



ANNUAL REPORT 2014



ICONS by category

DRIVE

-  CAR
-  MOTORCYCLE
-  CAMPER & CARAVAN
-  TRUCK

SPORT

-  RUNNING
-  CYCLING
-  SWIMMING
-  GOLF

PRODUCT-RELATED

-  CONNECTED CAR
-  DIGITAL MAP
-  MULTINET-R
-  REAL-TIME TRAFFIC INFORMATION
-  NAVKIT NAVIGATION ENGINE
-  NAVCLOUD
-  CLOUD-BASED PRODUCTS
-  WEBFLEET
-  TELEMATICS APP CENTER
-  FLEET

FINANCE & STRATEGY

-  ACCOUNTING POLICIES
-  SIGNIFICANT ESTIMATES
-  OUTLOOK
-  STRATEGY

FORWARD-LOOKING STATEMENTS/IMPORTANT NOTICE

This document contains certain forward-looking statements with respect to the financial condition, results of operations and business of TomTom NV (the company) and certain of the plans and objectives of TomTom and its subsidiaries (together with the company referred to as 'the group') with respect to these items. In particular the words 'expect', 'anticipate', 'estimate', 'may', 'should', 'would', 'believe' and similar expressions are intended to identify forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Actual results may differ materially from those expressed in these forward-looking statements, and you should not place undue reliance on them. We have based these forward-looking statements on our current expectations and projections about future events, including numerous assumptions regarding our present and future business strategies, operations and the environment in which we will operate in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, levels of customer spending in major economies, changes in consumer tastes and preferences, changes in law, the performance of the financial markets, the levels of marketing and promotional expenditures by the group and its competitors, raw materials and employee costs, changes in exchange and interest rates (in particular changes in the USD and GBP versus the euro can materially affect results), changes in tax rates, future business combinations, acquisitions or disposals, the rate of technological changes, political and military developments in countries where the company operates and the risk of a downturn in the market.

Statements regarding market share, including the company's competitive position, contained in this document are based on outside sources such as specialised research institutes, industry and dealer panels in combination with management estimates. Where full year information regarding 2014 is not yet available to the company, these statements may also be based on estimates and projections prepared by outside sources or management. Market shares are based on sales in units unless otherwise stated. The forward-looking statements contained refer only to the date in which they are made, and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this annual report.

INTRODUCTION

It was a good year for TomTom; 2014 saw substantial progress in the development of the company's core technologies and its positioning back for growth. The company again achieved its financial objectives in 2014 and delivered important milestones in its technologies. The efforts made by the employees of the company and its Management Board are greatly appreciated by the Supervisory Board. We look forward to the further successful execution of TomTom's strategy.

The TomTom Supervisory Board is responsible for supervising and advising the Management Board in setting and achieving the company's strategy and its objectives. The interests of the company and TomTom's stakeholders guide the performance of the duties of the Supervisory Board. The Supervisory Board is assisted in its decision-making process by the Audit Committee, the Remuneration Committee and the Selection and Appointment Committee.

COMPOSITION

The Supervisory Board of TomTom consists of seven members. At the 2014 General Meeting, Karel Vuursteen (former Chairman) and Rob van den Bergh stepped down from the Supervisory Board and the two new Supervisory Board members Jacqueline Tammenoms Bakker and Anita Elberse were appointed. The Supervisory Board resolved to appoint Peter Wakkie as its new Chairman.

The term of Doug Dunn will expire at the 2015 General Meeting, by which time he will have served for ten years on the Supervisory Board. At this meeting, Doug Dunn will be nominated for reappointment for a term of a further two years. He will then have served a total of twelve years, the maximum term according to best practice provision III.3.5 of the Corporate Governance Code (the Code).

The Supervisory Board confirms that six of its members are independent as meant within the terms of best practice provision III.2.2 of the Code. Toine van Laack does not qualify as independent, as he is a board member of Janivo Holding BV, which is indirectly related to the substantial shareholder of the company Flevo Deelnemingen IV BV.

The composition of the Supervisory Board is in line with the Supervisory Board profile, as drawn up by the Supervisory Board and published on the company's website, in terms of experience, expertise, nationality, gender and age. According to the Act on Management and Supervision (*Wet Bestuur en Toezicht*), a proper composition of the Supervisory Board means that at least 30% of the members should be female. With the appointment of the two new members of the Supervisory Board at the 2014 General Meeting, two out of seven Supervisory Board members (29%) is female. No member of the Supervisory Board holds more than five directorships at Dutch 'large companies'.

Biographies of the members of the Supervisory Board, as well as the information as prescribed by provision III.1.3 of the Code can be found at the start of this report. This section also provides details on the committees of the Supervisory Board.

SUPERVISORY BOARD MEETINGS

The Supervisory Board met twelve times in 2014: six physical meetings and six conference calls. The non-physical meetings were held to discuss financial updates and recent developments within the company, usually in months when there was no physical meeting. The Management Board members attended all those meetings either in full or in part. The meetings of the Supervisory Board achieved an overall average attendance rate of 87%.

All members have sufficient time available for their duties relating to their membership of the Supervisory Board. No member of the Supervisory Board was regularly absent from the meetings. Their availability for ad-hoc calls and prompt response to emails, and the fact that the members attended the meetings well prepared and actively participated in the discussions, demonstrate they were all able to devote sufficient attention to the company.

The agenda for the meetings was prepared through consultation between the Chairman, the Management Board and the Company Secretary. In addition to the regular meetings, the Chairman of the Supervisory Board was in regular contact with the CEO of the company. The members of the Supervisory Board also held informal consultations with members of the Management Board and senior management of the company to keep closely informed about the business.

Meetings of the Supervisory Board are preceded by committee meetings. The chairs of the committees work closely with senior management and conduct regular face-to-face meetings to set the agendas and prepare all relevant information for the committee meetings.

The two new Supervisory Board members followed an induction programme which covered, among other matters, general financial, social and legal affairs, financial reporting by the company and the responsibilities of a supervisory board member. Several meetings with the Management Board members and senior management were organised to familiarise the two new Supervisory Board members with the company strategy, the business unit strategies and activities. The programme also included site visits.

SUPERVISORY BOARD ACTIVITIES

To facilitate open and productive discussions, senior management provided the Supervisory Board with comprehensive quarterly reports that outline the developments, achievements, challenges and opportunities in each business unit of the company before each physical meeting. These reports include insight into noticeable market developments, trends and analyses. During the year, senior management was frequently invited to present a range of topics to the Supervisory Board. It is important for the Supervisory Board to keep in touch with the talents within the company. The members of the Supervisory Board strongly support the company's efforts in the area of talent management and this will remain a key attention area moving forward.

The Supervisory Board devoted considerable time to reviewing strategic options and discussing the company's long-term strategy. An active role was played in ensuring that the Management Board's ideas were challenged and tested in order to reach decisions that would underpin the company's strategy. Every quarter, the business