	-	-1,432	-260	-1,692	-	-1,636	-86	-1,722
Disposals	-	-69	-	-69	-	-	-	-
Carrying amount at 31 December	**128,504**	**638**	**1,774**	**130,916**	**128,504**	**2,139**	**2,034**	**132,677**
At 31 December								
Cost	196,825	9,120	2,120	208,065	196,825	14,318	2,120	213,263
Accumulated amortisation and impairments	-68,321	-8,482	-346	-77,149	-68,321	-12,179	-86	-80,586
Carrying amount at 31 December	**128,504**	**638**	**1,774**	**130,916**	**128,504**	**2,139**	**2,034**	**132,677**
Of which internally developed	-	337	-	337	-	1,061	-	1,061

8.1 Investments and divestments

In 2022 no investments were made in intangible fixed assets (2021: EUR 0.1 million).

In 2022, Ordina fully depreciated decommissioned assets with an initial investment value of approximately EUR 5.0 million (2021: around EUR 0.1 million).

8.2 Impairment and reversal of impairment losses

In 2022 and 2021, Ordina did not recognize any impairments on intangible assets.

Ordina did not reverse any prior-year impairment losses on intangible assets in 2022 and 2021.

8.3 Goodwill

Ordina monitors goodwill at the level of a group of cash-generating units within Ordina, which groups of cash-generating units are the same as the segments. Ordina distinguishes between the segments the Netherlands and Belgium/Luxembourg.

The table below shows goodwill per segment.

	2022	2021
the Netherlands	111,362	111,362
Belgium/Luxembourg	17,142	17,142
Total	**128,504**	**128,504**

In 2022 no changes have occurred in the amount of goodwill. In 2021, the goodwill attributable to the Netherlands increased with EUR 4.0 million, due to the acquisition of IFS Probity B.V. (see note 30.1).

8.4 Software

The carrying value of software amounts to EUR 0.6 million at year-end 2022 (year-end 2021: EUR 2.1 million). The carrying value at year-end 2022 was primarily related to the ERP application used in the Netherlands and which was partly produced in-house. The useful life of this application is based on the expected life and the assumed obsolescence of such applications, as well as on past experience with previous comparable applications.

8.5 Intangible assets related to customers

The intangible assets that are recognized in this balance sheet item relate to the measurement upon acquisition of, among other things, brand names, customer lists and contract portfolios. The various components are amortised on the basis of the individual useful life of the various components. The intangible assets related to customers can be fully attributed to the Netherlands. At year-end 2022, the carrying amount of the intangible assets related to customers amounts to EUR 1.8 million (year-end 2021: EUR 2.0 million)

8.6 Impairment testing for goodwill

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying amount of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed (see also sections 2.5 and 2.12 and note 5.1). Goodwill is monitored at the level of and allocated to the segments the Netherlands and Belgium/Luxembourg.

The recoverable amounts of the various segments to which goodwill can be allocated are determined by calculating their value in use. These calculations use future cash flows based on projections for the next five years, which are partly based on the available relevant market data relating to forecasts for the short and medium term. The market data include sector reports from research agencies, sector organizations and financial institutions.

These five-year projections include estimates related to revenue growth, direct and indirect costs, as well as assumptions regarding developments in investments and working capital. The table below shows the most critical assumptions applied in any impairment test.

	2022		2021	
	the Netherlands	Belgium / Luxembourg	the Netherlands	Belgium / Luxembourg
Average annual growth rate turnover (first 5 years)	5.5%	6.9%	5.1%	6.8%
Average annual EBITDA rate (first 5 years)	12.1%	13.5%	11.8%	13.0%
Long-term growth rate (after 5 years)	1.0%	1.0%	1.0%	1.0%
Discount rate (pre-tax)	12.0%	13.2%	10.5%	11.3%
Discount rate (post-tax)	9.2%	10.2%	8.1%	8.7%

Based on the applied assumptions, the impairment test did not lead to an impairment at year-end 2022. The carrying amount, value in use and the headroom per segment to which goodwill was allocated at year-end 2022 were as follows:

(in euro millions)	Carrying amount	Value in use	Headroom
the Netherlands	103.7	287.3	183.6
Belgium/Luxembourg	62.6	214.3	151.7

Any adjustment of the premises in the use of estimates and assumptions in long-term projections inherently results in a different outcome. Therefore Ordina performed a sensitivity analyses as well. These sensitivity analyses were performed on the basis of the following adjustments to the assumptions used:

- a 0.5% reduction of the EBITDA margin,
- a 1.0% reduction of forward growth, and
- an increase of 1.5% in the discount rate.

The sensitivity analyses showed that any plausible adjustment to the main assumptions in the calculations, in the case of both adjustments to a single assumption and a combination of adjustments to several assumptions, does not result in an impairment.

9 Leases

Lease contracts result in the recognition of right-of-use assets and corresponding lease liabilities. The right-of-use assets are depreciated on a straight-line basis over het shorter of the lease term and the estimated useful lives of the asset.

Ordina has various lease contracts relating to the lease of property, cars and other equipment. The term of the lease contracts generally varies from three to five years. The contract for the office in Nieuwegein ends on 31 March 2028. The term of contracts for cars generally varies from 24 to 48 months.

Ordina also has lease contracts with a term of less than 12 months, as well as lease contracts related to underlying assets with a low value. Ordina applies the exemption for lease contracts with a term of less than 12 months upon commencement, as well as the exemption for lease contracts related to underlying assets with a low value.

The contract remeasurements relating to buildings recognized in 2022 mainly refers to indexations of existing contracts. The contract modifications in 2021 was largely related to the extension of the lease contract for our offices in Windhof in Luxembourg.

Changes in right-of-use assets can be specified as follows:

	2022				2021			
	Buildings	Cars	Other equipment	Total	Buildings	Cars	Other equipment	Total
At 1 January	17,457	14,761	395	32,613	19,699	15,291	501	35,491
Additions	-	7,582	-	7,582	-	7,151	-	7,151
Acquisition of a subsidiary	-	-	-	-	162	290	-	452
Modifications / renewals	-40	-	-	-40	835	-	21	856
Remeasurements	1,086	-953	2	135	215	-901	-3	-689
Depreciation	-3,490	-7,367	-115	-10,972	-3,454	-7,070	-124	-10,648
Carrying amount at 31 December	**15,013**	**14,023**	**282**	**29,318**	**17,457**	**14,761**	**395**	**32,613**

The lease liabilities can be specified as follows:

	2022	2021
At 1 January	34,521	36,692
Additions	7,582	7,151
Acquisition of a subsidiary	-	452
Modifications / renewals	-43	856
Remeasurements	122	-692
Interest costs	857	897
Lease payments	-12,742	-10,835
As at 31 December	**30,297**	**34,521**
Lease liabilities - non-current	19,520	24,018
Lease liabilities - current	10,777	10,503
Total	**30,297**	**34,521**

Lease liabilities are primarily related to offices and cars. The lease liabilities for other equipment is related to lease contracts for printing equipment and other inventory. During the term of the underlying contracts, the lease liability is calculated plus an interest component and less the lease payments already made.

Lease payments related to the repayment component are included in the cash flows from financing activities. Lease payments related to the interest component are included in cash flows from operational activities.

Of the total lease liabilities of EUR 30.3 million at year-end 2022 (year-end 2021: EUR 34.5 million) around EUR 15.8 million is related to lease contracts for buildings (year-end 2021: EUR 19.1 million), around EUR 14.2 million is related to car lease contracts (year-end 2021: EUR 15.0 million) and around EUR 0.3 million is related to other lease liabilities (year-end 2021: EUR 0.4 million). See note 4.3 for an analysis of the future outgoing cash flows related to lease liabilities.

With respect to lease contracts, Ordina recognized the following amounts in profit or loss:

	2022	2021
Depreciation right-of-use assets	10,972	10,648
Interest expenses on lease liabilities	857	897
Expenses relating to short-term leases	771	622
Expenses relating to low-value leases	32	41
Expenses relating to variable lease payments	17	6
Total	**12,649**	**12,214**

Total lease payments amount to around EUR 13.6 million in 2022 (2021: EUR 11.5 million).

10 Property, plant and equipment

Changes in the assets included in this line item can be specified as follows:

	2022					2021				
	Land	Renovations	Equipment	Fixtures and fittings	Total	Land	Renovations	Equipment	Fixtures and fittings	Total
At 1 January										
Cost	-	5,954	11,440	3,148	20,542	-	6,838	10,794	2,204	19,836
Accumulated depreciation and impairments	-	-2,336	-9,327	-1,821	-13,484	-	-5,147	-8,460	-1,532	-15,139
Carrying amount at 1 January	**-**	**3,618**	**2,113**	**1,327**	**7,058**	**-**	**1,691**	**2,334**	**672**	**4,697**
Movements in carrying amount										
Additions	420	1,123	1,820	231	3,594	-	2,325	1,270	836	4,431
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	103	103
Depreciation	-	-719	-1,360	-366	-2,445	-	-398	-1,491	-284	-2,173
Disposals	-	-32	-12	-26	-70	-	-	-	-	-
Carrying amount at 31 December	**420**	**3,990**	**2,561**	**1,166**	**8,137**	**-**	**3,618**	**2,113**	**1,327**	**7,058**
At 31 December										
Cost	420	6,873	11,931	3,266	22,490	-	5,954	11,440	3,148	20,542
Accumulated depreciation and impairments	-	-2,883	-9,370	-2,100	-14,353	-	-2,336	-9,327	-1,821	-13,484
Carrying amount at 31 December	**420**	**3,990**	**2,561**	**1,166**	**8,137**	**-**	**3,618**	**2,113**	**1,327**	**7,058**

10.1 Investments and divestments

Investment in land in 2022 is related to the Ordina forest in Pelt, Belgium. The investment concerns the purchase of 135 hectares of land for an amount of EUR 0.8 million less an amount of EUR 0,5 million government grant to be received. The government grant is expected to be received in the first half of 2023. In addition an amount of EUR 0.1 million is capitalised related to the planting of trees. The Ordina forest should enable Ordina to be CO_2 neutral by 2030. There is no depreciation on the land and the costs related to planting trees.

Investments in equipment in 2022 were primarily replacement investments. Investments in inventory and renovations in 2022 are largely related to the renovation of the office in Groningen. Of the total investments, around EUR 1.2 million was related to our offices in Belgium and Luxembourg (2021: EUR 0.9 million).

Ordina made no material divestments in 2022 and 2021.

In 2022, Ordina decommissioned fully depreciated assets with an original purchase value of around EUR 1.6 million (2021: around EUR 3.9 million).

10.2 Impairment and reversal of impairment losses

Ordina did not recognize any impairment losses on property, plant and equipment in 2022 or 2021. Ordina did not reverse any prior-year impairments on property, plant and equipment in 2022.

11 Associated companies

This item can be specified as follows:

	2022	2021
At 1 January	326	323
Additions	-	-
Share of profit and impairment of associated companies	-7	3
Dividends	-	-
Disposals	-	-
At 31 December	**319**	**326**

Ordina has two associated companies at year-end 2022 and 2021: Quli B.V. (the Netherlands, 25.0% interest) and Passwerk CVBA (Belgium, 37.3% interest).

The result from associated companies in both 2022 and 2021 is entirely due to Quli B.V. Ordina did not recognize any result for Passwerk in 2022 and 2021 in connection with the restrictive conditions under which it is possible to pay out dividends associated with the social purpose of this company. These restrictive conditions have been taken into account when determining the carrying value.

In both 2022 and 2021, Ordina did not provide any services to or make use of any services of Quli B.V. or Passwerk CVBA.

The item investments in associated companies, on the basis of the financial information at year-end 2022, can be specified as follows:

Based on 100%	Quli B.V.	Passwerk CVBA
Assets	923	6,685
Liabilities	147	1,466
Revenue	829	9,121
Profit	-26	1,010
Other results (OCI)	-	1
Total comprehensive income	-26	1,011
Share	25.0%	37.3%

12 Deferred income tax

Deferred taxes can be specified as follows:

	2022		2021	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets and property, plant and equipment	5,817	458	7,046	525
Employee related provisions	143	-	235	-
Other provisions	44	-	53	-
Recognised tax losses	-	-	1,230	-
At 31 December	**6,004**	**458**	**8,564**	**525**

In the statement of profit and loss for 2022, Ordina has recognized deferred taxes of around EUR 2.4 million (2021: around EUR 3.7 million). Deferred taxes are measured at the set tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the reporting date. In 2021 the Dutch government enacted the increase of the Dutch corporate income tax rate from 25.0% to 25.8%. The impact of the tax rate increase has been reflected in the value of the deferred tax assets in the 2021 financial statements. As a result of the adjustment of the future nominal tax rates in the Netherlands, Ordina recognized income of more than EUR 0.2 million in 2021 (2022: nil).

12.1 Deferred tax assets

At year-end 2022, deferred tax assets amount to EUR 6.0 million (year-end 2021: EUR 8.6 million)

The table below shows the movement in deferred tax assets in the years 2022 and 2021.

	2022					2021				
	Opening balance	Acquisition of a subsidiary	Recognised in income statement	Recognised in consolidated statement of comprehensive income	Closing balance	Opening balance	Acquisition of a subsidiary	Recognised in income statement	Recognised in consolidated statement of comprehensive income	Closing balance
Intangible assets and property, plant and equipment	7,046	-	-1,229	-	5,817	7,926	-	-880	-	7,046
Employee related provisions	235	-	-7	-85	143	254	-	19	-38	235
Other provisions	53	-	-9	-	44	71	-	-18	-	53
Recognised tax losses	1,230	-	-1,230	-	-	4,072	-	-2,842	-	1,230
	8,564	**-**	**-2,475**	**-85**	**6,004**	**12,323**	**-**	**-3,721**	**-38**	**8,564**

At year-end 2022, EUR 4.8 million of the total deferred tax assets have a maturity of more than one year (year-end 2021: EUR 6.1 million).

The deferred tax asset associated with intangible assets and property, plant and equipment relates to temporary differences due to the difference between the actual economic depreciation period and minimum fiscal depreciation period.

The deferred tax asset associated with intangible assets and property, plant and equipment includes an amount of around EUR 0.5 million related to measurement differences as a result of the application of IFRS 16 (year-end 2021: around EUR 0.5 million). Due to the fact that expensed costs under the application of IFRS 16 are not fiscally accepted, a deferred tax position is recognized on the basis of the difference in the measurement of the right-of-use asset and the lease liability. These deferred tax assets and tax liabilities are netted. The balance of EUR 0.5 million (year-end 2021: EUR 0.5 million) consists of a deferred tax asset of EUR 8.0 million (year-end 2021: EUR 8.9 million) and a deferred tax liability of EUR 7.5 million (year-end 2021: EUR 8.4 million).

The deferred tax asset associated with employee benefits and provisions relates to temporary measurement differences with respect to pension provisions.

The deferred tax asset associated with other provisions is related to the provision for expected credit losses on trade receivables.

Deferred tax assets are recognized for tax losses carry forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. Estimates are an inherent part of this process and they may differ from the actual future outcome. Recognition is at the nominal tax rate that will apply in future years on the basis of existing legislation. At year-end 2022 all available tax losses have been fully set off, as a result of which the balance of carry forward losses at year-end 2022 is nil (year-end 2021: EUR 4.8 million). At year-end 2021 the available tax losses were fully recognized.

12.2 Deferred tax liabilities

Deferred tax liabilities amount to EUR 0.5 million at year-end 2022 (year-end 2021: EUR 0.5 million).

The table below shows the movement in deferred tax liabilities in 2022 and 2021:

	2022					2021				
	Opening balance	Acquisition of a subsidiary	Recognised in income statement	Recognised in consolidated statement of comprehensive income	Closing balance	Opening balance	Acquisition of a subsidiary	Recognised in income statement	Recognised in consolidated statement of comprehensive income	Closing balance
Intangible assets	525	-	-67		458	-	530	-5	-	525
	525	**-**	**-67**	**-**	**458**	**-**	**530**	**-5**	**-**	**525**

At year-end 2022, EUR 0.4 million of the deferred tax liabilities have a maturity of more than one year (year-end 2021: EUR 0.4 million).

Deferred tax liabilities are related to the temporary measurement differences in the measurement of intangible assets related to customers upon the acquisition of a subsidiary. Deferred tax liabilities are recognized using tax rates that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax liability is settled.

13 Financial instruments by category

The accounting policies for financial instruments have been applied to the following line items:

	2022					2021				
	Amortised cost	Fair value through profit & loss	Fair value through OCI	Derivatives used for hedging	Total	Amortised cost	Fair value through profit & loss	Fair value through OCI	Derivatives used for hedging	Total
Trade receivables and other current assets	75,703	-	-	-	75,703	65,848	-	-	-	65,848
Trade payables and other current liabilities	-85,698	-	-	-	-85,698	-72,747	-	-	-	-72,747
Total at 31 December	**-9,995**	**-**	**-**	**-**	**-9,995**	**-6,899**	**-**	**-**	**-**	**-6,899**

14 Trade receivables and other current assets

Trade receivables and other current assets can be specified as follows:

	2022	2021
Trade receivables	48,141	41,831
Provision for expected credit losses	-448	-636
Trade receivables - net	**47,693**	**41,195**
Unbilled receivables	17,776	16,125
Contract assets	9,786	7,806
Other receivables	767	439
Prepayments and accrued income	4,001	2,464
At 31 December	**80,023**	**68,029**

Trade and other receivables are due within one year.

Net receivables rose by around EUR 6.5 million in 2022. This increase was mainly due to an increase in revenue compared to the previous year.

As at 31 December 2022, trade receivables of around EUR 5.7 million (31 December 2021: around EUR 4.8 million) were past due but did not result in recording a specific provision. Despite the fact that they were past due, there were no indications on the reporting date that a provision was necessary in addition to the provision already taken for expected credit losses on trade receivables.

The ageing analysis of these (net) trade receivables is as follows:

	2022	2021
Trade receivables not impaired and not past due	41,955	36,422
Trade receivables not impaired and past due:		
Less than 1 month	3,405	3,627
1 to 2 months	1,850	793
2 to 3 months	289	329
More than 3 months	194	24
	5,738	**4,773**
Trade receivables - net	**47,693**	**41,195**

Movements in the provision for expected credit losses on trade receivables were as follows:

	2022	2021
At 1 January	636	862
Additions during the year	130	79
Receivables written off during the year as incollectible	-133	-52
Unused amounts reversed	-185	-253
At 31 December	**448**	**636**

All trade receivables are denominated in euros. Ordina therefore has no trade receivables that are denominated in currencies other than the euro.

Movements in the provision for expected credit losses on trade receivables have been included in `other operating expenses´ in the consolidated statement of profit and loss. Amounts charged to the provision are generally written off when the related receivable is deemed irrecoverable.

Ordina has pledged trade receivables and other current assets, amounting to EUR 60.8 million, as a security for credit facilities.

At year-end 2022, Ordina recognized a provision of around EUR 0.5 million for expected credit losses on trade receivables, unbilled receivables and contract assets (year-end 2021: around EUR 0.7 million). The other classes within trade receivables and other current assets do not contain any impaired assets.

Prepayments and accrued income include, among other things, prepaid expenses. Prepayments and accrued income have a maturity of less than twelve months at both year-end 2022 and year-end 2021, except for the amount of EUR 0.8 million at year-end 2022 regarding prepayments related to the design and implementation of a new SAAS ERP application that is expected to be taken into use in 2023.

The maximum exposure to credit risk at the reporting date is the value of each class of receivables mentioned above. Ordina does not hold any collateral as security.

The maximum credit risk exposure to trade receivables, unbilled receivables and contract assets (all gross) can be specified as follows per geographical area:

	2022	2021
the Netherlands	31,016	41,574
Belgium/Luxembourg	44,763	24,274
Total	**75,779**	**65,848**

The maximum credit risk exposure to trade receivables (gross) can be specified as follows per customer category:

	2022	2021
Public	11,804	7,952
Finance	10,497	9,115
Industry	25,840	24,764
At 31 December	**48,141**	**41,831**

The creditworthiness of the trade receivables (net) can be judged on the basis of external credit ratings (Standard & Poor's), as well as on the basis of payment history. The following table includes a breakdown of the creditworthiness of the debtors, less provisions:

	2022	2021
Debtors with external credit rating		
A-AA	12,437	11,768
B-BBB	2,072	431
	14,509	**12,199**
Debtors without external credit rating		
Low credit risk	30,332	23,973
Medium credit risk	2,825	4,918
High credit risk	27	105
	33,184	**28,996**
At 31 December	**47,693**	**41,195**

No credit rating is available for public sector bodies. Receivables due from public sector bodies are qualified as low risk.

15 Cash and cash equivalents

The cash and cash equivalents are at free disposal. At year-end 2022, an amount of around EUR 4.0 million (year-end 2021: around 2.1 million) is held in a blocked account, the ability to spend is limited to tax obligations.

At the reporting date, Ordina has no financial derivatives.

The cash and cash equivalents have been deposited with professional market parties with a good credit rating. The following table is a breakdown of available cash and cash equivalents based on the external credit rating of these market parties:

	2022	2021
A-AA	37,205	43,599
B-BBB	-	-
At 31 December	**37,205**	**43,599**

In July 2019, Ordina extended its existing financing facility agreed with ABN AMRO and ING. This financing facility is for an amount of EUR 30 million and is a fully committed current account credit facility. This financing facility has a maximum term of five years, with an initial term of three years and an option to extend this twice by one year. In 2021, Ordina and its banks agreed a second extension as a result of which the agreement now ends in July 2024. In 2022 no use was made of the credit facility.

The most important elements of the covenants related to this financing facility comprise a maximum leverage ratio (calculated on the basis of total net debt/adjusted EBITDA) and an Interest Cover Ratio (calculated on the basis of the (adjusted) EBITDA/total interest as defined in the financing agreement). The leverage ratio has been set at a maximum of 2.5. The Interest Cover Ratio has been set at a minimum of 5.0. The covenants are based on the consolidated financial statements drawn up in accordance with IFRS. The net debt is the total of short-term and long-term borrowings and current account debt, less the available cash and cash equivalents. The adjusted EBITDA is determined on the basis of the EBITDA recognized in the statement of profit and loss, corrected for the impact of IFRS 16 Leases and the EBITDA of acquisitions in so far as these are not consolidated. The adjusted EBITDA used to determine the leverage ratio is subject to a correction for one-off costs and restructuring costs set at a maximum of 1% of revenue and with a maximum of EUR 4.0 million.

The financing agreement also stipulates that the total EBITDA of the companies that have agreed joint and several liability for the purposes of the financing agreement should account for a minimum of 80% of the consolidated EBITDA, as laid down in the credit agreement (the Guarantor Cover Ratio) and that a minimum of EUR 30 million of the trade receivables are pledged as security for the lender (the Security Cover Ratio).

The interest rate on the financing facility is calculated on the basis of the one-month EURIBOR rate plus a fixed margin of 0.7%.

The table below shows the applicable covenants and the extent to which these have been realized at year-end 2022.

	Realization year-end 2022	Finance agreement
Leverage ratio	-0.9	=< 2.5
Interest Cover Ratio	197.3	>= 5.0
Guarantor Cover Ratio	93%	>= 80%
Security Cover (in euro millions)	60.8	>= 30.0

16 Share capital

16.1 Authorised and issued capital

The total authorised capital amounts to EUR 20 million at year–end 2022, and consists of 199,999,995 shares with a par value of EUR 0.10 per share, plus one priority share with a par value of EUR 0.50, divided as follows:

- Priority shares: 1
- Preference shares: 39,999,995
- Ordinary shares: 160,000,000

Movements in issued share capital in 2022 and 2021 are as follows:

(In thousands)	2022 Number of outstanding shares	2022 Issued capital (in euro's)	2021 Number of outstanding shares	2021 Issued capital (in euro's)
At 1 January	93,256	9,326	93,256	9,326
Issue of shares	-	-	-	-
Issue related to share-based payment	-	-	-	-
Cancellation of treasury shares	-3,240	-324	-	-
At 31 December	**90,016**	**9,002**	**93,256**	**9,326**

At year-end 2022, one priority share and 90.015.795 ordinary shares were issued and fully paid (year-end 2021: one priority share and 93,255,929 ordinary shares). The reduction in the number of shares outstanding is the result of the execution of the share buy-back program in 2022 (see note 16.2).

No new shares were issued in 2022 or 2021.

For details of the issued priority share, refer to the articles of association of Ordina.

16.2 Share buy-back program

Ordina has successfully completed a share buy-back program for the amount of EUR 15 million. In the period from May through July 2022 Ordina repurchased in total 3,240,134 of its ordinary shares at an average price of EUR 4.63.

On 18 October 2022 Ordina completed the procedure for the cancellation of the 3,240,134 shares. After the cancellation of these shares, Ordina's issued capital consists of one priority share and 90,015,795 ordinary shares. Following the cancellation of the repurchased shares, an amount of EUR 0.3 million has been deducted from the issued capital. Of the remaining amount of EUR 14.7 million, EUR 11.8 million has been deducted from the share premium reserve and EUR 2.9 million from the retained earnings.

The execution of the share buy-back program and cancellation of the repurchased shares is in accordance with the authorisation granted by Ordina N.V.'s General Meeting of 7 April 2022 regarding the share buy-back program with a maximum value of EUR 15 million.

16.3 Share and share option schemes

At both year-end 2022 and year-end 2021, there were no outstanding options on Ordina N.V. shares.

For the settlement of the variable long-term bonuses for the period 2019-2021, which took place in the first half of 2022, Ordina acquired and then immediately paid out a total of 374,080 treasury shares. The purchase of 374,080 shares included the purchase of 92,032 shares for the Management Board's bonus scheme and the purchase of 282.048 shares for the senior management's bonus scheme. These shares were purchased at an average share price of EUR 4.42 per share. In addition, due to the net settlement of the long-term bonusses in 2022, Ordina has paid an amount of EUR 1.1 million for payroll tax on behalf of the employees. The total amount paid in 2022 to settle the obligation related to the variable long-term bonusses for the period 2019-2021 amounts to EUR 2.8 million. Ordina N.V. did not hold any treasury shares at either year-end 2022 or year-end 2021.

The members of the Management Board and the senior management have been granted a variable long-term bonus which involves a payment in shares (see also section 2.14.2). In the context, at year-end 2022 shares in Ordina N.V. were awarded conditionally in line with the bonus schemes for the members of the Management Board (total of 304,514 shares) and in line with the bonus schemes for the senior management (total of 671,314 shares).

We refer to section 31.2.2 for an explanation of the schemes applicable to the members of the Management Board. The targets of the schemes that apply to the senior management are the same as those that apply to the members of the Management Board. The allocation under the schemes applicable to the senior management at year-end 2022 can be specified as follows:

	2022						2021
	Conditionally granted number of shares	Grant date	Share price at grant date	Fair value on grant date	(estimated) pay out in % of weighting target	Recognised in profit & loss 2022	Recognised in profit & loss 2021
LTI 2019-2021						-41	397
LTI 2020-2022	206,271	22/06/20	1.92	396	117%	81	264
LTI 2021-2023	234,699	19/04/21	3.42	803	117%	326	271
LTI 2022-2024	226,137	28/06/22	4.80	1,085	100%	245	n.a.
LTI 2022-2024	4,207	28/09/22	3.73	16	100%	4	n.a.
	671,314			**2,300**		**615**	**932**

17 Reserves

Movements in reserves can be specified as follows:

	2022				2021			
	Share premium reserve	Retained earnings	Net profit for the year	Total	Share premium reserve	Retained earnings	Net profit for the year	Total
At 1 January	136,219	8,805	24,598	169,622	136,219	9,976	22,290	168,485
Appropriation of profit previous year	-	24,598	-24,598	-	-	22,290	-22,290	-
Dividend distribution	-	-14,734	-	-14,734	-	-22,288	-	-22,288
Shares purchased in relation to the share buy-back program	-11,786	-2,890	-	-14,676	-	-	-	-
Shares purchased in relation to the share-based payments settlement	-	-2,802	-	-2,802	-	-2,602	-	-2,602
Share-based payments - personnel expenses	-	976	-	976	-	1,314	-	1,314
Actuarial gains and losses	-	250	-	250	-	115	-	115
Net profit for the year	-	-	23,895	23,895	-	-	24,598	24,598
At 31 December	**124,433**	**14,203**	**23,895**	**162,531**	**136,219**	**8,805**	**24,598**	**169,622**

The value of the cancelled shares above the nominal value of EUR 14,7 million has been deducted from the share premium reserve (EUR 11.8 million) and the retained earnings (EUR 2.9 million) based on the ratio of these reserves at the beginning of the financial year.

The settlement of share-based bonuses via the purchase of treasury shares resulted in a negative financing cash flow of EUR 2.8 million in 2022 (2021: EUR 2.6 million). This cash flow is related to the purchase of treasury shares for the settlement of the obligation (see note 16.3).

Share-based bonuses in the amount of EUR 1.0 million were expensed in 2022 (2021: EUR 1.3 million) (see note 22). Approximately EUR 0.4 million of this amount is related to the Management Board's share-based bonuses (2021: EUR 0.4 million).

For an amount of approximately EUR 0.3 million (2021: approximately EUR 1.0 million) Ordina has formed a legal reserve as a reduction to retained earnings in the company financial statements (see note 36).

18 Liabilities arising from financing activities

At year-end 2022 and year-end 2021, Ordina had no non-current borrowings, other than liabilities arising from lease contracts.

The table below shows the changes in liabilities arising from financing activities for both current year and prior year:

	2022				2021			
	At 1 January	Cash flows	Other	At 31 December	At 1 January	Cash flows	Other	At 31 December
Non-current borrowings	-	-	-	-	-	-	-	-
Current borrowings	-	-	-	-	-	-	-	-
Lease obligations	34,521	-11,901	7,677	30,297	36,692	-9,943	7,772	34,521
Share-based payments - treasury shares settlement	-	-2,802	2,802	-	-	-2,602	2,602	-
Dividend distribution to shareholders	-	-14,734	14,734	-	-	-22,288	22,288	-
Shares purchased in relation to the share buy-back program	-	-15,000	15,000	-	-	-	-	-
Total liabilites from financing activities	**34,521**	**-44,437**	**40,213**	**30,297**	**36,692**	**-34,833**	**32,662**	**34,521**

The other changes related to lease liabilities are mainly contract extensions and indexation obligations in lease contracts and new car lease contracts entered into in the relevant reporting years, plus the recognition of the lease obligations of new group companies.

The other changes regarding share-based payments are related to the settlement of the variable long-term bonuses for the period 2019-2021, 2018-2020 respectively (see note 16.3).

The other changes regarding dividend distributions to shareholders are related to the General Meeting's resolutions to pay out a dividend adopted on 7 April 2022 and 8 April 2021. Following these resolutions, in 2022 and 2021 Ordina paid out an amount of EUR 14.7 million and EUR 22.3 million from the net profit for 2021 and 2020 respectively as dividend to its shareholders. Ordina recognizes dividend to be paid out to shareholders as a liability at the moment that the General Meeting adopts a resolution to pay out a dividend.

The amount presented as other changes regarding the share buy-back program is related to the execution of the share buy-back program in 2022 (see note 16.2).

19 Employee benefits

Employee benefits are related exclusively to pension liabilities and can be specified as follows per region:

	2022	2021
the Netherlands	555	772
Belgium/Luxembourg	-	140
At 31 December	**555**	**912**

19.1 Provision arising from defined benefit pension plans the Netherlands

The provision arising from defined benefit pension plans in the Netherlands can be specified as follows:

	2022	2021
Defined benefit obligation	6,216	9,611
Less: fair value of plan assets	5,661	8,839
At 31 December	**555**	**772**

Movements in the defined benefit obligation were as follows:

	2022	2021
At 1 January	9,611	10,420
Current service cost	-	-
Interest cost	115	83
Contributions by plan participants	-	-
Benefits paid	-123	-88
Actuarial gains and losses	-3,387	-804
Defined benefit obligation at 31 December	**6,216**	**9,611**

Movements in the fair value of pension plan assets were as follows:

	2022	2021
At 1 January	8,839	9,584
Expected return on plan assets	106	76
Employer contributions	31	30
Benefits paid	-123	-88
Actuarial gains and losses	-3,192	-763
Fair value of plan assets at 31 December	**5,661**	**8,839**

The pension provision is related to obligations for defined benefit plans (pension plans based on average salary or final salary plans), measured at present value in accordance with the provisions of IAS 19 Employee Benefits. As a result of the harmonisation of the pension plans, the defined benefit plan does not have any active members. At year-end 2022, Ordina´s obligations pursuant to the defined benefit pension plans were limited to guarantee and management costs, insofar as these are not covered by surplus interest gains. Related plan assets are measured at fair value. Actuarial gains and losses are charged or credited in other comprehensive income (OCI). All pension plans operated by Ordina are administered by professional insurers. The plan assets are comprised of qualifying insurance policies.

The cumulative net actuarial gains and losses charged to OCI amounts to EUR 2.5 million negative at year-end 2022 (year-end 2021: EUR 4.3 million negative).

The amounts recognized in the statement of profit or loss were as follows:

	Notes	2022	2021
Current service cost		-	-
Interest cost		115	83
Expected return on plan assets		-106	-76
Total included in personnel expenses	22	**9**	**7**

The costs that will be charged to the 2023 result are expected to amount to approximately EUR 18 thousand. The actual return on plan assets amounts to EUR 3.1 million negative (2021: EUR 0.7 million negative). Plan assets comprise qualifying insurance policies that correspond exactly with the amount and timing of all payments to be made pursuant to the plan. The plan assets are equal to the value of the corresponding liabilities, based on the same assumptions used in the calculation of the cash value of the pension obligations.

The principal actuarial assumptions were as follows:

	2022	2021
Discount rate at 31 December	3.70%	1.20%
Expected return on plan assets	3.70%	1.20%

The sensitivity analysis indicated that if the discount rate is raised or lowered by 0.20%, the pension obligation would amount to EUR 6.0 million (2021: EUR 9.2 million) or EUR 6.4 million (2021: EUR 10.0 million) respectively.

Assumptions with respect to life expectancy are based on published statistics. The life expectancy at year end 2022 is based on the most recent prognosis table, published by the Dutch Actuarial Association in 2020 (Prognosetafel AG2020). Furthermore, a correction was applied due to the higher life expectancy of the working population.

Assumptions regarding life expectancy are based on published statistics. The average life expectancy in years of a pensioner retiring at age 65, 66 or 67 is as follows:

	2022	2021
Male, age of 65	22.1	21.9
Female, age of 65	24.6	24.3
Male, age of 66	21.2	20.9
Female, age of 66	23.6	23.4
Male, age of 67	20.2	20.0
Female, age of 67	22.7	22.4

The average life expectancy in years of a participant currently 45 years of age retiring at age 65, 66 and 67 is as follows:

	2022	2021
Male, age of 65	24.1	24.2
Female, age of 65	26.5	26.5
Male, age of 66	23.2	23.2
Female, age of 66	25.6	25.5
Male, age of 67	22.4	22.3
Female, age of 67	24.7	24.5

The following table contains a specification of the valuation of the defined benefit obligation and the fair value of plan assets for the years 2018 through 2022:

	2022	2021	2020	2019	2018
Defined benefit obligation	6,216	9,611	10,420	9,734	8,160
Less: fair value of plan assets	5,661	8,839	9,584	8,732	7,300
Defined benefit obligation	**555**	**772**	**836**	**1,002**	**860**
Actuarial gains/losses on plan liabilities	3,387	804	-640	-1,479	73
Actuarial gains/losses on plan assets	-3,192	-763	789	1,326	-78

19.2 Provision arising from defined benefit pension plans in Belgium

Ordina Belgium N.V. has a pension plan with a defined contribution from the employer. Ordina Belgium N.V.'s obligation with respect to payments before 1 January 2016 is limited to the deposit of premiums and a legal minimum return of 3.25% on these deposits in so far as the guaranteed return from the insurer is lower. With respect to deposits after 1 January 2016, the return guarantee for the employers becomes variable. The legal minimum guarantee of 1.75% is applicable to premiums paid from 2016 onwards.

From 2016 onwards, these pension plans qualify as defined benefit plans under IAS 19, and the projected unit credit method has been used to calculate the present value of the obligation. The value of the plan assets amounts to EUR 5.3 million at year-end 2022 (year-end 2021: EUR 4.9 million). The present value of the obligations amounts to EUR 5.3 million at year-end 2022 (year-end 2021: EUR 5.0 million). Based on the principles used the obligation is equal to the assets and therefore the provision at year-end 2022 is nil on balance (year-end 2021: EUR 0.1 million).

The cumulative change for actuarial profits and losses recognized in the OCI amounts to EUR 0.1 million at year-end 2022 (year-end 2021: minus EUR 18 thousand).

20 Other provisions

Other provisions can be specified as follows:

	2022				2021			
	Onerous contracts	Redundancy costs	Other	Total	Onerous contracts	Redundancy costs	Other	Total
At 1 January	1,449	-	2,423	3,872	689	250	-	939
Acquisition of a subsidiary	-	-	-	-	-	-	2,314	2,314
Additions	41	-	266	307	1,449	-	109	1,558
Used during the year	-50	-	-1,000	-1,050	-129	-250	-	-379
Unused amounts	-16	-	-669	-685	-560	-	-	-560
Reclassed to other current liabilities	-	-	-1,020	-1,020	-	-	-	-
At 31 December	**1,424**	**-**	**-**	**1,424**	**1,449**	**-**	**2,423**	**3,872**
Non-current	-	-	-	-	-	-	1,481	1,481
Current	1,424	-	-	1,424	1,449	-	942	2,391

A provision is recognized for certain contracts with customers for which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received. The provisions for onerous contracts also include a provision for a past dispute with one of our suppliers. This supplier initiated legal proceedings, which resulted in a ruling in the first half of 2021. An appeal has been lodged against this ruling. The outcome of the appeal is uncertain. On the basis of the status at year-end 2022, Ordina has estimated the potential settlement of the dispute. The actual outcome may differ from the estimate used as a basis for the recognition of the provision. The formal process is expected to resume in the second half of 2023.

Ordina recognized a provision for the earn-out obligations with respect to the acquisition of IFS Probity B.V., of which the name was changed to Ordina Subscription Management & Utilities B.V. in 2022 (see also note 30.1). The unwinding of the discount (presented as finance cost) in relation to the earn-out obligation amounted EUR 0.3 million in 2022 (2021: EUR 0.1 million). Regarding the first part of the earn-out obligation in 2022 Ordina made a payment of EUR 1.0 million. Settlement of the second and final part of the earn-out obligation was initially planned for 2024. In connection with the accelerated integration of Ordina Subscription Management & Utilities B.V. at the end of 2022 parties opted to enter into a settlement agreement on the basis of which the remaining earn-out obligation will be settled early. Following this settlement agreement a second earn-out payment has been agreed upon for an amount of EUR 1.0 million. Due to the fact that payment of the final earn-out took place at the beginning of 2023, the obligation is reclassed to the other current liabilities at year-end 2022. The release of EUR 0.7 million under the unused amounts of the other provisions has been credited to the profit and loss account under the operating expenses.

At year-end 2022, the full amount of the total provisions of EUR 1.4 million has a maturity of less than one year.

21 Trade payables and other current liabilities

Trade payables and other current liabilities can be specified as follows:

	2022	2021
Trade payables	17,191	10,705
Contract liabilities	6,871	5,889
Taxes and social security	27,723	25,229
Pension contributions	75	123
Accruals and other current liabilities	33,838	30,801
At 31 December	**85,698**	**72,747**

The fair value of trade payables, other debt and accrued liabilities approximates their net carrying amount.

Of the taxes and social security contributions at year-end 2022, EUR 12.6 million is related to payroll tax and social security contributions (year-end 2021: EUR 11.3 million) and EUR 15.1 million is related to value-added tax (year-end 2021: EUR 13.9 million).

The accrued liabilities include obligations to pay holiday allowance, leave entitlements, (year-end) bonuses, redundancy costs and other personnel expenses, as well as items charged to profit and loss for the year under the prevailing accounting policies. Also an amount of EUR 1.0 million is included in the other liabilities for earn-out payments regarding acquisitions (see note 20). The reservation for redundancy costs included in accrued liabilities stood at EUR 0.5 million at year-end 2022 (year-end 2021: EUR 0.6 million).

The trade payables and other current liabilities have a maturity of less than one year at both year-end 2022 and year-end 2021.

22 Personnel expenses

The personnel expenses can be specified as follows:

	2022	2021
Salaries	173,307	160,412
Social charges	32,046	28,872
Pension expenses defined benefit obligation	9	7
Pension expenses defined contribution obligation	9,178	8,733
Other personnel expenses	32,578	27,121
Total	**247,118**	**225,145**

Other personnel expenses include car expenses (2022: around EUR 16.8 million; 2021: around EUR 14.6 million), hotel and travel expenses (2022: around EUR 2.1 million; 2021: around EUR 0.8 million) and study costs (2022: around EUR 3.2 million; 2021: around EUR 2.6 million). The 2022 car expenses include a sum of around EUR 5.1 million for the service component in car lease contracts (2021: EUR 5.5 million).

In 2022 Ordina expensed an amount of around EUR 1.1 million in personnel expenses for redundancy costs (2021: around EUR 1.3 million). Of these redundancy costs EUR 0.9 million were incurred in the Netherlands (2021: EUR 1.1 million), and the remaining EUR 0.2 million were incurred in Belgium/Luxembourg (2021: EUR 0.2 million).

Personnel expenses include an expense of approximately EUR 1.0 million for share-based payments in 2022 (2021: around EUR 1.3 million). Around EUR 0.4 million (2021: around EUR 0.4 million) of these expenses is related to the Management Board's bonus schemes and around EUR 0.6 million (2021: around EUR 0.9 million) is related to bonus schemes for senior management.

In 2022 the item personnel expenses includes the recognition of wage cost subsidies of around EUR 1.0 million (2021: around EUR 0.9 million). Both in 2022 and in 2021 Ordina did not make any use of the government's covid-19 support measures.

The average number of employees in FTE amounts to 2,717 (2021: 2,583). At year-end 2022, Ordina employed 2,805 FTEs (year-end 2021: 2,715 FTEs). For more details on the personnel numbers per segment reference is made to note 7.

23 Other operating expenses

Other operating expenses can be specified as follows:

	2022	2021
Office accommodation costs	2,893	2,349
Marketing and selling expenses	2,380	2,797
Other expenses	8,134	9,403
Total	**13,407**	**14,549**

Office rental costs includes an amount of around EUR 0.3 million in 2022 (2021: around EUR 0.3 million) related to lease contracts. In addition to office rental costs included in other operating expenses, Ordina recognized depreciation of right-of-use assets on leased offices of EUR 3.5 million (2021: EUR 3.5 million) and an interest expense on the lease liability of EUR 0.5 million (2021: EUR 0.6 million) (see note 9). The service component is the only part of the office rental costs still included in other operating expenses.

Marketing and communications expenses amount to EUR 2.4 million in 2022 and were EUR 0.4 million lower than in 2021 (EUR 2.8 million).

Other expenses include information management, the cost of insurance and audit and consulting fees.

Audit fees included in `other operating expenses´ in recent financial years were as follows:

	2022			2021		
	EY the Netherlands	Other EY network	Total EY network	EY the Netherlands	Other EY network	Total EY network
Audit of the financial statements	397	54	451	434	49	483
Other assurance activities	243	2	245	193	2	195
Tax advise	-	-	-	-	-	-
Other non-audit activities	-	-	-	-	-	-
Total	**640**	**56**	**696**	**627**	**51**	**678**

24 Finance income and expenses

Finance income and expenses can be specified as follows:

	2022	2021
Finance income	-	-
Finance costs	-1,357	-1,301
Total	**-1,357**	**-1,301**

Finance expenses can be specified as follows:

	2022	2021
Interest costs finance agreement	-113	-99
Other finance costs	-387	-305
Finance costs - other	**-500**	**-404**
Finance costs - lease liabilities	-857	-897
Total finance costs	**-1,357**	**-1,301**

The interest expenses on the financing facility are related to negative interest on current account positions held with banking institutions. The other financial expenses relate to commitment fees and interest expenses for the settlement of earn-out obligations.

The interest expenses for lease liabilities are related to the interest component of lease contracts recognized under the application of IFRS 16 Leases (see note 9).

25 Income tax expense

	2022	2021
Current income tax for the year	-7,613	-6,182
Current income tax prior years	-77	44
Total current income tax	**-7,690**	**-6,138**
Deferred income tax for the year	-2,400	-3,960
Deferred income tax prior years	-7	-
Deferred income tax impact rate adjustment	-	245
Total deferred income tax	**-2,407**	**-3,715**
Total	**-10,097**	**-9,853**

	2022	2021
Net profit for the year	23,895	24,598
Income tax expense	10,097	9,853
Profit before income tax	**33,992**	**34,451**
Effective tax rate	29.7%	28.6%

	2022		2021	
	%	Income tax expense	%	Income tax expense
Applicable tax rate	25.8	8,770	25.0	8,613
Differences with foreign tax rates	-0.4	-136	0.1	35
Non-deductible expenses	4.2	1,422	4.3	1,500
Tax exempt income	-	2	-	-1
Incidental items	-0.1	-44	-0.7	-250
Adjustments for prior years	0.2	83	-0.1	-44
Effective tax rate	**29.7**	**10,097**	**28.6**	**9,853**

The effective tax rate in 2022 is 29.7% (2021: 28.6%). Main reason for the increase of the effective tax rate by 1.1% is the increase of the nominal tax rate in the Netherlands as of 2022 from 25.0% to 25.8%. In addition, the effective tax rate in 2021 was influenced to a large degree by the movement resulting from the tax rate change and tax loss settlement rules enacted in the Netherlands. The adjusted effective tax rate for 2021, which did not take into account the impact of the renewed adjustment of the future reduction of corporate income tax rates in the Netherlands, amounted to 29.3%.

The nominal tax rate was 25.8% in 2022 , as applicable in the Netherlands (2021: 25.0%). The effective tax rate of 29.7% is around 3.9% higher than the nominal tax rate in the Netherlands. The impact of the tax rate differences outside the Netherlands is 0.4% negative, as the nominal tax rates in Belgium and Luxembourg are slightly lower than in the Netherlands. The difference between the effective tax rate and the nominal tax rate is largely due to the non-deductible amounts (impact: tax rate 4.2% higher). These non-deductible amounts are related to income components that cannot be charged to the taxable income and includes share-based bonuses, the non-deductible part of the so-called mixed expenses and costs related to the acquisition of new group companies. The adjustments for prior years have an impact of 0.2% on the effective tax rate due to the settlement of prior year income tax filings.

26 Earnings per share

26.1 Earnings per share

Basic earnings per share is calculated by dividing profit for the year by the weighted average number of ordinary shares outstanding during the year.

	2022	2021
Net profit for the year	23,895	24,598
Average number of outstanding shares (in thousands)	92,599	93,256
Earnings per share- basic (in euros)	**0.26**	**0.26**

26.2 Earnings per share – diluted

Diluted earnings per share is calculated by dividing the profit for the year by the weighted average number of ordinary shares outstanding during the year, including all conditionally awarded shares under share-based bonus schemes.

	2022	2021
Net profit for the year	23,895	24,598
Average number of outstanding shares (in thousands)	92,599	93,256
Adjustment for share-based payment obligations	976	1,284
Total	**93,575**	**94,540**
Earnings per share - diluted (in euros)	0.26	0.26

27 Dividend per share

Pursuant to the prevailing dividend policy, a dividend payment of 0.265 euro per share in cash will be proposed to the General Meeting, to be charged to the 2022 net profit (pay out of 100%). In addition, the Management Board proposes to pay an additional distribution of 0.130 euro per share in cash. The total distribution to shareholders based on this proposal amounts to 0.395 euro per share in cash.

The General Meeting of 7 April 2022 approved the payment of a dividend of 0.158 euro per share. In accordance with this decision, Ordina paid out a total of EUR 14.7 million in dividend to its shareholders.

28 Preference shares

Ordina N.V.'s authorised capital includes 39,999,995 preference shares with a nominal value of EUR 0.10 per share. Dividends on preference shares cannot exceed the statutory interest rate prevailing at the date the dividends are declared. No preference shares had been issued at year-end 2022 or year-end 2021.

29 Commitments, contingencies and contractual obligations and rights

Ordina N.V. and its group companies issued guarantees for a total amount of around EUR 2.0 million in 2022 (2021: around EUR 1.7 million). Around EUR 1.2 million of these guarantees is related to lease liabilities (year-end 2021: around EUR 1.2 million) and around EUR 0.8 million is related to customer relations (year-end 2021: around EUR 0.5 million).

With respect to property, plant and equipment, Ordina has no material investment obligations at year-end 2022 (year-end 2021: EUR 0.3 million). The investment obligations at year-end 2021 were related to the refurbishment of Ordina's offices in Nieuwegein and Groningen.

The other financial obligations at year-end 2022 and 2021 can be specified as follows:

	2022				2021			
	Buildings	Cars	Other	Total	Buildings	Cars	Other	Total
Not later than 1 year	514	5,693	1,133	7,340	346	5,714	1,344	7,404
Later than 1 year and not later than 5 years	2,890	13,072	1,729	17,691	429	10,738	1,679	12,846
Later than 5 years	5,171	-	-	5,171	-	-	-	-
Totaal	**8,575**	**18,765**	**2,862**	**30,202**	**775**	**16,452**	**3,023**	**20,250**

Company cars provided to employees are usually acquired on the basis of lease contracts with a term of 24 to 48 months. In this context, Ordina has a total contractual obligation of around EUR 5.7 million (2021: around EUR 5.7 million) for the service component of car lease contracts with a term of less than one year, including the liability pursuant to the lease contracts with respect to the cars which have not been delivered at year-end 2022.

All buildings where group companies are located are leased. Ordina does not own any buildings. Ordina has a total contractual obligation related to building leases of around EUR 0.5 million with respect to the service components of rental contracts with a term of less than one year (2021: around EUR 0.3 million). In addition at year-end 2022 Ordina entered into a lease agreement for a new office building in Belgium. We expect to start using this new location in early 2024. The total duration of the lease contract is 12 years from the expected commencement date. Because of the accounting for under IFRS 16 leases will start at the commencement date, at year-end 2022 the obligation is fully included in the off-balance sheet liabilities.

The other contractual obligations are related to long-term contract agreements between Ordina and suppliers.

In a number of instances, Ordina has assumed joint and several liability within its normal operations for the performance of contractual obligations by a group company.

In the course of our operations, we may be confronted with discussions about the (financial) settlement of projects, such as reduction or addition of work, quality level and scope of the work. The majority of these discussions are resolved to the full satisfaction of all parties. However, it is not always possible to avoid such discussions resulting in legal actions. Provisions are recognized at the moment it is probable that a financial claim will result in a payment and the amount of the payment can be measured reliably. Claims from Ordina against third parties that are the subject of ongoing legal procedures are in principle not capitalised, unless payment of the claims is virtually certain.

Belgium has an arrangement that makes it possible to receive subsidies for R&D activities. In this context, each year companies submit subsidy applications and subsidies are received in line with the applications submitted. The subsidy provider has not yet issued any formal decisions, as a result of which it is still uncertain whether Ordina is fully entitled to the subsidies received. Ordina will recognize these amounts in its statement of profit and loss at the moment the statute of limitations for potential restitution requests with regard to the subsidies received has expired.

In accordance with the provisions of Section 403, Part 9 of Book 2 of the Dutch Civil Code, Ordina N.V. has assumed joint and several liability for the obligations arising from the legal transactions of the majority of the Dutch group companies. The declarations to that effect have been filed with the competent trade registries.

Ordina N.V. and the majority of its Dutch group companies form a fiscal unity for income tax and value-added tax purposes, as a result of which the companies involved are jointly and severally liable for the liabilities incurred by whole fiscal unity.

Ordina N.V. and the majority of its group companies have assumed joint and several liability under the financing facility as explained under note 15. At year-end 2022, trade and other receivables valued at around EUR 60.8 million are pledged as security (year-end 2021: around EUR 53.7 million) for the financing facility.

30 Acquisitions and divestments

30.1 Acquisitions

No acquisitions took place in 2022. In 2021, Ordina acquired 100% of the shares in in IFS Probity B.V. in Barneveld. In February 2022 the name of IFS Probity B.V. was changed into Ordina Subscription Management & Utilities B.V.

Acquisition of IFS Probity B.V.
On 31 August 2021, Ordina acquired 100% of the shares in IFS Probity B.V. The acquisition price for IFS Probity B.V. includes two earn-out payments. The first earn-out payment was made in August 2022 for the amount of EUR 1.0 million. The second earn-out payment was initially planned for 2024. In connection with the accelerated integration of Ordina Subscription Management & Utilities B.V. at the end of 2022 parties opted to enter into a settlement agreement on the basis of which the remaining earn-out obligation will be settled early. Following the settlement agreement a second earn-out payment has been agreed upon for an amount of EUR 1.0 million. Payment of the second earn-out took place in the beginning of 2023. After this payment, Ordina paid the full purchase price for the shares in IFS Probity B.V. The accounting impact of the accelerated settlement has been incorporated in the 2022 financial statements.

30.2 Divestments

Ordina did not divest any group companies or activities in 2022 and 2021.

31 Related parties

31.1 Identity of related parties

Ordina's related parties are its group companies, the associated companies (see note 11), the members of the Supervisory Board and the members of the Management Board. The members of the Supervisory Board and the Management Board qualify as key management.

The total remuneration for Management Board and the Supervisory Board in 2022 and 2021 can be specified as follows:

	2022	2021
Salary	988	922
Variable component/short-term, settled in cash	332	393
Variable component/long-term, settled in shares	371	415
Pension costs	15	15
Other benefits	35	63
Total	**1,741**	**1,808**

31.2 Transactions with the members of the Management Board and Supervisory Board

31.2.1 Remuneration policy

The Supervisory Board determines the compensation of the members of the Management Board on an annual basis. For details on the remuneration policy for the members of the Management Board, we refer to the Remuneration report on page 80.

31.2.2 Remuneration members of the Management Board

With respect to the remuneration of the members of the Management Board, the following amounts were expensed in 2022 and 2021 respectively:

	J.G. Maes		J.F. van Donk - van Wijnen		Total	
	2022	2021	2022	2021	2022	2021
Base salary	442	430	296	260	738	690
Variable component/short-term, settled in cash	199	245	133	148	332	393
Variable component/long-term, settled in shares	249	337	122	78	371	415
Pension expense	8	8	7	7	15	15
Other benefits	16	46	19	17	35	63
Total	**914**	**1,066**	**577**	**510**	**1,491**	**1,576**

Total remuneration of the members of the Management Board combined amounts to around EUR 1.5 million in 2022 (2021: around EUR 1.6 million).

The long-term component of the variable remuneration is related to a payment in Ordina N.V. shares; these are determined for a three-year period for each individual scheme. Based on the remuneration policy, the value of the number of Ordina N.V. shares to be awarded for on-target performance is equivalent to 50% of the fixed salary (including holiday pay) to be paid to the board member in question in the first year of each three-year period. The fair value of the on-target shares that are expected to be awarded is determined based on the share price at the moment the shares are awarded. A conditional number of shares are awarded at the beginning of each three-year period on the basis of the closing share price of the Ordina N.V. share at the end of the preceding calendar year. Of the total targets, 70% is linked to financial targets and 30% is linked to non-financial targets. The financial targets are linked to the development of Ordina's results and are related to revenues and the EBITDA margin. The non-financial targets are based on clearly measurable (qualitative and quantitative) targets and are related to customer satisfaction, employee engagement, the growth in added value and the implementation of the sustainability strategy. At the end of the three-year period, the shares are awarded unconditionally on the basis of the targets realized vis-à-vis the targets set. The definitively awarded shares will be transferred in the year following the last year of the three-year period.

The number of shares in Ordina N.V. to be awarded is estimated each time on the reporting date based on the long-term bonus benefits. Based on this estimation, the costs of the variable long-term remuneration component are recognized in the statement of profit or loss, proportional to the period that has expired from the moment the shares were awarded. The costs of the shares expected to be issued under the existing schemes are recognized in equity as retained earnings.

As part of their variable long-term remuneration for the period 2020-2022, Mr. Maes and Ms. Van Donk-van Wijnen are unconditionally granted a total of 110,650 and 14,875 Ordina N.V. shares respectively. This is equivalent to a payment percentage of approximately 117% of the on-target remuneration. Of the total payment percentage, 95% is related to the financial targets and 22% to the non-financial targets. The shares granted to the CFO, Ms. Van Donk-van Wijnen, pursuant to the 2020-2022 scheme are awarded under the senior management bonus scheme.

The cost of the long-term remuneration is around EUR 0.4 million in 2022 (2021: around EUR 0.4 million).

The current schemes can be specified as follows:

	Conditionally granted number of shares	Grant date	Share price at grant date	Fair value on grant date	(estimated) pay out in % of weighting target	Recognised in profit & loss 2022	Recognised in profit & loss 2021
J.G. Maes							
Scheme 2019-2021							149
Scheme 2020-2022	94,573	12/02/20	2.16	204	117%	72	112
Scheme 2021-2023	74,783	18/02/21	3.22	241	117%	109	76
Scheme 2022-2024	53,902	02/03/22	4.30	232	100%	68	n.a.
	223,258					**249**	**337**
J.F. van Donk - van Wijnen							
Scheme 2019-2021 *							19
Scheme 2020-2022 *	12,714	22/06/20	1.92	24	117%	10	13
Scheme 2021-2023	45,217	18/02/21	3.22	146	117%	66	46
Scheme 2022-2024	36,039	02/03/22	4.30	155	100%	46	n.a.
	93,970					**122**	**78**
Total	**317,228**					**371**	**415**

* Awarded under the senior management scheme.

The members of the Management Board can participate in the pension scheme provided by Ordina. If a member of the Management Board participates in this scheme, Ordina pays the pension premium. If a member of the Management Board declines to participate, they receive a gross payment from Ordina. This is the same as the amount Ordina would have been due to pay if the member of the Management Board in question were to participate in the pension scheme provided by Ordina.

Ordina provides the members of the Management Board with a car, a laptop and a mobile phone. The related amounts for the members of the Management Board were around EUR 0.1 million in 2022 (2021: EUR 0.1 million) and are included as other benefits in the specification of the remuneration of the members of the Management Board.

No loans, advances or guarantees have been issued for the benefit of the members of the Management Board.

31.2.3 Shares held by the members of the Management Board

At year-end 2022, the members of the Management Board held 352,708 Ordina N.V. shares (year-end 2021: 300,028 shares). The shares are distributed among the members of the Management Board as follows:

	2022	2021
J.G. Maes	332,783	292,476
J.F. van Donk - van Wijnen	19,925	7,552
Total	**352,708**	**300,028**

31.2.4 Options granted to, and held by, the members of the Management Board

At year-end 2022 and year-end 2021, Ordina had not issued any option rights to the members of the Management Board.

31.2.5 Remuneration of the Supervisory Board

The remuneration for the members of the Supervisory Board can be specified as follows:

	2022	2021
J. van Hall, chairman	65	66
C. Princen, vice chairman	48	48
T. Menssen	48	48
D.R. de Breij (appointed per 8 April 2021)	45	33
B. van Reet (appointed per 8 April 2021)	45	33
F. Michiels (resigned per 4 February 2021)	-	4
Total	**250**	**232**

The remuneration of the Supervisory Board is not linked to the company's financial performance. No loans, advances or guarantees have been issued for the benefit of the members of the Supervisory Board.

31.2.6 Shares held by the members of the Supervisory Board

At year-end 2022 and year-end 2021, the members of the Supervisory Board held no shares in Ordina N.V.

32 Events after the reporting period

No events occurred after 31 December 2022 that have a material impact on, or warrant restatement of the financial statements.

Company statement of financial position as at 31 December

(Before appropriation of profit)

(In euro thousands)	Notes	2022	2021
Assets			
Non-current assets			
Financial fixed assets	34	171,855	176,966
Deferred income tax assets	35	121	1,389
Total non-current assets		**171,976**	**178,355**
Total current assets			
Other receivables		6	1
Current income tax receivables		-	592
Total current assets		**6**	**593**
Total assets		**171,982**	**178,948**

The notes 33 through 36 are an integral part of these financial statements.

Company statement of financial position as at 31 December

(Before appropriation of profit) (continued)

(In euro thousands)	Notes	2022	2021
Equity and liabilities			
Equity			
Issued capital	36	9,002	9,326
Share premium	36	124,433	136,219
Legal reserve	36	337	1,061
Retained earnings	36	13,866	7,744
Net profit for the year	36	23,895	24,598
Total equity		**171,533**	**178,948**
Liabilities			
Current liabilities			
Current income tax payable		449	-
Trade payables and other current liabilities		-	-
Total current liabilities		**449**	**-**
Total liabilities		**449**	**-**
Total equity and liabilities		**171,982**	**178,948**

The notes 33 through 36 are an integral part of these financial statements.

Company statement of profit and loss

(in euro thousands)	Notes	2022	2021
Revenue		**-**	**-**
Operating expenses			
Other operating expenses		-2	-2
Total operating expenses		**-2**	**-2**
Operating profit		**-2**	**-2**
Finance income		12	-
Finance costs		-	-23
Finance costs - net		**12**	**-23**
Share of profit of group companies	34	23,889	24,742
Profit before tax		**23,899**	**24,717**
Income tax expense		-4	-119
Net profit for the year		**23,895**	**24,598**

The notes 33 through 36 are an integral part of these financial statements.

Notes to the company financial statements

33 General

33.1 Basis of preparation of company financial statements

Ordina N.V. is a private limited liability company, incorporated in 1973, and has its registered office at Ringwade 1, in Nieuwegein, the Netherlands, under Trade Register number 30077528. The company financial statements of Ordina N.V. have been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code. In accordance with subsection 8 of section 362, Book 2 of the Dutch Civil Code, the recognition and measurement principles applied in these parent company financial statements are the same as those applied in the consolidated financial statements (see accounting policies relating to financial statement captions included in the relevant notes to the consolidated financial statements).

The company financial statements of Ordina N.V. are presented in euros (EUR). Amounts are in thousands of euros, unless otherwise indicated.

33.2 Accounting policies

The accounting policies for the company financial statements are the same as for the consolidated financial statements. If no further policies are mentioned, reference is made to the accounting policies for the consolidated financial statements.

33.3 Financial assets / investments in subsidiaries

Investments in subsidiaries in which Ordina N.V. exercises control or where Ordina N.V. is responsible for central management are measured at net asset value. The net asset value is measured whereby the net assets, liabilities and provisions of the group company are measured and profit is calculated on the basis of the accounting policies used in the consolidated financial statements.

Receivables from group companies are measured on the basis of the accounting policies used in the consolidated financial statements. The expected credit losses on receivables on group companies, as stated in IFRS 9, are recognized as part of the carrying amounts of the group companies.

34 Financial assets

This item can be specified as follows:

	2022			2021		
	Investments in group companies	Receivables from group companies	Total	Investments in group companies	Receivables from group companies	Total
At 1 January	172,673	4,293	176,966	170,604	3,666	174,270
Investments and distributions	-31,825	2,575	-29,250	-22,788	627	-22,161
Actuarial gains and losses	250	-	250	115	-	115
Share of profit of group companies	23,889	-	23,889	24,742	-	24,742
At 31 December	**164,987**	**6,868**	**171,855**	**172,673**	**4,293**	**176,966**

The investments and distributions within the participations in group companies are related to internal dividend payments (2022: EUR 30.0 million, 2021: EUR 20.5 million) as well as equity movements related to share-based payments (see notes 17 and 22). The actuarial gains and losses are related to employee-related provisions (see notes 12 and 19).

35 Deferred income tax assets

Deferred income tax assets can be specified as follows:

	2022	2021
Intangible assets and property, plant and equipment	121	159
Recognised tax losses	-	1,230
At 31 December	**121**	**1,389**

Ordina N.V. is the head of the fiscal unity for corporate income tax in the Netherlands. Consequently, Ordina N.V. accounts for the fiscal positions of this fiscal unit, insofar as these are not already accounted for by the other members of the fiscal unit.

The deferred income tax assets associated with intangible assets and property, plant and equipment relates to temporary measurement differences due to the difference between actual economic useful life and the minimum fiscal write-down period. Deferred tax assets are recognized at the applicable tax rates.

At year-end 2022 Ordina has utilised all of its tax losses. At year-end 2022 no tax losses are recognized (recognized tax losses at year-end 2021: around EUR 4.8 million).

At year-end 2022, around EUR 0.1 million (year-end 2021: around EUR 0.1 million) of the deferred tax assets has a maturity of more than one year. For more details on the deferred taxes of Ordina, see note 12.

36 Equity

Movements in equity in 2022 and 2021 can be specified as follows:

	2022						2021					
	Issued capital	Share premium reserve	Legal reserve	Retained earnings	Net profit for the year	Total	Issued capital	Share premium reserve	Legal reserve	Retained earnings	Net profit for the year	Total
At 1 Januari	9,326	136,219	1,061	7,744	24,598	178,948	9,326	136,219	1,676	8,300	22,290	177,811
Appropriation of profit previous year	-	-	-	24,598	-24,598	-	-	-	-	22,290	-22,290	-
Dividend distribution	-	-	-	-14,734	-	-14,734	-	-	-	-22,288	-	-22,288
Shares purchased in relation to the share buy-back program	-324	-11,786	-	-2,890	-	-15,000	-	-	-	-	-	-
Shares purchased in relation to the share-based payments settlement	-	-	-	-2,802	-	-2,802	-	-	-	-2,602	-	-2,602
Share-based payments - personnel expenses	-	-	-	976	-	976	-	-	-	1,314	-	1,314
Actuarial gains and losses on defined benefit plans	-	-	-	250	-	250	-	-	-	115	-	115
Net profit for the year	-	-	-	-	23,895	23,895	-	-	-	-	24,598	24,598
Movement regarding legal reserve	-	-	-724	724	-	-	-	-	-615	615	-	-
At 31 December	**9,002**	**124,433**	**337**	**13,866**	**23,895**	**171,533**	**9,326**	**136,219**	**1,061**	**7,744**	**24,598**	**178,948**

The share premium reserve at year-end 2022 includes share premium of around EUR 2.9 million which does not qualify as tax approved share premium reserve which is related to share-based payments (year-end 2021: around EUR 2.9 million).

The legal reserve relates to the carrying amounts of the internally generated intangible assets (see section 2.5.2 and note 8.4).

In 2022 Ordina executed a share-buy-back program for the amount of EUR 15 million. Ordina acquired 3.2 million of its ordinary shares. These shares were cancelled in October 2022. After the cancellation of these shares, Ordina's issued capital consists of one priority share and 90,015,795 ordinary shares. For details on the share buy-back program, see note 16.2.

At year-end 2022 and year-end 2021, Ordina N.V. had not purchased any treasury shares.
At year-end 2022 and year-end 2021, there were no outstanding option rights for Ordina N.V. shares.

For details on the remuneration of the members of the Management Board, see note 31.2.2.

Nieuwegein, 15 February 2023

Management Board
J.G. Maes, *CEO*
J.F. van Donk-van Wijnen, *CFO*

Supervisory Board
J. van Hall, *Chair*
C. Princen, *Vice-Chair*
T. Menssen
D.R. de Breij
B. van Reet

Other information

List of group companies / principal associates

	Registered office	Participation as a % at year-end 2022	Participation as a % at year-end 2021
Ordina Holding B.V.*	Nieuwegein	100	100
Ordina Nederland B.V.*	Nieuwegein	100	100
Ordina Business Consulting & Solutions B.V.*	Nieuwegein	100	100
Ordina Technologie & Competenties B.V.*	Nieuwegein	100	100
Ordina Software Development B.V.*	Nieuwegein	100	100
Ordina RulesMatter B.V.*	Nieuwegein	100	100
Ordina Beheer & Outsourcing B.V.*	Nieuwegein	100	100
Ordina Subscription Management & Utilities B.V.*	Nieuwegein	100	100
Ordina Sourcing B.V. *	Nieuwegein	100	100
Clockwork B.V.*	Amsterdam	100	100
SourcePower B.V.*	Nieuwegein	100	100
Ordina Belgium N.V.	Mechelen (Belgium)	100	100
Ordina Luxembourg SA	Windhof (Luxembourg)	100	100

All group companies listed above are fully consolidated. The company has issued declarations of joint and several liability (pursuant to Section 403, Part 9 of Book 2 of the Dutch Civil Code) for the subsidiaries marked *. These companies were given permission to prepare financial statements based on a format that is in contravention of the provisions of said Part of the Dutch Civil Code.

Combined independent auditor's report

Combined independent auditor's report on the 2022 financial statements and non-financial information

To: the shareholders and Supervisory Board of Ordina N.V.

Our opinions

Financial statements

We have audited the financial statements 2022 of Ordina N.V. based in Nieuwegein. The financial statements comprise the consolidated and company financial statements.

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of Ordina N.V. as at 31 December 2022 and of its result and its cash flows for 2022 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code
- the accompanying company financial statements give a true and fair view of the financial position of Ordina N.V. as at 31 December 2022 and of its result for 2022 in accordance with Part 9 of Book 2 of the Dutch Civil Code

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2022
- the following statements for 2022: the consolidated statement of profit and loss, the consolidated statements of comprehensive income, changes in equity and cash flows
- the notes comprising a summary of the significant accounting policies and other explanatory information

The company financial statements comprise:

- the company statement of financial position as at 31 December 2022
- the company statement of profit and loss for 2022
- the notes comprising a summary of the significant accounting policies and other explanatory information

Non-financial information

We have audited the non-financial information included in the annual report 2022 of Ordina N.V. based in Nieuwegein. This audit is aimed at obtaining a reasonable level of assurance.

- In our opinion, the non-financial information included in the annual report 2022 presents, in all material respects, a reliable and adequate view of:
- the policy and operations with regard to corporate social responsibility;
- the thereto related events and performance in 2022.
- in accordance with the reporting criteria as included in the section *Reporting criteria for the non-financial information.*

The non-financial information includes the following chapters in the annual report:

- Key figures;
- Five-year overview;
- Impressions;
- Mission and core values;
- Market trends;
- Value creation model;
- Stakeholder dialogue;
- Strategy 2026 – excluding paragraph EU taxonomy.

Basis for our opinions

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and the Dutch Standard 3810N "Assurance engagements relating to sustainability reports" (Assurance-opdrachten inzake maatschappelijke verslagen), which is a specified Dutch Standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance engagements other than audits or reviews of historical financial information". Our responsibilities under those standards are further described in the Our responsibilities section of our report.

We are independent of Ordina N.V. (the company) in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the "Wet toezicht accountantsorganisaties" (Wta, Audit firms supervision act), the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands.

Furthermore we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Reporting criteria for the non-financial information

The reporting criteria used for the preparation of the non-financial information are the Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards) and the applied supplemental reporting criteria as disclosed in the glossary of the annual report.

The non-financial information is prepared with reference to the GRI Standards. The GRI Standards used are listed in the GRI Content Index as disclosed in the glossary of the annual report.

The absence of an established practice on which to draw, to evaluate and measure non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

Consequently, the non-financial information needs to be read and understood together with the reporting criteria used.

Limitations to the scope of our audit of the non-financial information

The non-financial information includes prospective information such as ambitions, strategy, plans, expectations, estimates and risk assessments. Inherent to this prospective information, the actual future results are uncertain. We do not provide any assurance on the assumptions and achievability of prospective information in the non-financial information.

The references to external sources or websites in the sustainability information are not part of the sustainability information as audited by us. We therefore do not provide assurance on this information.

Our opinion is not modified in respect of these matters.

Information in support of our opinions

We designed our audit procedures in the context of our audit of the financial statements and the non-financial information as a whole and in forming our opinions thereon. The following information in support of our opinions and any findings were addressed in this context, and we do not provide separate opinions or conclusions on these matters.

Our understanding of the business

Ordina N.V. is an IT service provider in the Netherlands, Belgium and Luxembourg. The group is structured in components and we tailored our group audit approach accordingly. We paid specific attention in our audit to a number of areas driven by the operations of the group and our risk assessment.

Materiality

General

We determined materiality and identified and assessed the risks of material misstatement of the financial statements and the non-financial information, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions.

Financial statements

Materiality	€ 2.1 million (2021: € 1.95 million)
Benchmark applied	Revenue 0.5% (2021: 0.5%)
Explanation	We deem revenue the most appropriate benchmark for Ordina N.V. taking into consideration the following aspects: • important KPI for Ordina N.V. and its stakeholders; • stable development and less significant fluctuations as compared to a benchmark based on net result.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Supervisory Board that misstatements in excess of € 105,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Non-financial information

Based on our professional judgement we determined materiality levels for each relevant part of the non-financial information and for the non-financial information as a whole. When evaluating our materiality levels, we have taken into account quantitative and qualitative considerations as well as the relevance of information for both stakeholders and the company.

We agreed with the Supervisory Board that misstatements which are identified during the audit and which in our view must be reported on quantitative or qualitative grounds, would be reported to them.

Scope of the group audit

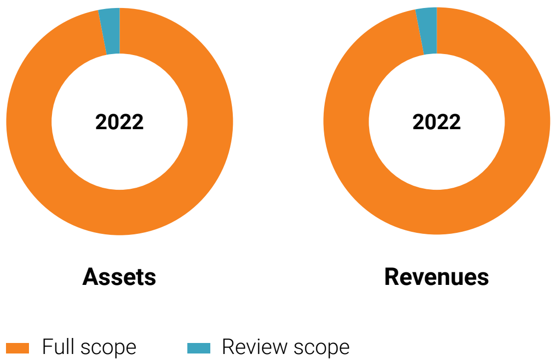
Ordina N.V. is at the head of a group of entities. The financial information of this group is included in the consolidated financial statements.

Because we are ultimately responsible for the opinion on the financial statements, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

Ordina N.V. is structured in line with its geographical locations. The reportable segments of Ordina N.V. are the Netherlands and Belgium/Luxembourg. Consolidation procedures for the entire group are performed at its registered head office in Nieuwegein, The Netherlands. The financial administration of the Dutch legal entities is also performed here. The segment Belgium/Luxembourg has administrative processes and internal controls that are separated from the Dutch activities.

Our group audit mainly focused on significant group entities, being the Dutch segment and the Belgian operations of the Belgium/Luxembourg segment (Full scope). For the Dutch operations we performed audit procedures ourselves. The audit of the operations of the Belgian entity are performed by EY Belgium. Considering the limited size of the activities in Luxembourg, EY Belgium performed review scope procedures for the Luxembourg entity within the segment Belgium/Luxembourg.

In total the full scope procedures represent 97% of the group's total assets and 97% of revenues.



By performing the procedures mentioned above at components of the group, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the consolidated financial statements.

Teaming and use of specialists

We ensured that the audit teams both at group and at component levels included the appropriate skills and competences which are needed for the audit of a listed client in the information technology industry. We included specialists in the areas of IT audit, forensics, sustainability, accounting and corporate tax.

Our focus on climate-related risks and the energy transition

Climate change and the energy transition are high on the public agenda. Issues such as CO_2 reduction impact financial reporting, as these issues entail risks for the business operation, the valuation of assets ('stranded assets') and provisions or the sustainability of the business model and access to financial markets of companies with a larger CO_2 footprint.

Management summarized Ordina N.V.'s commitments and obligations, and reported how Ordina N.V. is addressing climate-related and environmental risks in the section Risk management in the Report of the Management Board.

As part of our audit of the financial statements, we evaluated the extent to which climate-related risks and the effects of the energy transition and Ordina N.V.'s commitments and (constructive) obligations, are taken into account in estimates and significant assumptions. Furthermore, we read the Report of the Management Board and considered whether there is any material inconsistency between the non-financial information in the chapters as referred to under "Our opinions" and the financial statements.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements taken as a whole and the non-financial information taken as a whole, are free from material misstatement, whether caused by fraud or error. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements and the non-financial information due to fraud. During our audit we obtained an understanding of Ordina N.V. and its environment and the components of the system of internal control, including the risk assessment process and

management's process for responding to the risks of fraud and monitoring the system of internal control and how the Supervisory Board exercises oversight, as well as the outcomes.
We refer to section Risk management of the Report of the Management Board for management's risk assessment after consideration of potential fraud risks.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

As in all of our audits, we addressed the risks related to management override of controls. For these risks we have performed procedures among others to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in Note 5 to the financial statements, including recognition of revenue from contracts with customers. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

When identifying and assessing fraud risks we presumed that there are risks of fraud in revenue recognition. We considered among others Ordina N.V.'s revenue targets and their realization and evaluated the progress of work in progress. We designed and performed our audit procedures relating to revenue recognition responsive to this presumed fraud risk.
The following fraud risks identified did require significant attention during our audit.

Presumed risks of fraud in revenue recognition and management override of controls (financial statements)	
Fraud risk	We presumed that there are risks of fraud in revenue recognition. We evaluated that fixed fee contracts in particular give rise to such risks, since revenue recognition is subject to management assumptions relating to the percentage of completion that is subjective in nature. Additionally, we identify the risk that projects are incorrectly classified as either fixed fee or times and material contract, which could lead to incorrect revenue recognition. Lastly, management remuneration is related to revenue and overall financial performance which could be an incentive to incorrectly recognize revenue. These revenues are disclosed in the financial statements in notes 2.17 (Summary of significant accounting policies, Revenue from contracts with customers), 5.2 (Significant accounting judgments, estimates and assumptions, Revenue from contracts with customers), 6.1 (Revenue from contracts with customers), 6.2 (Balance sheet positions related to contracts with customers), 14 (Trade receivables and other current assets), 20 (Other provisions) and 21 (Trade payables and other current liabilities). Management discusses the risks in the Report of the Management Board in paragraph Risk overview (risk profile contracts).
Our audit approach	We describe the audit procedures responsive to the presumed risk of fraud in revenue recognition in the description of our audit approach for the key audit matter 'Revenue recognition and valuation contracts with customers'.

Revenue from business propositions (non-financial information)	
Fraud risk	There is a certain degree of subjectivity in determining whether contracts meet the definitions and assessment criteria for business proposition revenue, partly because Ordina N.V. develops these definitions and assessment criteria itself. Due to the subjectivity and the relationship with management remuneration, we identified a potential fraud risk. Management discusses the risks in the Report of the Management Board in paragraph Risk overview (sensitivity to economic cycles) and elaborates on business proposition revenue in several other sections of the Report of the Management Board and the Remuneration report. The percentage of business proposition revenues is disclosed in the financial statements in note 6.1 (Revenue from contracts with customers).
Our audit approach	We describe the audit procedures responsive to the risk of fraud relating to revenue from business propositions in the description of our audit approach for the key audit matter 'Revenue from business propositions'.

Contents

We considered available information and made enquiries of relevant executives, directors, internal audit, legal, compliance, human resources and regional directors and the Supervisory Board.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements and the non-financial information.

Our audit response related to risks of non-compliance with laws and regulations

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements or the non-financial information. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements or the non-financial information from our general industry experience, through discussions with the Management Board, reading minutes, inspection of internal audit and compliance reports and performing substantive tests of details of classes of transactions, account balances or disclosures.

We also inspected lawyers' letters and we have been informed by the Management Board that there was no correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern

As disclosed in Note 2.1 (Basis of preparation) to the financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, management made a specific assessment of Ordina N.V.'s ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with management exercising professional judgment and maintaining professional skepticism. We considered whether management's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on Ordina N.V.'s ability to continue as a going concern.

Based on our procedures performed, we did not identify material uncertainties about going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements and the non-financial information. We have communicated the key audit matters to the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters discussed.

The key audit matter 'Acquisition IFS Probity B.V.' which was included in our last year's auditor's report, is not considered a key audit matter for this year as this related to a one-off transaction. 'Valuation of goodwill and other intangible assets' is no longer a key audit matter as the risk that goodwill is impaired is lower due to increase in headroom (difference between the recoverable amount and its carrying amount) following the improved results in the last years.

A new key audit matter for the non-financial information has been defined for revenue from business propositions. We took into consideration that, as opposed to previous year, Ordina N.V.'s performance on this KPI for 2022 is close to the predefined targets.

Apart from the aforementioned changes our key audit matters did not change in comparison with previous year.

Revenue recognition and valuation contracts with customers We refer to the Report of the Management Board paragraph Risk overview (Risk profile contracts) and the financial statements notes 2.17 (Summary of significant accounting policies, Revenue from contracts with customers), 5.2 (Significant accounting judgments, estimates and assumptions, Revenue from contracts with customers), 6.1 (Revenue from contracts with customers), 6.2 (Balance sheet positions related to contracts with customers), 14 (Trade receivables and other current assets), 20 (Other provisions) and 21 (Trade payables and other current liabilities).	
Risk	We identify a (fraud) risk regarding the recognition of revenue and valuation of contracts with customers with a fixed fee. Our most significant considerations include: • there are (partly) long-term projects where the determination of the progress of the work and future costs to complete the project is based on management assumptions, which involve subjectivity; • there is a risk that projects are incorrectly classified as either fixed fee or times and material contract, which could lead to incorrect revenue recognition; • because variable considerations are present in the contracts and variation orders to the contracts, there is a risk that the revenue recognition is not in accordance with the applicable financial reporting standards (EU-IFRS); • management remuneration is related to revenue recognition and overall financial performance which could be an incentive to incorrectly recognizing revenue and as such there is a risk that management overrides controls relating to project result estimates. The accounts in the financial statements that involve fixed fee projects are revenue from contracts with customers € 429.5 million (2021: 394.5 million), contract assets € 9.8 million (2021: € 7.8 million), onerous contract provisions € 1.4 million (2021: € 1.4 million), and contract liabilities € 6.9 million (2021: € 5.9 million).
Our audit approach	We obtained an understanding of Ordina N.V.'s controls, including control activities relevant to revenue recognition and valuation of contracts and, evaluated the design of the controls over how Ordina N.V. made the estimate. We tested Ordina N.V.'s estimates on project results and the data on which these are based, evaluating: • the appropriateness of the method(s), and • the reasonableness of assumptions used. This included the estimates made by project managers, business controllers and the Manage-ment Board. We assessed the estimates based on project reports and other supporting evidence. We performed back-testing procedures by comparing the forecasted project results of last year with current year actuals to assess the quality and preciseness of the estimates around progress of the work and future costs to complete the projects. Furthermore we assessed the provision for onerous contracts based on changes in estimates of the project results and underlying project reports. We evaluated the appropriateness of Ordina N.V.'s accounting policies related to revenue recog-nition in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code and whether the methods for making estimates are appropriate and have been applied consistently or whether changes, if any, are appropriate in the circumstances. We also evaluated the disclosures in ac-cordance with the requirements of the applicable financial reporting frameworks relevant to ac-counting estimates and whether significant judgments by management are disclosed.
Key observations	We concur with management's estimates and are of the opinion that disclosures in the financial statements are adequate.

We identified the following key audit matter for the audit of the non-financial information.

Revenue from business propositions (key audit matter) We refer to the Report of the Management Board paragraph Risk overview (sensitivity to economic cycles), several other sections of the Report of the Management Board where Ordina elaborates on business proposition revenue, the Remuneration report and the financial statements in note 6.1 (Revenue from contracts with customers). For the definition of revenue from business propositions we refer to the glossary in the annual report.	
Risk	We identify a (fraud) risk related to whether contracts meet the definitions and assessment crite-ria for business proposition projects. Our most significant considerations include: • There is a certain degree of judgment involved in determining whether (new) projects classify as 'business proposition'. • Revenue from business propositions is linked to management remuneration.
Our audit approach	We obtained an understanding of Ordina N.V.'s controls, including control activities relevant to the classification of projects as business proposition and the definitions and assessment criteria being used in this process. We performed testing procedures on new projects with a business proposition classification. We verified that the selected contracts were correctly classified based on the criteria determined by Ordina N.V. We performed analytical procedures on the revenue from business propositions in which we set our expectation based on the target set by Ordina N.V. and information obtained during the audit.
Key observations	We concur with management's classification of business proposition projects and are of the opinion that the disclosure of related revenue of these business proposition projects as a percentage of total revenue in the annual report is adequate.

Reporting criteria developed by Ordina N.V. (key audit matter) For the definitions of the reporting criteria developed by Ordina N.V. we refer to the glossary in the annual report.	
Risk	For the preparation and disclosure of non-financial information Ordina N.V. uses reporting criteria with reference to the GRI Standards, supplemented with self-developed reporting criteria. Self-developed reporting criteria are based on information needs of key stakeholder groups. We identify an increased risk related to the suitability and disclosure of these criteria. Suitable criteria have the following characteristics: neutrality, measurability, completeness, relevance and understandability.
Our audit approach	We obtained an understanding of Ordina N.V.'s controls, including control activities relevant to developing and authorizing self-developed criteria. We verified that the criteria are suitable. We verified that the disclosure of the criteria is sufficient for the intended users to correctly interpret the KPI results reported.
Key observations	We agree on the suitability of the reporting criteria developed by Ordina N.V. and are of the opinion that the disclosures of the criteria in the annual report is adequate.

Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the Report of the Management Board and the other information as required by Part 9 of Book 2 of the Dutch Civil Code and as required by Sections 2:135b and 2:145 sub section 2 of the Dutch Civil Code for the remuneration report.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 and Section 2:135b sub-Section 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the Report of the Management Board in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code. Management and the Supervisory Board are responsible for ensuring that the remuneration report is drawn up and published in accordance with Sections 2:135b and 2:145 sub section 2 of the Dutch Civil Code.

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Report on other legal and regulatory requirements and ESEF

Engagement

We were engaged by the general meeting as auditor of Ordina N.V. on 30 April 2015, as of the audit for the year 2015 and have operated as statutory auditor ever since that date.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

Other non-prohibited services provided

In addition to the statutory audit of the financial statements we provided the following services:

- Assurance reports on the quarterly statements prepared by management regarding compliance of Ordina N.V. with the 'Wet Keten Aansprakelijkheid' (WKA);
- Two ISAE 3402 type 2 assurance reports relating to the internal controls of Ordina N.V. in connection with services provided to clients;
- Auditors report on the preparation of the Compliance Certificate in accordance with Ordina N.V.'s Revolving Facility Agreement;
- Assurance report on the non-financial information in Ordina N.V.'s annual report;
- Two reports of factual findings concerning the revenue statement of Ordina Belgium.

European Single Electronic Reporting Format (ESEF)

Ordina N.V. has prepared the annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion the annual report prepared in the XHTML format, including the (partially) marked-up consolidated financial statements as included in the reporting package by Ordina N.V., complies in all material respects with the RTS on ESEF.

Management is responsible for preparing the annual report, including the financial statements, in accordance with the RTS on ESEF, whereby management combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting). Our examination included amongst others:

- obtaining an understanding of Ordina N.V.'s financial reporting process, including the preparation of the reporting package
- identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:

- obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files, has been prepared in accordance with the technical specifications as included in the RTS on ESEF
- examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

Description of responsibilities

Responsibilities of management and the Supervisory Board

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Management is also responsible for the preparation of reliable and adequate non-financial information in accordance with the reporting criteria as included in the section 'Reporting criteria for the non-financial information', including the identification of stakeholders and the definition of material matters. Management is also responsible for selecting and applying the reporting criteria and for determining that these reporting criteria are suitable for the legitimate information needs of stakeholders, taking into account applicable law and regulations related to reporting. The choices made by the Management Board regarding the scope of the non-financial information and the reporting policy are summarised in chapter Strategy 2026 (Environmental, Social and Governance) of the annual report. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements and the non-financial information that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the company's financial and non-financial reporting process.

Our responsibilities

Our objective is to plan and perform the audit engagements in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinions.

Our audits have been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audits.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and non-financial information. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinions.

We apply the 'Nadere voorschriften kwaliteitssystemen)' (NVKS, Regulations for quality management systems) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements. We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing and the Dutch Standard 3810N (Assurance-opdrachten inzake maatschappelijke verslagen), ethical requirements and independence requirements.

The 'Information in support of our opinion' section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.

Our audit of the financial statements further included among others:

- Performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ordina N.V.'s internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Our audit of the non-financial information further included among others:

- Performing an analysis of the external environment and obtaining an understanding of relevant non-financial themes and issues, and the characteristics of the company
- Evaluating the appropriateness of the reporting criteria used, their consistent application and related disclosures in the non-financial information. This includes the evaluation of the results of the stakeholders' dialogue and the reasonableness of estimates made by the Management Board
- Obtaining an understanding of the systems and processes for collecting, reporting and consolidating the non-financial information, including obtaining an understanding of internal control relevant to our audit, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- Identifying and assessing the risks if the non-financial information is misleading or unbalanced, or contains material misstatements, whether due to error or fraud. Designing and performing further audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk that the non-financial information is misleading or unbalanced, or the risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from errors. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. These procedures consisted amongst others of:
  - Interviewing management and relevant staff at corporate and business level responsible for the non-financial strategy, policy and results
  - Interviewing relevant staff responsible for providing the information for, carrying out internal control procedures on, and consolidating the data in the non-financial information
  - Determining the nature and extent of the audit procedures for the group components and locations. For this, the nature, extent and/or risk profile of these components are decisive. The audit procedures are aimed at, on a local level, validating source data and evaluating the design and implementation of controls and validation procedures.
  - Obtaining assurance evidence that the non-financial information reconciles with underlying records of the company
  - Evaluating relevant internal and external documentation, on a test basis, to determine the reliability of the non-financial information
  - Performing an analytical review of the data and trends in the information submitted for consolidation at group level
- Reconciling the relevant financial information with the financial statements
- Evaluating the overall presentation and content of the non-financial information
- Evaluating the consistency of the non-financial information with the information in the annual report which is not included in the scope of our audit
- Considering whether the non-financial information as a whole, including the disclosures, reflects the purpose of the reporting criteria used

Communication

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audits. In this respect we also submit an additional report to the audit committee of the Supervisory Board in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements and the non-financial information. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Utrecht, 15 February 2023

Ernst & Young Accountants LLP

Ronny Duim

Legal organogram Ordina

ORDINA N.V.

Ordina Holding B.V.

Ordina Nederland B.V.
- Ordina Business Consulting & Solutions B.V.
  - Clockwork B.V.
- Ordina Technologie & Competenties B.V.
  - Ordina Software Development B.V.
  - Ordina RulesMatter B.V.
- Ordina Beheer & Outsourcing B.V.
  - Ordina Subscription Management & Utilities B.V. (Formerly named: IFS Probity B.V.)
- Facilitaire Diensten Ordina B.V.
- SourcePower B.V.
- Ordina Sourcing B.V.
- Quli B.V. (25%)

Ordina Belgium N.V.
- Ordina Luxembourg S.A.
- Passwerk CVBA (37.31%)

Glossary

General terms

CAPEX: Capital expenditures are the investments a company makes in long-term assets. The prescribed CAPEX calculation method for the EU taxonomy is explained in the relevant chapter.

Client Satisfaction Index (CSI): The average general satisfaction score given by our clients in the annual Client Satisfaction Survey. This score is given on the question: How satisfied are you with Ordina in general? Using a scale from 1 to 10, where 1 is very dissatisfied and 10 is very satisfied.

Client satisfaction survey: We use an external research agency to measure client satisfaction via telephone and online questionnaires. Ordina's largest clients are invited to take part in the survey. When clients express a well-founded wish not to be approached by an external research agency, the telephone interview is conducted by an independent Ordina employee. The survey provides an objective overview of our clients' perception, satisfaction and expectations of our services.

Completeness: In the context of the combined auditor's report. Are there no relevant factors omitted that could reasonably be expected to influence the decisions of the intended users?

Data science: Data science is an interdisciplinary field focused on extracting knowledge and insights from data. Data scientists use programming skills, statistical expertise and sector and organisational know-how to make connections and distil valuable insights.

Deal Review System: This is a set of agreements, templates, process flows and divisions of tasks for the controlled acceptance and execution of (result) obligations.

Direct FTE: Employee who can book billable hours for clients and does not have a full-time staff or management position.

Education and training hours: This includes the number of hours spent by direct employees on education and training during the reporting period.

Employee engagement survey: Ordina measures employee engagement once a year through our annual employee survey, in which employees are asked to rate several topics from satisfaction with their work, leadership, development opportunities and inclusiveness to name a few. This enables us to target our efforts on areas where improvements are desired and continue to improve the working climate for all employees. Employees are able to express their views anonymously by filling in a questionnaire. A specific question sees to the general satisfaction of our employees. The score of this question determines the Employee Engagement Score.

Employee Value Proposition: The Employee Value Proposition (EVP) is the promise, the value proposition, that Ordina makes to its current and future employees. This promise expresses what Ordina is offering its (future) employees, in exchange for their commitment and engagement, resulting in value creation for all stakeholders. This covers more than just salary and secondary benefits; it also includes elements such as career prospects and autonomy at work.

eNPS-score: employer Net Promotor Score shows the extent to which employees would recommend Ordina to others as an employer. The score is determined by: % promoters - % detractors.

ESG Board: Is a steering group, which is chaired by the CEO. Together with the CFO, the chief HR officer, the CMO, the company secretary, and an external program manager they form the ESG board. The ESG Board supervises the execution of the ESG strategy and monitors its progress.

FTE: Number of employees expressed in full-time equivalents (40 hours per week) meas-ured on the basis of roster days compared to workable days during a period.

Global Reporting Initiative (GRI): This is an international organization that draws up guidelines for sustainability reporting.

Health index: The health index includes several indicators, such as productivity, the satisfaction of our employees, number of referrals, sick leave and availability, to indicate whether the essentials of the various business areas are solid and healthy. We monitor these indicators on a monthly basis**.**

Inclusive organization (inclusiveness): This is an organization in which there is room for differences in the broadest sense of the word. We use the employee engagement survey to measure this by asking employees to what extent they agree with the following statement: "I feel free to express my opinion".

Indirect FTE: Employee who has a staff or management position and cannot book billable hours for clients.

LGBTIQ+ : The abbreviation LGBTIQ+ stands for lesbian, gay, bisexual, transgender, intersex and queer, with the plus standing for all other variations that are not heterosexual and/or cisgender and/or do not have the gender characteristics that fall within the usual definitions of 'female' or 'male'.

Management Board: The CEO and CFO of Ordina together form the Management Board.

Metrics: Metrics are quantitative assessment criteria normally used to assess, compare and monitor performance or production. Generally, a group of metrics is used to build a dashboard that management or analysts consult regularly to track performance assessments, opinions and business strategies.

Net Promotor Score (NPS): The NPS measures the likelihood of a client to recommend Ordina to other clients. Ordina measures this by asking the question in the client satisfaction survey: "How likely are you to recommend Ordina to others?" The NPS score is calculated by adding up your responses and subtracting the percentage of detractors (5) from the percentage of promoters (8-9-10). The score can be between -100 and +100.

Neutrality: In the context the combined auditor's report. Is the KPI free of bias?

OPEX: Operational expenditure is expenses a company incurs in the course of its normal business operations. The prescribed CAPEX calculation method for the EU taxonomy is explained in the relevant chapter.

Outflow direct employees at Ordina's request: The number of direct employees (in FTEs) whose contract was terminated at Ordina's request in current year, expressed as a percentage of the number of direct employees (in FTEs) at year-end preceding year.

Productivity: This is the % of the workable hours that (direct) employees are deployed.

Ratio of female employees: The ratio of female employees of the total workforce of Ordina.

Relevance: In the context of the combined auditor's report. Why are the KPIs relevant to Ordina?

Resilience: Indicator of our capacity to withstand potential headwind.

Revenue from business propositions: Proportion of revenue (%) from contracts concluded in line with Ordina's business proposition strategy. Definitions and criteria have been set for each proposition and all new contracts are assessed based on the current definition. Because of advancing understanding and strategic developments, definitions can slightly change, it is a dynamic process.

Five business propositions have been defined within Ordina's strategy:

1. Business platforms & cloud (digital theme);
2. Cybersecurity & compliance (digital theme);
3. Data-driven (digital theme);
4. Digital acceleration (digital theme); and
5. High-performance teams (HPT).

These five business propositions respond to important trends and developments in the market and among our clients. In doing so, we differentiate ourselves to our clients by our approach, competencies or solutions. The propositions are defined in chapter "Our strategy 2026".

These definitions reflect the nature of the specific proposition. For example, for the business proposition HPT we look at the size of the team, the leading role and the duration of a project. In 2022, the definition of business proposition has been slightly tightened, where taking responsibility, a leadership role or the HPT working method must be evident from the contract documentation, such as contracts, proposals and other written client communication. The tightened definition has limited impact on the comparability of the percentage business propositions revenue.

Risk and Control Framework: This is an internal risk management framework with control measures for the main (financial) processes.

Sickness-related absenteeism percentage: Calculation of the number of sickness-related absentee days in the period/ number of available days in the period x 100%. This takes into account the % of sick people and the % of employment contracts.

Sub-top: This is defined as the senior management of Ordina (excluding the Management Board), i.e. those employees in the organization who are ultimately responsible for commerce (market directors) and business (business directors) plus those who have group business support responsibility. Together with the Management Board, we call them OneOrdina.

Supply Chain Optimization: Chain optimization refers to the tools and processes used to improve the performance and efficiency of the supply chain from production and distribution, taking into account all limitations.

Sustainable Development Goals (SDGs): The Sustainable Development Goals the United Nations established in 2015 as the new global sustainable development agenda for 2030.

They are promoted as the global targets for sustainable development.

Understandability: In the context of the combined auditor's report. Is the KPI understandable to the intended users?

Workers who are not employees: People who are contracted by Ordina, but are not employees and whose work is controlled by Ordina. We calculate the number of workers who are not employees as the number of external people who worked for Ordina in December of the reporting period.

Financial terms

Amortisation: The depreciation of intangible fixed assets such as goodwill.

EBIT: Earnings before interest and taxes.

EBITDA: Earnings before interest, taxes, depreciation and amortisation.

Free cash flow: The free cash flow is the sum of net cash flow from operational and investment activities, adjusted for cash flows related to acquisitions and disposals of Group companies and associates and dividends received from associates. Lease payments are also deducted from the FCF (following the application of IFRS 16 Leases).

IFRS EU: International Financial Reporting Standards are the accounting standards for company annual reports, as accepted within the European Union. With effect from 1 January 2005, stock exchange listed companies in the EU are obliged to report according to these standards.

Solvency: Shareholders' equity as a percentage of the balance sheet total (fixed assets and current assets).

Terms and measurements used for ESG results

CO_2 footprint: The quantity of emissions expressed in tons of CO_2. These emissions fall under scope 1, 2 and 3 emissions as defined in the CO_2 Performance ladder guide 3.1 produced by Stichting Klimaatvriendelijk Aanbesteden en Ondernemen (The Foundation for Climate Friendly Procurement and Business – SKAO) dated 22-06-2020. Ordina uses the WTW (Well to Wheel) conversion factors dated 14-07-2022. You can find these online at www.co2emissiefactoren.nl (Dutch only).

CO_2 footprint calculation: Ordina's CO_2 footprint calculation includes the following components:

- Gas consumption: the gas consumption (in m3) in the buildings that Ordina leases, corrected for any sub-leases;
- Fuel consumption lease cars: the fuel consumption of the lease cars per category (diesel, petrol) in the Ordina fleet (statements from lease companies and fuel card companies);
- Electricity consumption lease cars: the electricity consumption (in kWh) of lease cars in the Ordina fleet. Since it is unknown whether the consumption of electric lease cars is green or grey, we process all electricity consumption of our lease cars to be grey in our calculations, except for the consumption at the buildings that Ordina uses with green electricity. The majority of the buildings uses green electricity;
- Electricity consumption: the electricity consumption (in kWh) in the buildings that Ordina leases, corrected for any sub-leases. The majority of the buildings that Ordina leases use green energy;
- Business kilometres private cars: in the Netherlands, these kilometres are determined on the basis of the amounts claimed as expenses for business kilometres. The amount is converted into the number of kilometres on the basis of a conversion factor laid down in the employment terms and conditions (standard amount per kilometre). The division into categories of car (diesel, petrol) is on the basis of the index figures produced by the Dutch Central Bureau for Statistics (CBS). This does not apply to Belgium/Luxembourg;
- Fuel consumption rental cars: the fuel consumption of the rental cars per category (diesel, petrol) in the Ordina fleet (statements from lease companies and fuel card companies);
- Air travel: the number of kilometres flown;
- Paper use: the number of kilogrammes of paper used, including printed matter (determined on the basis of invoices received);
- Train kilometres: in the Netherlands, these kilometres are determined on the basis of the amounts claimed as expenses for public transport costs. The amount is converted into the number of kilometres on the basis a conversion factor laid down in the employment terms and conditions (standard amount per kilometre). For Belgium/Luxembourg these are the actual kilometres travelled by train;
- Commuter traffic: this is calculated on the basis of the distance travelled from home to work for employees who do not have a lease car (on the basis of actual days travelled to the workplace);
- Waste: the number of kilogrammes of waste. In the Netherlands, this is calculated on the basis of invoices received. In Belgium/Luxembourg, Ordina receives statements from the company that picks up the waste;
- Electricity consumption suppliers: electricity consumption (in kWh) of the data centres that Ordina uses. In the Netherlands, this is determined on the basis of invoices received or meter readings. In Belgium/Luxembourg, electricity consumption (in kWh) is calculated on the basis of quarterly readings.
- Reduction of energy consumption (% compared to 2019): The energy consumption is measured as the gas and electricity consumption per square meter of our office buildings.

Fuel consumption reduction in litres: The reduction of fuel consumption of the lease cars in the Ordina fleet. The number of lease cars per category (diesel, petrol) and total fuel consumption are reported monthly by the lease companies and fuel card companies in the Netherlands, Belgium and Luxembourg.

Annex I

ISO
Ordina has a number of ISO certifications: ISO 9001:2015 (for quality), ISO 14001:2015 (for the environment), ISO 27001:2017 (for information security), ISO 27701: 2019 (for privacy management) and, in the Netherlands, NEN 7510-1:2017 (for Information security in healthcare).
In addition to sector-related developments, the context of the organization plays a significant role in adopting these standards. We also take into account the wishes and requirements of stakeholders. All of these are managed through an integrated, risk-focused approach aimed at continuous improvements.

EcoVadis
EcoVadis is a sustainability rating platform for global supply chains. EcoVadis makes it easy for buyers to assess their suppliers on sustainability criteria in four areas: the environment, employment and human rights, ethics, and sustainable procurement. In early 2022, Ordina the Netherlands and Ordina Belgium obtained a Gold certificate.

CO_2 Performance Ladder
The CO_2 Performance Ladder is an instrument that helps organizations realize a structural reduction in their CO_2 emissions. The ladder is the leading sustainability instrument in the Dutch market. Ordina the Netherlands has a level 5 certificate, the highest possible level. This shows that Ordina is making a demonstrable effort to reduce its CO_2 emissions, both in its own business operations and in the value chain. End of 2022 DNV performed an external audit for Ordina Belgium/Luxembourg, Ordina received a level 3 certificate for Belgium/Luxembourg. This was the first year, we submitted information from Belgium to receive a CO_2 Performance Ladder certificate.

ISAE3000
Assurance report on the design, existence and operation of the control measures related to Ordina NL generic internal processes for user organizations.

ISA3402
Assurance report on the design, existence, and operation of control measures related to Application Lifecycle Management and directing services in the field of cloud services.

Transparency Benchmark
The Transparency Benchmark is a biennial assessment of the content and quality of information on the social elements of the operations of the 400 largest companies active in the Netherlands. In the Transparency benchmark for 2021, Ordina took second place in the services sector (2019: seventh place) and 26th place (2019: 61st place) in the overall rankings of companies and institutions in the Netherlands. This made Ordina the highest-placed IT services provider in the rankings.

GRI-index

Statement of use	Ordina N.V. has reported the information cited in this GRI content index for the period 1 January 2022 to 31 December 2022 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

Standard	Disclosure title	Location part provision of information	Pagenumber
GRI 1: Foundation 2021			
3.	Reporting with reference to the GRI Standards		
	Publish a GRI content index	GRI-index	189
	Provide a statement of use	Ordina N.V. has reported the information cited in this GRI content index for the period 1 January 2022 to 31 December 2022 with reference to the GRI Standards.	
	Notify GRI	Ordina will notify GRI of the use of the GRI standards and the statement of use following the publication	
GRI 2: General Disclosures 2021			
1. The organization and its reporting practices			
2-1	Organizational details		
	a. Legal name	Ordina N.V.	
	b. Nature of ownership and legal form	List of group companies / principal associate, Legal organogram Ordina	172, 183
	c. Location of headquarters	Nieuwegein	
	d. Countries of operation	Netherlands, Belgium and Luxembourg. report of the Management Board	16
2-2	Entities included in the organization's sustainability reporting	All group entities as included in the consolidated financial statements of Ordina N.V. (excluding associated companies Quli B.V. and Passwerk CVBA). Legal organogram Ordina	183

Standard	Disclosure title	Location part provision of information	Pagenumber
	a. List of all entities included in the sustainabilty reporting	Ordina N.V. Ordina Holding B.V. Ordina Nederland B.V. Ordina Business Consulting & Solutions B.V. Ordina Technologie & Competenties B.V. Ordina Software Development B.V. Ordina RulesMatter B.V. Ordina Beheer & Outsourcing B.V. Ordina Subscription Management & Utilities B.V. Ordina Sourcing B.V. Clockwork B.V. SourcePower B.V. Ordina Belgium N.V. Mechelen (Belgium) Ordina Luxembourg SA	172
	b. Differences between the list of entities included in the financial reporting and in the sustainability reporting	No differences. All group entities as included in the consolidated financial statements of Ordina N.V.	
	c. Explain the approach used for consolidating the information	Minority interests in the associated companies Quli B.V. and Passwerk CVBA are not included in the sustainability reporting.	
2-3	Reporting period, frequency and contact point		
	a. Reporting period and frequency of the sustainability reporting	1 January until 31 December 2022, yearly	
	b. Reporting period financial reporting	1 January until 31 December 2022, in line with the sustainability reporting	
	c. Publication date of the report	Ordina annual report 2022, publication 16 February 2023	
	d. Contact point for questions regarding the report	Colophon	197
2-4	Restatements of information		
	a. Reasons and effect of restatements of information made from previous reporting periods	Not applicable	
2-5	External assurance		
	a. Policy and practice for seeking external assurance	Chapters Ordina share, Governance, and Report of the Supervisory Board	34, 63, 75
	b. Link assurance report and relationship with the assurance provider	For the Independent Auditor's Report we refer to page 173 of the Annual Report 2022	173

Standard	Disclosure title	Location part provision of information	Pagenumber
2. Activities and workers			
2-6	Activities, value chain, and other business relationships		
	a. Sector(s)	Market trends, Strategy 2026	18, 24
	b. Value chain	Value creation model, Stakeholder dialogue, Strategy 2026	20, 21, 24
	c. Other relevant business relationships	Value creation model, Stakeholder dialogue, Strategy 2026	20, 21, 24
	d. Significant changes compared to previous reporting period	Not applicable	
2-7	Employees		
	a. Total number of employees; breakdown by gender and region	Key figures, Five-year overview, Strategy 2026, Engaged and driven employees, Financial Statements	5, 6, 24, 26, 90
	b. Total number of permanent, temporary, non-guaranteed hours, full-time and part-time employees, including breakdown by gender and by region	Engaged and driven employees	26
	c. Methodologies and assumptions used to compile the data	Engaged and driven employees	26
	d. Contextual information	Engaged and driven employees	26
	e. Significant fluctuations in employee numbers during reporting period and between reporting periods	Engaged and driven employees	26
2-8	Workers who are not employees		
	a. Total number of workers who are not employees and whose work is controlled by the organization	Engaged and driven employees	26
	b. Methodologies and assumptions used to compile the data	Engaged and driven employees	26
	c. Significant fluctuations in the number of workers who are not employees during reporting period and between reporting periods	Engaged and driven employees	26
3. Governance			
2-9	Governance structure and composition		
	a. Governance structure	Governance, Report of the Supervisory Board	58, 71
	b. Committees of the highest governance body	Composition Management Board and Supervisory Board, Report of the Supervisory Board	58, 71
	c. Composition of the highest governance body and its committees	Governance, Report of the Supervisory Board	58, 71
2-10	Nomination and selection of the highest governance body		
	a. Nomination and selection processes	Governance, Report of the Supervisory Board	58, 71
	b. Criteria used for nomination and selection	Governance, Report of the Supervisory Board	58, 71
2-11	Chair of the highest governance body		

Standard	Disclosure title	Location part provision of information	Pagenumber
	a.Whether the chair of the highest governance body is also a senior executive in the organization	No, he is not. Composition Management Board and Supervisory Board	58, 59
	b. If so, explain	Not applicable	
2-12	Role of the highest governance body in overseeing the management of impacts		
	a. Role in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies and goals related to sustainable development	Report of the Supervisory Board	71
	b. Role in overseeing the due diligence	Report of the Supervisory Board	71
	c. Role in reviewing the effectiveness of the organization's processes	Report of the Supervisory Board	71
2-13	Delegation of responsibility for managing impacts		
	a. How the highest governance body delegates responsibility for impacts on the economy, environment and people	Report of the Supervisory Board, Governance	71, 58
	b. The process and frequency for senior executives or other employees to report back to the highest governance body	Report of the Supervisory Board, Governance	71, 58
2-14	Role of the highest governance body in sustainability reporting		
	a. Whether the highest governance body is responsible for reviewing and approving the reported information	Governance	58
	b. If not, explain	Governance	58
2-19	Remuneration policies		
	a. Remuneration policies for members of the highest governance body and senior executives	Remuneration report	80
	b. How the remuneration policies relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people	Remuneration report	80

Standard	Disclosure title	Location part provision of information	Pagenumber
4. Strategy, policies and practices			
2-22	Statement on sustainable development strategy		
	a. Statement about the relevance of sustainable development to the organization and its stategy for contributing to sustainable development	Value creation model, Stakeholder dialogue, Strategy 2026	20, 21, 24
2-23	Policy commitments		
	a. Describe policy commitments for responsible business conduct	Code of Conduct and related policies and guidelines	62
	a. Describe specific policy commitment to respect human rights	Code of Conduct, Suppliers Code and related policies and guidelines	62
	c. Provide links to the policy commitments	https://www.ordina.nl/en/about-ordina/corporate-governance/	
	d. Report the level at which each of the policy commitments was approved	Management Board and Supervisory Board	
	e. Report the extent to which the policy commitments apply	The Code of Conduct applies to everyone: • Who carries out work for Ordina, regardless of contract type (temporary, permanent, agency workers, interns, external and hired-in staff); • Who has been seconded to a client by Ordina; • Who represents Ordina or acts in the name of Ordina.	
	f. Describe how the policy commitments are communicated	Publicly available on our website + via intranet (Connect)	
2-28	Membership associations		
	a. Industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role	Not applicable	
5. Stakeholder engagement			
2-29	Approach to stakeholder engagement		
	a. Approach to engaging with stakeholders	Stakeholder dialogue	21
2-30	Collective bargaining agreements		
	a. Percentage of total employees covered by collective bargaining agreements	In Belgium, it is common to arrange certain topics via collective bargain agreements and not via individual arrangements. Therefore, there exist several collective bargain agreements that see on specific topics, such as bonus payments, temporary unemployment, consumption vouchers, and covid compensation to name a few. In total these collective bargain agreements concern about 4.5% of total payroll costs in the region Belgium/Luxembourg.	
	b. For employees not covered by collective bargaining agreements, report whether the working conditions and terms of employment are based on other collective bargaining agreements	The working conditions and terms of employment of these employees are not influenced or determined based on other collective bargaining agreements	

Standard	Disclosure title	Location part provision of information	Pagenumber
GRI 3: Material Topics 2021			
2. Disclosures on material topics			
3-1	Process to determine material topics		
	a. Process to determine material topics	Stakeholder dialogue	21
	b. Specify stakeholders and experts whose views have informed the process of determining its material topics	Stakeholder dialogue	21
3-2	List of material topics		
	a. List of material topics	Stakeholder dialogue	21
	b. Report changes to the list of material topics compared to the previous reporting period	Not applicable	
3-3	Management of material topics		
	a. Impacts on the economy, environment, and people	Strategy 2026	24
	b. Whether the organization is involved with the negative impact through its activities or as a result of its business relationships	Strategy 2026	24
	c. Policies or commitments	Governance	58
	d. Actions taken to manage the topic and related impacts	Strategy 2026	24
	e. Information about tracking the effectiveness of the actions taken	Strategy 2026	24
	f. How engagement with stakeholders has informed the actions taken and effectiveness	Stakeholder dialogue	21
Topic specific disclosures			
302-3	Energy intensity	Strategy 2026, Stakeholder dialogue, ESG	24, 21, 37
302-4	Reduction of energy consumption	Strategy 2026, Value creation model, Stakeholder dialogue, ESG	24, 20, 21, 37

NFI Reference table

EU-directive: Non-Financial Information and Diversity Information (reference table)

Subject	Aspect	included (yes/no)	Chapter / Page reference
Business model	General description of the business.	Yes	Ordina at a glance
Relevant social and personal matters (e.g. HR, safety, etc.)	A description of the policies pursued, including due diligence	Yes	Strategy 2026: Engaged and driven employees
	The outcome of those policies	Yes	Strategy 2026: Engaged and driven employees
	Principle risks in own operations and within value chain	Yes	Risk management
	How risks are managed	Yes	Risk management
	Non -financial key performance indicators	Yes	Strategy 2026: Engaged and driven employees
Relevant environmental matters (e.g. climate-related impacts)	A description of the policies pursued, including due diligence	Yes	Strategy 2026, Risk management
	The outcome of those policies	Yes	Strategy 2026, Risk management
	Principle risks in own operations and within value chain	Yes	Risk management
	How risks are managed	Yes	Risk management
	Non -financial key performance indicators	Yes	Strategy 2026
Relevant matters with respect for human rights (e.g. labour protection)	A description of the policies pursued, including due diligence	Yes	Governance, Statutory Provisions
	The outcome of those policies	Yes	Governance
	Principle risks in own operations and within value chain	Yes	Governance, Risk management
	How risks are managed	Yes	Governance
	Non-financial key performance indicators	No	Not applicable
Relevant matters with respect to anti-corruption and bribery.	A description of the policies pursued, including due diligence	Yes	Governance
	The outcome of those policies	Yes	Governance
	Principle risks in own operations and within value chain	Yes	Governance, Risk management
	How risks are managed	Yes	Governance
	Non -financial key performance indicators	No	Not applicable

Subject	Aspect	included (yes/no)	Chapter / Page reference
Insight into the diversity (executive board and the supervisory board)	A description of the policies pursued	Yes	Report Supervisory Board
	Diversity targets	Yes	Report Supervisory Board
	Description of how the policy is implemented	Yes	Report Supervisory Board
	Results of the diversity policy	Yes	Report Supervisory Board, Composition Management Board and Supervisory Board

Colophon

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