

Memo to:
Mr. Marcello Biroli

Memo No: OR 25-013
From: Works Council KEMA B.V.
Date: 26-November-2025

Copied to:
Marcel Pleijster
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Prep. By: Richard Roelofs

NL Works Council letter on request for advice to the intended decision to the legal merger between KEMA B.V. and its 100% subsidiary KEMA Generators B.V.

Dear Mr., Biroli,

We have received your email on 24 October 2025, with an attached letter dated 21 October 2025, outlining details about the intention of KEMA B.V. to proceed with the legal merger between KEMA B.V. and its 100% subsidiary KEMA Generators B.V. This is a legal merger in accordance with Section 2:333 of the Dutch Civil Code, which is a simplified procedure and therefore no share exchange will take place.

To determine whether this merger should, considering Article 25 of the Works Councils Act, be regarded as a significant change, the works council has considered it necessary to treat this proposed decision as a formal request of advice. This is because the decision goes beyond the impact on employees in terms of jobs and the unchanged status of articles of association of KEMA B.V. In addition to these important matters, the possible financial and legal consequences, and associated risks on KEMA B.V. must also be considered.

Historical background

Per 31 December 2018 DNV GL Netherlands B.V. (DNV GL) transferred the Dutch PowerTIC business (assets, liabilities and employees) into the newly incorporated entity KEMA B.V. (KEMA). After that DNV GL transferred the Flex Power Grid Lab (at that time still part of DNV GL Netherlands B.V.) to KEMA and subsequently sold and transferred all outstanding shares in KEMA B.V. to CESI S.p.A.

Like KEMA B.V., KEMA Generators was established when KEMA B.V. was still part of DNV GL Netherlands B.V. Along with the transfer of KEMA B.V. shares, shares of KEMA Generators B.V. were also transferred to CESI S.p.A. KEMA Generators B.V. was established for tax reasons.

As mentioned in the letter dated 21 October 2025, as part of CESI Group's ongoing streamlining project, KEMA B.V. aims to simplify its corporate structure without affecting the company's organization. The employer has stated that this change will not impact personnel—since KEMA Generators B.V. has no employees—or alter the allocation of powers within the organization. Additionally, the articles of association of KEMA B.V. will remain unchanged.

Timeline

- Information and consultation meeting with the employer on 8 September 2025.
- An email from the CESI representative was received on 24 October 2025, with an attached letter dated 21 October 2025, outlining details about the planned merger.
- 30 October 2025: Online meeting — WC representatives with Thomas Dreessen (OR consultancy).
- On 31 October 2025, the Works Council submitted a series of questions to the CESI representative and subsequently received a response.
- 3 November -12 November 2025: WC internal assessment period.
- On 13 November 2025, the Works Council sent a final question to the CESI representative and received an immediate answer.
- On 13 November 2025, Works Councils receive the Merger Proposal.
- WC internal meeting, 20 November 2025.

Documentation provided

- Info to Works Council 2025 re to merger_21.10.2025_signed.pdf
- Annex 1 - Financial statements 2023 KEMA Generators B.V..pdf
 - Annex 1 is a compilation report by EY and not a full audit report.
- Financials 2024 Kema Generator BV signed.pdf
- Gedeponeerde jaarrekening - KvK 62107143 - Boekjaar 2022.pdf
- Legal merger proposal KEMA B.V. - KEMA Generators B.V and Annex_ clean EXECUTIVE.pdf

Criteria

The WC renders its advice based on the following topics:

1. Background and Rationale.
2. Merger Documentation.
3. Financial Information.
4. Intercompany Financial Relationship.
5. Liability and Risk Assessment.
6. Supervisory Board Approval.

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Conclusion

After reviewing the submitted documents, the responses to our questions, and other relevant information, the Works Council reaches the following conclusions:

The proposed merger of KEMA Generators B.V. with KEMA B.V. aims to simplify the legal structure and reduce (intercompany) costs. KEMA Generators B.V. was originally established by DNV for tax purposes and has had no operational activities since, other than owning the generators. The motivation for the merger is to reduce overhead costs such as preparing annual accounts, audits, Chamber of Commerce filings, and consolidation. This aligns with CESI's strategy to limit the number of legal entities.

The generators were purchased in 1996, and the original loan has been fully repaid, as confirmed by the documents provided. There are no outstanding debts at either KEMA Generators B.V. or KEMA B.V., meaning the merger does not pose external financial risks. The generators remain on the balance sheet of KEMA Generators B.V., but at a reduced book value due to depreciation. The generators are listed on the balance sheet of KEMA Generators B.V. at a depreciated book value of approximately €9 million (according to the 2023 financial statements). The internal financial relationship consists of a rental agreement under which KEMA B.V. pays rent for the use of the generators. These costs and revenues are eliminated at the consolidated level.

Following the merger, all assets and liabilities will transfer to KEMA B.V. under universal title and KEMA Generators B.V. will cease to exist. Intercompany receivables and payables will be eliminated. In the event of technical defects, CESI will remain responsible for financing repairs or replacements, as is currently the case. Liability will not change because of the merger.

The articles of association of KEMA B.V. remain unchanged, and there are no third parties with special rights. Directors and supervisory board members receive no benefits from the merger. Companies are financially sound ("None of the merging companies has been in a state of bankruptcy, or has applied for suspension of payments"), and no changes are foreseen in the composition of the management board or the Supervisory Board. The activities of KEMA Generators B.V. will continue unchanged under KEMA B.V.

There will be no personnel consequences because of this change. The Supervisory Board has already approved and will co-sign the merger proposal.

Remarks

Annex 1 – Financial Statements 2023 KEMA Generators B.V.:

This is a compilation report from EY, not an audit report. This means the accountant only assisted in preparing the statements and does not provide assurance regarding the accuracy of the figures. Responsibility for accuracy lies entirely with management.

Advice

After reviewing the available information, the Works Council gives a **positive** advice to the proposed merger.

Validity

This advice is valid under the following conditions:

- Condition of actuality: the Works Council reserves the right to reconsider this advice if new information emerges which – if the Works Council had been aware of – had made the Works Council advice different.
- The signed Legal merger proposal must be submitted to the Works Council.
- KEMA Generators B.V.'s financial data of 2025 will be included in KEMA B.V.'s 2025 annual report. These results shall not affect the advice given in the letter based on the stated assessment criteria. The Works Council shall receive the latest annual reports when available.
- The Works Council receives confirmation that there are no tax claims or legal proceedings pending that could affect the merger.

We trust that we have made a well-founded advice and are looking forward to receiving your written decision by letter, as per article 25 WOR.

On behalf of the Work Council KEMA B.V.

Menno van der Kooi

Menno van der Kooi (secretary),
Richard Roelofs (chairman),
Thomas Ariaans,
Harry Arnoldus,
Dennis van Empelen