

GrandVision NV

Management Board Rules

February 5, 2015

Contents	Page
1 STATUS AND CONTENTS OF THE RULES.....	3
2 DEFINITIONS.....	3
3 RESPONSIBILITIES OF THE MANAGEMENT BOARD	5
3.1 Responsibilities and tasks	5
3.2 Representation	7
3.3 Internal risk management and control	7
3.4 Three Year Strategy Plan and reporting	8
4 COMPOSITION, EXPERTISE AND INDEPENDENCE OF THE MANAGEMENT BOARD	9
5 CHAIRMAN OF THE MANAGEMENT BOARD	9
6 COMPANY SECRETARY	11
7 (RE)APPOINTMENT, TERM, RESIGNATION AND LIMITATION OF POSITIONS.....	11
8 REMUNERATION	12
9 MANAGEMENT BOARD MEETINGS (AGENDA, TELECONFERENCING, ATTENDANCE, MINUTES) AND RESOLUTIONS	12
10 APPROVAL RIGHTS.....	14
11 CONFLICTS OF INTEREST.....	17
12 PREVENTED FROM ACTING OR VACANCY	18
13 COMPLAINTS, REPORTING OF IRREGULARITIES, WHISTLEBLOWER RULES	18
14 RELATIONSHIP WITH THE SUPERVISORY BOARD; INFORMATION	19
15 RELATIONSHIP WITH THE SHAREHOLDERS; INFORMATION	19
16 RELATIONSHIP WITH THE WORKS COUNCIL.....	20
17 CONFIDENTIALITY.....	20
18 ONE-OFF RENDERING THE RULES INOPERATIVE, AMENDMENTS	21
19 GOVERNING LAW AND JURISDICTION.....	21

RULES GOVERNING THE PRINCIPLES AND BEST PRACTICES
OF THE MANAGEMENT BOARD OF
GRANDVISION N.V.

These rules (the "**Rules**") were adopted by the management board (the "**Management Board**") of GrandVision N.V. (the "**Company**") on 14 October 2014, approved by the supervisory board of the Company (the "**Supervisory Board**") on 14 October 2014 and effective per February 5, 2015.

1 STATUS AND CONTENTS OF THE RULES

1.1 The Rules have been drawn up pursuant to article 7.4.2 of the Company's articles of association (as these may read from time to time, the "**Articles of Association**") and are complementary to the rules and regulations from time to time applicable to the Management Board under Dutch law or the Articles of Association. The Rules may only be amended pursuant to a resolution of the Management Board, subject to the prior approval of the Supervisory Board.

1.2 Where the Rules are inconsistent with Dutch law or the Articles of Association, the law or, as the case may be, the Articles of Association, the Articles of Association will prevail. Where the Rules conform to the Articles of Association, but are inconsistent with Dutch law, Dutch law will prevail. If one or more provisions of the Rules are or become invalid, this will not affect the validity of the remaining provisions. The Management Board shall replace the invalid provisions by those which are valid and the effect of which, given the contents and purpose of the Rules, is, to the greatest extent possible, similar to that of the invalid provisions.

1.3 The Rules have been drawn up in accordance with the Code, subject to any deviations provided for in the comply-or-explain statement of the Company.

1.4 In its resolution adopted on 14 October 2014, the Management Board unanimously declared that:

- (a) it will comply with, and be bound by the obligations arising from, the Rules to the extent that they apply to the Management Board and the Managing Directors; and
- (b) upon appointment new Managing Directors will automatically be bound by the Rules.

2 DEFINITIONS

In the Rules, the following terms have the meaning as defined below:

Annual Accounts	the annual accounts of the Company as referred to in section 2:361 of the Dutch Civil Code;
Annual Budget	the consolidated operational and capital budget of the Company and the Group Companies for the following year;
Annual Report	the annual report of the Company drawn up by the Management Board as referred to in section 2:391 BW;
Articles of Association	the articles of association of the Company;
Auditor	registered external accountant of the Company;
BW	the Dutch Civil Code;
Chairman	the chairman of the Supervisory Board;
Code	the Dutch Corporate Governance Code as adopted by the Corporate Governance Code Monitoring Committee on 10 December 2008 and in effect as of 1 January 2009;
Code of Conduct	a code of conduct for the Company and its Group Companies as adopted by the Management Board;
Company	the limited liability company, GrandVision N.V.;
Company Secretary	a person acting as secretary of the Company pursuant to article 6.1;
Financial Statements	the Annual Accounts and other periodical financial statements of the Company;
General Meeting	the general meeting of the Company;
Group	the group as referred to in section 2:24b BW, of which the Company is the parent company, therefore excluding companies which hold an interest in the Company and group companies of those companies;
Group Company	a company that belongs to the Group, other than the Company itself;

Insider Rules	rules related to investments and inside knowledge as adopted by the Management Board;
Management Board	the management board (<i>statutaire directie</i>) of the Company;
Managing Directors	the directors of the Management Board;
Supervisory Board	the supervisory board of the Company;
Supervisory Directors	the directors of the Supervisory Board;
Three Year Strategy Plan	the three-year strategy plan for the Company and the Group Companies; and
Whistleblower Rules	rules including arrangements for employees for reporting alleged irregularities of a general, operational and financial nature with the Company as adopted by the Management Board.

3 RESPONSIBILITIES OF THE MANAGEMENT BOARD

3.1 Responsibilities and tasks

- 3.1.1 The Managing Directors will be collectively responsible for the Company's management, the general affairs of the Company's business and the general affairs of the Group Companies. In doing so, the Managing Directors strive for the creation of shareholders value in the long term.
- 3.1.2 In discharging its duties the Management Board shall be guided by the interests of the Company and the Group Companies; it shall take into account the relevant interests of all those involved in the Company and the Group (including the Company's shareholders). The Management Board is responsible for the quality of its own performance.
- 3.1.3 The Managing Directors will divide their tasks amongst themselves and subject to the Supervisory Board's prior approval.
- 3.1.4 Each Managing Director is accountable to the Management Board for the fulfilment of his duties and shall therefore report to the Management Board on a regular basis and in such a manner as to give the Management Board a proper insight into the performance of his duties, the foregoing also in view of the Management Board's collective responsibility.

3.1.5 Each Managing Director is entitled to receive from other Managing Directors and from employees any information about matters which he may deem useful or appropriate in connection with his collective responsibility for the Company's management. He shall consult with the other Managing Directors if the implementation of his duties affects the implementation of the duties of the other Managing Directors or if the significance of the matter requires consultation with the other Managing Directors. This includes in any event the actions referred to in article 3.2, third sentence, of the Rules.

3.1.6 The responsibilities of the Management Board include:

- (a) determining the strategy, the associated risk profile, and policy designed to deliver the Group's objectives;
- (b) delivering the Group's objectives;
- (c) from time to time evaluating and - if necessary - proposing to amend the Group's objectives;
- (d) to look after the general state of affairs of the Group and the Group's results;
- (e) the financing of the Group;
- (f) determining and managing the risks connected to the business activities of the Group;
- (g) aiming at ongoing improvement of the performance in the areas of safety, health and the environment in connection with the objectives of the Group;
- (h) taking into account the corporate social responsibility issues relevant to the Group's activities;
- (i) ensuring that effective internal risk management and control systems are in place and reporting on this in the Annual Report;
- (j) maintaining and preparing Financial Statements and ensuring the quality and completeness of the Financial Statements to be made public;
- (k) providing the Supervisory Board accurately and timely with all information necessary as further specified in article 14 of the Rules;

- (l) closely involving the Supervisory Board in a takeover process if a takeover bid is being prepared or has been made for the Company's shares, as further specified in article 14.3;
- (m) compliance with applicable legislation and regulations;
- (n) compliance with the Code and maintaining the corporate governance structure of the Company;
- (o) publishing the corporate governance structure of the Company and any other information required under the Code, through the Annual Report, the Company's website and otherwise, and providing an explanation regarding compliance with the Code;
- (p) preparing the Financial Statements and the Annual Budget and important capital investments of the Group; and
- (q) advising in connection with the appointment and/or instruction of the Auditor.

3.2 Representation

Each Managing Director may represent the Company, acting together with another Managing Director. However, if and to the extent a relevant proxy is granted by the Management Board to a Managing Director (the granting of which will require the approval of the Supervisory Board), that Managing Director may represent the Company individually. Authorisation rules of the Company may provide that, internally, the consent of the other Managing Director is required in such situations. Such consent may appear from minutes of meetings of the Management Board or excerpts of those minutes signed by the Company Secretary.

3.3 Internal risk management and control

3.3.1 The Management Board shall ensure that the Company in any event employs as instruments of the internal risk management and control system:

- (a) risk analyses of the operational and financial objectives of the Company;
- (b) a Code of Conduct, which must be published on the Company's website;
- (c) manuals for the format and content of the Financial Statements and the procedures to be followed in preparing these statements; and

(d) a system of monitoring and reporting.

3.3.2 The Management Board shall under the Supervisory Board's supervision be responsible for setting up and maintaining internal procedures ensuring that the Management Board is aware of all important financial information in order to safeguard timely, complete and accurate external financial reporting. To that effect the Management Board shall ensure that the financial information from the Group Companies is reported directly to it and that the integrity of the information is not affected.

3.4 Three Year Strategy Plan and reporting

3.4.1 Every year, the Management Board shall review, where necessary amend and (re-)adopt the Three Year Strategy Plan. In addition, every year before 1 December, the Management Board shall prepare the Annual Budget for the next year. Both the Three Year Strategy Plan and the Annual Budget must be presented to the Supervisory Board for its approval.

3.4.2 The Annual Report must contain or refer to the information as required by law and as required pursuant to the Code. The Management Board shall include in any event the following information in the Annual Report:

- (a) a description of the main risks associated with the Group's strategy;
- (b) a description of the set-up and operation of the internal risk management and control systems for the main risks in the financial year;
- (c) a description of any major shortcomings in the internal risk management and control systems of the Group found during the financial year, of any significant modifications made to these systems, of any major improvements planned for these systems, and a confirmation that the above has been discussed with the audit committee of the Supervisory Board and the Supervisory Board; and
- (d) a report on the sensitivity of the Group's results to external events and variables.

Furthermore, the Management Board shall state in respect of financial reporting risks that the internal risk management and control systems provide reasonable assurance that the financial reporting contains no inaccuracies of material significance and whether the risk management and control systems properly operated in the year under review. The Management Board shall provide an explanation for its statement.

4 COMPOSITION, EXPERTISE AND INDEPENDENCE OF THE MANAGEMENT BOARD

4.1 The Management Board consists of such number of Managing Directors as determined by the Supervisory Board after consultation with the Management Board.

4.2 The chairman of the Management Board (see article 5) shall ensure the proper functioning of the Management Board as a whole. In addition, one Managing Director will specifically be in charge of the Company's financial affairs.

4.3 Any Managing Director shall not:

- (a) enter into competition with the Company;
- (b) demand or accept, gifts for himself or for his/her spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree unless specifically permitted under the Code of Conduct;
- (c) provide unjustified advantages to third parties to the detriment of the Company; and
- (d) take advantage of business opportunities to which the Company is entitled, for himself/herself or for his/her spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree.

5 CHAIRMAN OF THE MANAGEMENT BOARD

5.1 The Supervisory Board will appoint the chairman of the Management Board and may designate his deputy in the event of that chairman's absence or inability to act.

5.2 In addition to the coordination of the policy of the Company, the chairman of the Management Board shall:

- (a) ensure that the Management Board functions in an effective manner;
- (b) ensure that budgets and policy plans are drawn up in a timely manner;
- (c) support the other Managing Directors and mediate in any difference of opinion between them;
- (d) ensure that there is sufficient time for obtaining advice, effective consultation and for the other aspects of preparing the decision-making

process at Management Board meetings and the preparation of minutes of Management Board meetings and for the supervision of the implementation of resolutions adopted at those meetings;

- (e) ensure that the draft Annual Accounts with the corresponding Annual Report and the applicable financial information (quarterly, half-yearly or annual figures) are drawn up and the distribution of these documents to the Supervisory Board;
- (f) chair Management Board meetings;
- (g) ensure the timely and adequate provision of information to the Managing Directors as necessary for the proper performance of their duties;
- (h) prepare the meetings and minutes of meetings of the Management Board and of meetings with the management of Group Companies and the Company Secretary;
- (i) supervise the proper functioning of the Auditor and the submission of his report to the Management Board and the Supervisory Board;
- (j) maintain intensive and frequent contacts with the Supervisory Board and in particular with the Chairman, and inform the other Managing Directors in a timely and prudent manner about the outcome of these contacts;
- (k) receive and decide on reports by employees of the Company under the Whistleblower Rules, except if the Rules provide that employees should report such irregularities to the Chairman or to an officer appointed to this end by the chairman of the Management Board;
- (l) ensure the timely and adequate provision of information to the Supervisory Board and to the individual Supervisory Directors as necessary for the proper performance of their duties;
- (m) inform the Chairman timely in case an individual Managing Director does not adequately perform his duties; and
- (n) cooperate in the annual evaluation and assessment of the performance of the Managing Directors and the Management Board by the Supervisory Board.

6 COMPANY SECRETARY

- 6.1** The Management Board is assisted by a company secretary, who will be appointed by the Supervisory Board, upon the non-binding nomination of the Management Board (the "**Company Secretary**"). The Supervisory Board may at all times dismiss the Company Secretary subject to the prior approval of the Management Board.
- 6.2** The Company Secretary is responsible for ensuring that correct Management Board procedures are followed and that the obligations of the Management Board under the law, the Articles of Association and these Rules are complied with. The Company Secretary will assist the chairman of the Management Board in the organization of the affairs of the Management Board (preparing meetings, recording minutes, etc.).

7 (RE)APPOINTMENT, TERM, RESIGNATION AND LIMITATION OF POSITIONS

- 7.1** Managing Directors will be appointed by the General Meeting on the basis of a non-binding nomination made by the Supervisory Board.
- 7.2** A Managing Director shall retire early in the event of inadequate performance, structural differences of opinion, incompatibility of interests and any other instances where the Supervisory Board in its discretion deems retirement necessary.
- 7.3** In each case a Managing Director has a management position with a Group Company, this is deemed a position derived from the position of Managing Director and that position with a Group Company will therefore be subject to the Rules.
- 7.4** A Managing Director shall not pursue the candidacy for a supervisory director position or a similar position in a company not belonging to the Group or for any management position for which he will receive a monetary compensation, unless with the Supervisory Board's prior approval. Any such position in any event shall not conflict with the Company's interest.
- 7.5** With due observance of the law regarding the limitation of positions in connection with the appointment, a Managing Director shall not hold more than two supervisory board or non-executive director positions at other listed companies. A Managing Director shall not hold the chairman position in a supervisory board of a listed company.

8 REMUNERATION

- 8.1** The remuneration of the Managing Directors will be determined within the scope of the remuneration policy adopted by the General Meeting. The remuneration amount of each individual Managing Director will be determined by the Supervisory Board on the basis of a proposal by the remuneration committee of the Supervisory Board.
- 8.2** A Managing Director will only hold securities issued by the Company (i) as a long-term investment and (ii) in accordance with the Insider Rules. A proposal with respect to remuneration schemes in the form of securities issued by the Company must be submitted to the Supervisory Board or the General Meeting for its approval.
- 8.3** In the future, the Company shall not provide any personal loans, guarantees or any similar instrument to any Managing Director.
- 8.4** None of the Managing Directors shall own securities issued by entities other than the Company or carry out transactions in those securities, as specified in the Insider Rules, other than in accordance with the Insider Rules. The provisions of the previous sentence shall not apply if a Managing Director holds the securities for investment in listed investment funds or, if investing in other funds, only if he has transferred the disposition of his securities portfolio to an independent third party by means of a written mandate.
- 8.5** The Supervisory Board is authorized to revise the amount of the variable portion of the remuneration which is awarded partly or entirely subject to achieving certain targets or to the occurrence of certain circumstances to an appropriate amount if payment of the variable part of the remuneration would be unacceptable according to standards of reasonableness and fairness.
- 8.6** The Supervisory Board is entitled to claw back all or part of a variable portion of the remuneration insofar as it has been awarded based on incorrect information about achieving the targets underlying that remuneration or about the circumstances that the variable portion of the remuneration was made subject to.

9 MANAGEMENT BOARD MEETINGS (AGENDA, TELECONFERENCING, ATTENDANCE, MINUTES) AND RESOLUTIONS

- 9.1** The Management Board shall prepare a schedule for holding its meetings. In addition, the Management Board shall hold a meeting whenever one or more of the Managing Directors has requested a meeting. The meetings will generally be held at the offices of the Company, but may also take place elsewhere. In

addition, meetings may be held by telephone or by videoconferencing provided that all participants can hear each other simultaneously.

- 9.2** The Management Board chairman will chair the meeting. In his absence his deputy - if a deputy has been appointed - will chair the meeting. If both are absent, the meeting will appoint one of the other Managing Directors as chairman of the meeting.
- 9.3** The chairman shall convene the meeting in due time. Any other Managing Director may request that the chairman convene a meeting.
- 9.4** The chairman shall determine the agenda of each meeting. Other Managing Directors may submit items to be discussed in the meeting to the chairman.
- 9.5** At the request of a Managing Director and with the approval of the majority of the other Managing Directors, any urgent matter may be discussed instantly at a meeting or at an extra meeting to be held for that purpose.
- 9.6** The Managing Directors shall attend the meetings of the Management Board. If they are unable to attend a meeting and the minutes of that meeting require further explanation, the chairman of the meeting shall inform them about the resolutions passed and the discussions held in that meeting.
- 9.7** The Managing Directors shall endeavor to achieve that resolutions are as much as possible adopted unanimously. Where unanimity cannot be reached and the law, the Articles of Association or the Rules do not prescribe a larger majority, all resolutions of the Management Board are adopted by an absolute majority of the votes cast. In a tie vote the resolution will be adopted by the Supervisory Board.
- 9.8** The Management Board may also adopt resolutions without holding a meeting, provided those resolutions are adopted in writing or in a reproducible manner by electronic means of communication and all the Managing Directors entitled to vote have consented to adopting the resolution outside a meeting.
- 9.9** At a meeting of the Management Board, a Managing Director may only be represented by another Managing Director holding a proxy in writing or in a reproducible manner by electronic means of communication.
- 9.10** The minutes of a Management Board meeting will be adopted at the next meeting. Adopted minutes will constitute evidence of the proceedings at the meeting.

10 APPROVAL RIGHTS

10.1 Notwithstanding the further contents of this article 10, which includes certain other Supervisory Board approval rights, the Management Board shall submit to the Supervisory Board for the Supervisory Board's approval:

- (a) the operational and financial objectives of the Company;
- (b) the strategy designed to achieve those objectives;
- (c) the parameters to be applied in relation to the strategy, for example in respect of the financial ratios; and
- (d) the aspects of corporate social responsibility relevant to the activities of the Company.

The main issues relating to the matters referred to under (a) to (d) inclusive above will also be reported on in the Annual Report.

10.2 The approval of the Supervisory Board and the General Meeting is required for resolutions of the Management Board regarding a significant change in the identity or nature of the Company or the enterprise, including in any event to:

- (a) transfer the enterprise or practically the entire enterprise to a third party;
- (b) conclude or cancel any long-lasting cooperation by the Company or a subsidiary with any other legal person or company or as a fully liable general partner of a limited partnership or a general partnership, provided that the cooperation or the cancellation of that cooperation is of essential importance to the Company;
- (c) acquire or dispose of a participating interest in the capital of a company with a value of at least one-third of the sum of the assets according to the consolidated balance sheet with explanatory notes to that balance sheet according to the last adopted annual accounts of the Company, by the Company or a subsidiary.

10.3 Without prejudice to the provisions of Dutch law and/or the Articles of Association and pursuant to article 7.4.5 of the Articles of Association, the prior approval of the Supervisory Board is required for resolutions of the Management Board relating to the following matters concerning the Group, the Company and/or, where applicable, any Group Company:

- (a) adoption of the Three Year Strategy Plan and any material deviation from, or amendment of, this plan or of any of its important parts and amending the objectives of the Company or the Group;
- (b) adoption of the Annual Budget;
- (c) any investment if as a result of making that investment the capex amount for that year as stated in the approved Annual Budget for that year is exceeded by EUR 5,000,000 or more;
- (d) entering into credit facilities and/or loan agreements or obligation of any kind or nature, in each case if the relevant principal amount exceeds EUR 25 million;
- (e) the determination of the policy regarding currency management of the Company and the financial instruments to be used for that purpose, upon the proposal of the audit committee of the Supervisory Board;
- (f) any change of the responsibilities within the Management Board, including granting a proxy to a Managing Director as referred to in article 3.2;
- (g) any important change in the existing organization of the Company or the Group and/or of its business;
- (h) any agreement with a consultant, in particular if related to strategic issues and if expected costs are in excess of EUR 250,000 and not included in the then current approved Annual Budget;
- (i) the termination of employment of a substantial number of employees of the Group, the Company and/or any operating company (as the case may be) at the same time or within a short period of time;
- (j) a material change in the employment conditions / circumstances of a substantial number of employees of the Group, the Company and/or any operating company (as the case may be);
- (k) a member of the Management Board intending to accept a paid or unpaid professional position outside the Group, whether within or outside the industry in which the Group is active;
- (l) any transaction between (i) a member of the Management Board or any of his relatives by blood or by marriage up to the second degree, on the one hand, and (ii) the Company or any Group Company on the other hand;

- (m) subjecting a dispute to the authority of arbitrators, commencing legal proceedings before a court of law, committing a dispute to binding advice (*bindend advies*) proceedings, or agreeing to a settlement (*dading* or *vaststellingsovereenkomst*) in respect of any dispute, in each case with the exception of (X) measures (i) which do not tolerate any delay, (ii) which are of a merely conservatory nature or (ii) which are related to collection of receivables / and (Y) matters the financial interest of which does not exceed EUR 250,000;
- (n) issue of securities by the Company;
- (o) any proposal to file for bankruptcy or suspension of payments of the Company or any Group Company;
- (p) any other matter specified as such by the Supervisory Board in a resolution and notified to the Management Board (see article 7.4.5 of the Articles of Association).

10.4 The Supervisory Board may resolve that certain resolutions of the Management Board will not be subject to the prior approval of the Supervisory Board if the financial interest in that resolution does not exceed a certain threshold amount or value determined by the Supervisory Board. The Supervisory Board shall promptly inform the Management Board of any such resolution.

10.5 As to all resolutions to be passed by the boards of non-consolidated Group Companies, in each case if it concerns a financial interest in excess of EUR 10 million, and which require the approval of the Company, either in its capacity of direct or indirect shareholder or having a representative on the board of that Group Company, the Management Board shall use its best reasonable endeavors to notify the Supervisory Board well in advance of the date the Company or its representative is expected to decide on that resolution.

Likewise, the Management Board shall use its best reasonable endeavours to notify the Supervisory Board well in advance of the date the Company or its representative will have to decide on resolutions pertaining to the approval of the budget of a Group Company and on policy changes, to the extent these will have a major impact on the strategic direction of that Group Company.

If the Supervisory Board subsequently expresses the wish to be consulted on the proposed resolutions, the chairman of the Supervisory Board shall inform the chairman of the Management Board accordingly, whereupon the proposed resolution will be put on the agenda of either the first regular scheduled meeting or at a special meeting to be held by the Supervisory Board for that purpose (if necessary by phone).

The Management Board shall use its best reasonable endeavours to postpone

the resolution being passed by the corporate body of the relevant companies until after the meeting of the Supervisory Board referred to above.

11 CONFLICTS OF INTEREST

11.1 A Managing Director shall not take part in the deliberations or decision-making that involves a subject or transaction in relation to which it has been established in accordance with articles 11.2 and 11.3 that he has a direct or indirect personal conflict of interest with the Company or another conflict of interest with the Company which entails that he shall not take part in any discussion or decision- making regarding that subject.

11.2 Each Managing Director shall immediately report any (potential) conflict of interest concerning a Managing Director to the Chairman. The Managing Director with such (potential) conflict of interest shall provide the Chairman with all information relevant to the conflict.

The Supervisory Board will, without the presence of the Managing Director concerned, determine whether a reported (potential) conflict of interest qualifies as a conflict of interest within the meaning of article 11.1. Before taking such decision, the Supervisory Board will hear the relevant Managing Director after having shared all relevant information with the Managing Director, to the extent necessary.

11.3 A (potential) conflict of interest in respect of a Managing Director is deemed to exist if:

- (a) he/she has a material personal financial interest in an entity that the Company intends to enter into a transaction with, which transaction is of material significance for him/her or the Company;
- (b) he/she has a family law relationship (*familierechtelijke verhouding*) with a managing director of an entity that the Company intends to enter into a transaction with, which transaction is of material significance for the Managing Director concerned, the Company, that managing director or that entity concerned; and
- (c) he/she holds a management or supervisory position in an entity outside the Group that the Company intends to enter into a transaction with, which transaction is of material significance for him/her or the Company.

However, the Supervisory Board may determine that any of the situations mentioned in this article 11.3 does not constitute a conflict of interest to which article 11.1 applies if other circumstances in its opinion so entail. The mere fact

that a Managing Director holds shares in the Company or is entitled to obtain shares in the Company, is in itself insufficient to determine that a conflict of interest exists to which article 11.1 applies.

- 11.4** The Chairman shall procure that the transactions, in relation to which it has been determined that a conflict of interest exists, to which article 11.1 applies, are published in the Annual Report, mentioning the conflict of interest and that articles 11.1, 11.2 and 11.3 have been complied with.

12 PREVENTED FROM ACTING OR VACANCY

- 12.1** If one or more Managing Directors are prevented from acting, or in the case of a vacancy or vacancies for one or more Managing Directors, the remaining Managing Directors will temporarily be in charge of the management, without prejudice to the right of the Supervisory Board to replace the Managing Director with a temporary Managing Director. The Managing Board may designate the duties and tasks assigned or otherwise to the Managing Director referred to in the previous sentence to another Managing Director. In the case of an absence of more than four weeks, the Supervisory Board must be informed of the designation.

- 12.2** If all Managing Directors are prevented from acting or there are vacancies for all Managing Directors, the Supervisory Board will temporarily be in charge of the management; the Supervisory Board will be authorized to designate one or more temporary Managing Directors.

13 COMPLAINTS, REPORTING OF IRREGULARITIES, WHISTLEBLOWER RULES

- 13.1** The Management Board shall ensure that complaints received by the Company regarding financial reporting, the internal risk management and control systems and the audit are properly received, recorded and handled.
- 13.2** The Management Board shall ensure the adoption of and will maintain the Whistleblower Rules and shall ensure that the Whistleblower Rules are published on the Company's website.
- 13.3** The Management Board shall ensure that, pursuant to the Whistleblower Rules, employees of the Company have the opportunity, without jeopardizing their legal position, to report and file complaints with respect to suspected irregularities of a general, operational or financial nature to the chairman of the Management Board or to a person designated by him or, if the complaint concerns the functioning of the Managing Directors, to the Chairman. The Whistleblower Rules can provide that employees should report such

irregularities to the Chairman or to an officer appointed to this end by the Chairman or the chairman of the Management Board.

14 RELATIONSHIP WITH THE SUPERVISORY BOARD; INFORMATION

- 14.1** The Management Board shall timely provide the Supervisory Board with all information necessary (if possible, in writing) on all facts and developments concerning the Company and the Group which the Supervisory Board may need to properly carry out its duties. The Management Board shall also provide the Supervisory Board with information regarding the general and financial risks, and the management and control systems of the Company.
- 14.2** The Management Board shall provide the Supervisory Board on a regular basis with a report prepared in a format as agreed from time to time and setting out detailed information and clarifications by the Supervisory Board on *inter alia* policies, finance matters, marketing, investments and staff.
- 14.3** If a takeover bid for the shares in the Company is being considered or is announced, the Management Board shall ensure that the Supervisory Board is involved closely and in a timely manner in the takeover process. If a takeover bid for the Company is announced or made and the Management Board receives a request from a third competing bidder to review the Company's details, the Management Board shall discuss this request with the Supervisory Board without delay.

15 RELATIONSHIP WITH THE SHAREHOLDERS; INFORMATION

- 15.1** The Management Board shall provide the General Meeting with any information it may require, unless important interests (*zwaarwegende belangen*) of the Company or any law, rules or regulations applicable to the Company prevent it from doing so. The Management Board shall specify the reasons for invoking such important interests.
- 15.2** The Management Board shall treat shareholders who are in similar circumstances the same when providing information.
The Management Board shall draw up the outline of a policy regarding bilateral contacts with shareholders and will publish this on the Company's website.
- 15.3** In accordance with the Articles of Association, the General Meeting may be convened at the request of either the Supervisory Board or the Management Board. The body convening the meeting shall ensure that it is held in due time and that the shareholders are informed by means of a shareholders circular of all facts and circumstances relevant to the item(s) on the agenda. The shareholders circular will be placed on the website of the Company. Furthermore, the person or persons convening the meeting will also ensure that

the agenda specifies which items are to be discussed and which items are to be put to a vote.

- 15.4** Each Managing Director shall attend, together with the Supervisory Directors, each General Meeting, unless he or she is prevented from attending on serious grounds or the General Meeting has expressed the wish to meet without the presence of the Management Board or one or more of the Managing Directors.
- 15.5** The Company shall give shareholders entitled to vote the option of providing an independent third party with proxies and/or voting instructions for a General Meeting.
- 15.6** The Management Board and the Supervisory Board are responsible for the Company's corporate governance structure and will account for this to the General Meeting and fully explain any non-compliance with the provisions. The outline of the corporate governance structure will be set out each year in a separate section of the Annual Report. That section will also state the extent to which the Company complies with the "best practice" provisions of the Code, and if this is not the case, state the reason for this and the extent to which it deviates from them.
- A report on compliance with the Code must be included in the Annual Report. Each significant change in respect of the Company's corporate governance structure and the Company's compliance with the Code must be submitted to the General Meeting as a separate agenda item.

16 RELATIONSHIP WITH THE WORKS COUNCIL

Proposals of the Management Board requiring prior approval by the Supervisory Board and in respect of which the works council of a Group Company in the Netherlands has an advisory right or approval right must first be approved by the Supervisory Board. If granted, this approval will be deemed to have been given subject to a positive or neutral advice or approval, as the case may be, by the relevant works council.

17 CONFIDENTIALITY

Managing Directors shall treat all information and documentation with the necessary discretion and integrity and, in the case of classified information, with the appropriate secrecy. Current and former members of the Management Board shall refrain from disclosing confidential information outside the Management Board or the Supervisory Board, making it public, or otherwise making it available to third parties, unless the information has been made public by the Company or it has been established by the Chairman that the information is already in the public domain other than by way of unauthorized disclosure.

18 ONE-OFF RENDERING THE RULES INOPERATIVE, AMENDMENTS

18.1 Without prejudice to the provisions of articles 1.1, 1.2 and 15.6, the Management Board may, subject to the Supervisory Board's prior approval, make a one-off decision to refrain from applying the Rules. That decision, including the explanation why the Rules were not applied, must be reported in the Annual Report.

18.2 Without prejudice to the provisions of articles 1.1, 1.2 and 15.6, the Management Board may pass a resolution to amend the Rules after having obtained the prior approval of the Supervisory Board. That resolution must be mentioned in the Annual Report.

19 GOVERNING LAW AND JURISDICTION

19.1 The Rules will be governed by and construed in accordance with the law of the Netherlands.

19.2 The courts of Amsterdam, the Netherlands, have exclusive jurisdiction to settle any dispute arising from or in connection with the Rules, including any dispute regarding the existence, validity or termination of the Rules.