

# REGULATIONS FOR THE MANAGEMENT BOARD

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## **SECTION I - INTRODUCTION**

### **ADOPTION ARTICLE 1**

- 1.1 These regulations are adopted in order to implement the provisions of Article 18(1) of the Company's Articles of Association and are in addition to the rules and regulations applying to the Company's Management Board ("the MB") pursuant to Dutch law or the Company's Articles of Association.
- 1.2 These regulations were adopted by the MB on 17 November 2009 and approved by the Supervisory Board ("the SB") on 23 December 2009.

## **SECTION II - COMPOSITION; INTEGRITY; POSITIONS**

### **COMPOSITION. INDEPENDENCE. CONFLICTS OF INTEREST ARTICLE 2**

- 2.1 The MB consists of a number of directors to be determined by the SB, which will not exceed four (4).
- 2.2 The MB has a Chairman who is responsible for ensuring that the MB as a whole functions properly. The MB also has one director with specific responsibility for the Company's financial affairs. The Chairman of the MB is appointed by the SB.
- 2.3 In its operation, the MB shall be independent of instructions from third parties outside the Company.
- 2.4 A member of the MB will:
  - a) not act in competition with the Company;
  - b) not encourage or accept any (substantial) gifts of the Company for themselves, their spouse, registered partner or other life companion, foster child or relative by blood or marriage once or twice removed;
  - c) not provide any unjustified benefits to third parties at the Company's expense;
  - d) not use any business opportunities that arise for the Company for the benefit of themselves, their spouse, registered partner or other life companion, foster child or relative by blood or marriage once or twice removed;
  - e) not grant themselves any personal loan or guarantee at the Company's expense other than with the approval of the SB and to the extent appropriate to the normal conduct of the Company's business and on conditions similar to those applying to other employees. Loans are not remitted.
- 2.1 A member of the MB shall notify the Chairman of the SB and the other members of the MB immediately of a (potential) conflict of interest that is of material significance to the Company and/or to the member concerned and shall provide all the relevant information.
- 2.2 A member of the MB with a conflict of interest shall not participate in the discussion and resolution of the issue or transaction in which he or she has a conflict of interest.
- 2.3 All transactions involving conflicts of interest for members of the MB shall be concluded on conditions that are normal practice in the industry. Decisions to enter into transactions involving conflicts of interest for members of the MB that are of material significance for the Company and/or the members of the MB concerned must be approved by the SB.

### **APPOINTMENT. OTHER POSITIONS ARTICLE 3**

- 3.1 The members of the MB are appointed in the manner provided for the Articles of Association.
- 3.2 A member of the MB shall not hold more than two supervisory directorships at other companies, not including supervisory directorships at subsidiary and associate companies. A member of the MB may not serve as a chairman of a supervisory board. Acceptance of a supervisory directorship by a member of the MB shall occur only after approval of the Chairman of the SB, who will inform the SB at the first available opportunity. Other significant additional positions shall be notified to the SB.

## **CHAIRMAN OF THE MANAGEMENT BOARD**

### **ARTICLE 4**

- 4.1 The Chairman of the MB, or their replacement in the event of their absence or inability to attend, is appointed or designated respectively by the SB. In case of a brief absence by the Chairman, he or she shall appoint their own replacement.
- 4.2 The Chairman's responsibilities shall include:
  - a) coordination of management policy;
  - b) the effective operation of the MB;
  - c) preparation of the agenda for and chairing the meetings of the MB;
  - d) maintenance of contacts with the SB, the General Meeting of Shareholders ("the GMS") and the Shareholders Committee ("SHC"), including ensuring the timely and adequate provision of information to the SB, the GMS and the SHC and the preparation of the agenda for meetings of the SB and the GMS in consultation with the Chairman of the SB;
  - e) maintenance of contacts with all the Company's stakeholders.
- 4.3 The Chairman shall ensure as far as possible that the MB operates as a collective entity and that resolutions are adopted collectively.

## **CHIEF FINANCIAL OFFICER**

### **ARTICLE 5**

- 5.1 The SB appoints a Chief Financial Officer (CFO) with responsibility for the Company's financial affairs.
- 5.2 The MB has voluntarily adopted the Corporate Governance Code and to indicate any deviations or amendments thereto on the basis of the comply or explain principle.
- 5.3 Within the MB the CFO is primarily responsible for:
  - a) the formulation and communication of the Company's financial strategy;
  - b) the supervision and monitoring of the integrity of the Company's accounting;
  - c) the Company's financial reporting;
  - d) the performance of other tasks related thereto as shall be established from time to time.
- 5.4 The CFO shall attend meetings of the Audit Committee of the SB on request.

## **COMPANY SECRETARY**

### **ARTICLE 6**

- 6.1 The MB is assisted by the Company Secretary or their replacement in the event of their absence or inability to attend. The Company Secretary is appointed and dismissed by the MB after obtaining advice from the SB.
- 6.2 The Company Secretary ensures that the correct procedures are followed and that actions taken are in accordance with the obligations of the MB pursuant to statute and the Company's Articles of Association. The Company Secretary assists the Chairman of the MB in the organisation of matters concerning the MB (preparation for meetings, minutes of meetings, information etc.) and archives correspondence and other documentation relating to the MB. The Company Secretary also acts as the secretary of the MB.
- 6.3 The Company Secretary also performs tasks for the SB, as provided for the Regulations for the SB, and for the GMS.

## **SECTION III - DUTIES AND AUTHORISATIONS**

### **DUTIES OF THE MANAGEMENT BOARD**

#### **ARTICLE 7**

- 7.1 The members of the MB are collectively responsible for the management of the Company, the general state of affairs at the Company and the conduct of the Company's business. In the performance of its duties, the MB acts in the interests of the Company. The MB takes into consideration the interests of the Company's stakeholders (including its shareholders).
- 7.2 The members of the MB assign individual responsibilities in mutual consultation, and this delineation of responsibilities is established in consultation with the SB. In the event of the absence of a member of the MB, their duties and authorisations will be exercised by a member designated by the MB. In case of long-term absence, this shall be notified to the SB and the GMS.

- 7.3 Each member of the MB is obliged to report to the other members of the MB so that adequate information is obtained regarding the performance of his or her duties, also in view of the collective responsibility of the MB.
- 7.4 The duties of the MB include the establishment of the following, in accordance with the Company's Articles of Association and subject to the approval of the SB and the GMS:
- a) the Company's operational and financial objectives;
  - b) the strategy intended to lead to the realisation of these objectives;
  - c) the preconditions used in the formulation of the strategy, for example with regard to the financial ratios;
- 7.5 The tools used by the MB for its internal risk management and control systems in any case include:
- a) risk analysis of the Company's operational and financial objectives;
  - b) a code of conduct which in any case is placed on the Company's website;
  - c) manuals for the format of the financial reporting and the procedures for the preparation thereof; and
  - d) a system of monitoring and reporting.
- 7.6 The MB is responsible for the implementation and maintenance of internal procedures that ensure that all important financial information is known to the MB, thus guaranteeing the timeliness, completeness and accuracy of the external financial reporting. In this context, the MB ensures that the financial information relating to the subsidiary companies is reported to it directly and that the integrity of this information is not impaired.

## **REPORTING**

### **ARTICLE 8**

- 8.1 The MB attaches a report of its operation and activities to the financial statements each year. The annual report shall in any case include the information required by law. In the annual report, the MB shall moreover report on the sensitivity of the Company's results to external circumstances and variables. The MB shall include a declaration in the annual report that the internal risk management and control systems have operated adequately and effectively and provide clear substantiation of this. The MB shall report on the operation of these systems in the annual report during the reporting year and state the significant changes that have been made and the important improvements that are planned, as well as the fact that these matters have been discussed with the Audit Committee and the SB.
- 8.2 The MB submits a written report of the Company's results in the previous period to the SB on a quarterly basis, with a comparison of the actual figures to the budget and to the same period in the previous financial year and an account of important developments that have occurred in the previous period.
- 8.3 The MB shall report the main issues in relation to the objectives, strategy and preconditions referred to in Article 7.4 in the annual report and submits this to the GMS for approval after taking advice from the SB.

## **SECTION IV - MEETINGS OF THE MB; RESOLUTIONS**

### **MEETINGS OF THE MB**

#### **ARTICLE 9**

- 9.1 If possible, the MB shall meet at least once every two weeks in a composition to be determined by the MB, and moreover on any occasion when at least one member of the MB considers this to be necessary. The meetings will generally be held at the offices of the Company, but may also be held elsewhere. Meetings may also be held by telephone or by means of videoconferencing.
- 9.2 The Chairman chairs the meetings of the MB with (staff) directors and in his or her absence is replaced by the CFO. In the absence of the Chairman and the CFO, the meeting shall appoint its own chairman.
- 9.3 Meetings shall be convened by the Chairman in a timely manner.
- 9.4 The convening notice shall in principle be published in writing with the associated agenda and other announcements with a notice period of one day, not counting the day of the meeting. In urgent situations, the meeting may be otherwise convened if it cannot reasonably be expected that the convening notice is issued in writing.

- 9.5 The Chairman shall establish the agenda for each meeting. Any other member of the MB may notify the Chairman of items to be added to the agenda and discussed at the meeting. Items not notified in good time or for which insufficient documentation has been provided will not be added to the agenda.
- 9.6 Urgent items can be dealt with at the request of any member of the MB and with the approval of the majority of the other members of the MB either immediately or at an additional meeting.
- 9.7 Members of the MB are obliged to attend meetings of the MB. In the event they are unable to do so and to the extent that the minutes require explanation, the chairman of the meeting shall inform them regarding the discussions and decisions which took place at the meeting.
- 9.8 The Committee's meetings will be minuted by the Company Secretary or on his or her behalf. Minutes of the meetings of the MB are adopted at the next subsequent meeting. The adopted minutes shall serve as evidence of the matters discussed at the meeting.

## **RESOLUTIONS**

### **ARTICLE 10**

- 10.1 The MB strives to achieve consensus regarding its resolutions. The Chairman and the members of the MB each have one vote. If no agreement can be reached, the opinion of the Chairman of the MB shall be decisive.
- 10.2 Resolutions may also be adopted outside a meeting if all members of the MB have expressed their approval of the proposal in writing, by telephone, e-mail, fax or other modern method of communication to the Chairman or his or her replacement in the event of their long-term absence or inability to attend. Resolutions adopted outside a meeting shall be included in the list of resolutions at the next subsequent regular meeting of the MB.
- 10.3 If a resolution is adopted by means of the deciding vote of the Chairman as referred to in the previous paragraph, the other members of the MB may consult the Chairman of the SB.
- 10.4 Resolutions regarding items that have not been placed on the agenda may only be adopted with the approval of all the members of the MB.

## **ABSENCE OR INABILITY TO ATTEND**

### **ARTICLE 11**

- 11.1 In case of the absence or inability to attend of one or more members of the MB – without the option described in Article 10.2 being available and in the opinion of the MB resolution is required – the remaining member(s) of the MB shall be authorised to adopt resolutions.
- 11.2 In the event of the long-term inability to attend of one of the members of the MB, the MB may designate a person or persons to assist them in the performance of their duties for the duration of their absence. A resolution regarding the designation of this person or persons as well as the establishment of their authorisation requires the approval of the SB.
- 11.3 In the event of the absence or inability to attend of all the members of the MB or the sole member of the MB, the provisions of Article 17(5) of the Company's Articles of Association shall apply.

## **SECTION V - RELATION OF THE MB WITH THE SB AND THE AUDIT COMMITTEE**

### **RELATIONS WITH THE SB**

#### **ARTICLE 12**

- 12.1 The members of the MB attend the meetings of the SB unless unable to do so for good reason, or the SB has indicated that it wishes to meet without the MB or one of its members being present.
- 12.2 The MB shall provide the SB with information relating to facts and developments regarding the Company that the SB/GMS needs to know in order to properly exercise its duties on a timely basis, and if possible in writing.
- 12.3 The MB shall provide the SB at its meetings with detailed information on financial matters, investments and personnel at least three times a year. Prior to the provision of information to the SB, the MB shall inform the Audit Committee so that it can properly exercise its duties as stated in the Regulations for the Audit Committee.

- 12.4 Without prejudice to the above, the MB shall provide the SB with an annual budget for the forthcoming year, a recent version of its long-term plans and the outlines of its strategic policy and an account of the general and financial risks and the management and control systems of the Company. These documents will be provided in good time so that the SB is able to give its approval by December of the current year at the latest.

## **RELATIONS WITH SHAREHOLDERS**

### **ARTICLE 13**

- 13.1 The members of the MB in addition to the members of the SB shall attend the GMS of the Company unless unable to do so for good reason or the GMS has indicated that it wishes to meet without the MB or one of its members being present.
- 13.2 The MB shall provide the GMS with all the requested information unless this would be contrary to a substantial interest of the Company or a statutory provision or legal regulation. If the MB invokes such a substantial interest, an explicit explanation shall be provided.
- 13.3 The MB is responsible for the Company's corporate governance structure and gives account thereof to the GMS.

## **RELATIONS WITH THE WORKS COUNCIL**

### **ARTICLE 14**

The Chairman consults with the Works Council on behalf of the MB.

## **RELATIONS WITH THE EXTERNAL AND INTERNAL AUDITORS**

### **ARTICLE 15**

- 15.1 The MB reports annually to the SB and the GMS on the developments in the relationship with the external auditor, in particular with regard to the latter's independence.
- 15.2 The MB conducts a thorough assessment of the performance of the external auditor in the various entities and capacities in which the latter operates at least once every four years. The principal conclusions of this assessment shall be notified to the SB and the GMS for the purpose of evaluating to the proposal for appointment of the external auditor.
- 15.3 The internal auditor, if appointed, operates under the responsibility of the Chairman of the MB. The external auditor shall be involved in formulating the working schedule of the internal auditor. The external auditor shall furthermore take note of the findings of the internal auditor.
- 15.4 Each member of the MB shall immediately report any potential conflict of interest in relation to the external auditor to the Chairman of the SB and provide all relevant information.

## **SECTION VI - OTHER PROVISIONS**

### **REMUNERATION**

#### **ARTICLE 16**

- 16.1 The remuneration of the members of the MB shall be established within the Company's remuneration policy as established by the GMS.
- 16.2 The amount of remuneration paid to each member of the MB is established by the SB after taking note of the proposal from the Remuneration and Selection Committee, within the remuneration policy established by the GMS.
- 16.3 The SB is authorised to reclaim variable payments made to the MB that have been allocated on the basis of incorrect financial or other information.
- 16.4 Members of the MB will, as far as possible, be indemnified by the Company in an agreement formulated for this purpose against all expenses (including legal fees, fines, settlement amounts etc.) they incur in relation to civil-law, criminal-law or administrative-law proceedings in which they are involved as a result of the fact that they are or have been a member of the MB. The Company will take out liability insurance on behalf of the members of the MB in order (to the extent possible) to cover such expenses. Members of the MB shall have direct access to this liability insurance.

**CONFIDENTIALITY**  
**ARTICLE 17**

Each member of the MB is obliged to observe the necessary discretion with regard to the information and documentation they obtain in their capacity as a member of the MB and not to disclose confidential information. Members and former members of the MB shall not disclose confidential information outside the circle of the MB, the SB or officers of the Company and its group companies or publish or otherwise make available such information to third parties unless (i) the Company has published the information in question, (ii) it is established that the information is in the public domain, or (iii) they are obliged to do so on the basis of any statute or legal regulation.

**WHISTLEBLOWER'S SCHEME**  
**ARTICLE 18**

- 18.1 The MB provides for a scheme in relation to the receipt, recording and treatment of complaints received by the Company regarding irregularities of a general, operational or financial nature and the internal risk management and control systems and the audit procedures within the Company.
- 18.2 The MB shall ensure that employees of the Company are given the opportunity to report suspected irregularities with regard to the matters stated above and to report complaints in relation to members of the MB to the Chairman of the SB and the GMS without endangering their legal position.
- 18.3 The MB shall ensure that employees are aware of the existence and availability of the scheme by means of publication thereof on the Company's website.