

## Introduction

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### article 1

- 1.1 These rules govern the organization, decision-making and other internal matters of the Executive Board. In performing their duties, the Executive Directors shall act in compliance with these rules.
- 1.2 These rules are complementary to, and subject to, the Articles of Association and applicable laws and regulations.
- 1.3 These rules shall be posted on the Website.

## Definitions and Interpretation

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### article 2

- 2.1 In these rules the following definitions shall apply:

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| <b>Article</b>                 | An article of these rules.  |
| <b>Articles of Association</b> | The Company's articles of association.  |
| <b>Board Meeting</b>           | A meeting of the Executive Board.   |
| <b>CEO</b>                     | The Company's chief executive officer.  |
| <b>CFO</b>                     | The Company's chief financial officer.  |
| <b>COO</b>                     | The Company's chief operational officer.  |
| <b>Chair</b>                   | The chair of the Supervisory Board.   |
| <b>Company</b>                 | Sif Holding N.V.  |
| <b>Conflict of Interests</b>   | A direct or indirect personal interest of an Executive Director which conflicts with the interests of the Company and of the business connected with it.  |
| <b>DCC</b>                     | The Dutch Civil Code.   |
| <b>Employee</b>                | An employee of the Company or any of its Subsidiaries.  |
| <b>Executive Board</b>         | The Company's executive board.  |
| <b>Executive Director</b>      | A member of the Executive Board.  |
| <b>External Auditor</b>        | The auditor or audit firm as referred to in Section 2:393 DCC, engaged or to be engaged to examine the Company's annual accounts and annual report.   |
| <b>Family Member</b>           | An Executive Director's spouse, registered partner or other life companion, foster child or any relative by blood or marriage up to the second degree.  |
| <b>General Meeting</b>         | The Company's general meeting of shareholders.  |
| <b>Group Company</b>           | An entity or company which is organizationally connected with the Company in an economic unit within the meaning of Section 2:24b DCC.  |
| <b>Simple Majority</b>         | More than half of the votes cast.   |
| <b>Subsidiary</b>              | A subsidiary of the Company within the meaning of Section 2:24a DCC, including: <ul style="list-style-type: none"> <li>a. an entity in whose general meeting the Company or one or more of its Subsidiaries can exercise, whether or not by virtue of an agreement with other parties with voting rights, individually or collectively, more than half of the voting rights; and</li> </ul> |

- b. an entity of which the Company or one or more of its Subsidiaries are members or shareholders and can appoint or dismiss, whether or not by virtue of an agreement with other parties with voting rights, individually or collectively, more than half of the managing directors or of the supervisory directors, even if all parties with voting rights cast their votes.

**Supervisory Board** The Company's supervisory board.  
**Website** The Company's website.

- 2.2 References to statutory provisions are to those provisions as they are in force from time to time.
- 2.3 Terms that are defined in the singular have a corresponding meaning in the plural.
- 2.4 Words denoting a gender include each other gender.
- 2.5 Except as otherwise required by law, the terms "written" and "in writing" include the use of electronic means of communication.

## Composition

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### article 3

- 3.1 The Executive Board consists [in principal] of three Executive Directors: the CEO, the CFO and the COO.
- 3.2 The Supervisory Board may amend the number of Executive Directors from time to time with due observance of the Articles of Association.
- 3.3 The Executive Directors shall be appointed, suspended or dismissed in accordance with the Articles of Association and applicable law.
- 3.4 The Supervisory Board shall appoint one of the Executive Directors as CEO. The Supervisory Board may dismiss the CEO, provided that the Executive Director so dismissed shall subsequently continue her/his term of office as an Executive Director without having the title of CEO.
- 3.5 The Supervisory Board shall appoint one of the Executive Directors as CFO and one of the Executive Directors as COO, both after consultation of the CEO.
- 3.6 An Executive Director retires early in the event of inadequate performance, structural incompatibility of interests, and in other instances in which this is deemed necessary by the Supervisory Board.
- 3.7 Without prejudice to any restrictions under mandatory Dutch law, an Executive Director may not:
  - a. hold more than two supervisory memberships of Dutch large companies or large foundations; or
  - b. serve as chair of the supervisory board or one tier board of a large company or large foundation.
 For the purpose of this Article 3.7, membership of the supervisory board of a Group Company shall be disregarded.
- 3.8 The acceptance by an executive Director of a position as supervisory director shall require the approval of the Supervisory Board. Other important positions held by an Executive Director shall in advance be notified by that Executive Director to the Supervisory Board. The additional positions will be discussed at least annually at a Supervisory Board Meeting.

- 3.9 Each Executive Director shall retire in accordance with a rotation schedule to be prepared by the Executive Board. A retiring Executive Director can be reappointed immediately, with due observance of such rotation schedule. The rotation schedule shall be based on the following principles:
- a. an Executive Director shall retire ultimately at the end of the annual General Meeting held four years following her/his (re)appointment (without prejudice to the eligibility of the retiring Executive Director for immediate reappointment); and
  - b. to the extent possible and practicable, and unless the Executive Board decides otherwise, Executive Directors shall not retire simultaneously. The rotation schedule shall be posted on the Website.

## Duties and Organisation

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### article 4

- 4.1 The Executive Board is charged with the management of the Company, which means, among other things, that it is responsible for the continuity of the Company and its affiliated enterprise and for sustainable long-term value creation by the Company and the business connected with it, subject to the restrictions contained in the Articles of Association and these rules. In performing their duties, Executive Directors shall be guided by the interests of the Company and of the business connected with it. The Executive Board takes into account the impact the actions of the Company and the business connected with it have on people and the environment and to that end weighs the stakeholders interests that are relevant in this context. The responsibility for the management of the Company is vested collectively in the Executive Board. The Supervisory Board monitors the Executive Board in this regard.
- 4.2 Individual Executive Directors may be charged with specific parts of the managerial tasks, without prejudice to the collective responsibility of the Executive Board as a whole. The Executive Board remains collectively responsible for decisions, even if they are prepared by individual Executive Directors. An individual Executive Director may only exercise such powers as are explicitly attributed or delegated to him and he may never exercise powers beyond those exercisable by the Executive Board as a whole.
- 4.3 The division of tasks within the Executive Board is determined (and amended, if necessary) by the Executive Board, subject to the approval of the Supervisory Board. Executive Directors especially charged with particular managerial tasks are primarily responsible for the risk control and monitoring of the managerial tasks concerned.
- 4.4 The Executive Board shall provide the Supervisory Board with the information necessary for the performance of its tasks in a timely fashion. At least once a year, the Executive Board shall inform the Supervisory Board in writing of the main features of the strategic policy, the general and financial risks and the administration and control system of the Company.
- 4.5 The Executive Board shall be responsible for establishing and maintaining internal procedures which ensure that all material financial and non-financial information is known to the Executive Board, such that the timeliness, completeness and accuracy of the Company's financial and non-financial reporting is assured. For this purpose, the Executive Board shall ensure that the financial and non-financial information concerning business divisions and/or Subsidiaries shall be reported directly to the Executive Board and that the integrity of such information remains uncompromised.
- 4.6 The Executive Board annually reports its observations to the Audit Committee and the Supervisory Board on the functioning of the External Auditor and the fulfilment of his duties, in respect of the

(re)appointment or dismissal of the External Auditor and the issue of a new audit-engagement. The Executive Board facilitates the process of appointment of the External Auditor, paying attention to the scope of the audit, the materiality to be applied and remuneration for the audit.

- 4.7 The Executive Board develops a view on sustainable long-term value creation by the Company and the business connected with it and formulates a strategy in line with this. The Executive Board formulates specific objectives in this regard. When developing the strategy, attention will in any event be paid to:
- a. the strategy's implementation and feasibility;
  - b. the business model applied by the Company and the market in which the Company and the business connected with it;
  - c. opportunities and risks for the Company;
  - d. the Company's operational and financial goals and their impact on its future position in relevant markets;
  - e. the interests of the stakeholders;
  - f. the impact of the Company and its affiliated enterprise in terms of sustainability, including the effects on people and the environment;
  - g. paying a fair share of tax to the countries in which the Company operates;
  - h. the impact of new technologies and changing business models; and
  - i. the information and communication technology (ICT) systems of the Company and the affiliated risks of cyber security (including disturbance, failure or abuse of ICT).
- 4.8 The Executive Board engages the Supervisory Board at an early stage in formulating the strategy or making material changes to the strategy for realising sustainable long-term value creation, and accounts to the Supervisory Board for the strategy and the explanatory notes to that strategy.
- 4.9 Without prejudice to the other approval requirements under the Articles of Association or these rules, the approval of the Supervisory Board is required for the following matters:
- a. the Company's operational and financial objectives;
  - b. the strategy designed to achieve the Company's objectives;
  - c. the parameters to be applied in relation to the Company's strategy, including in respect of the financial ratios; and
  - d. corporate social responsibility issues that are relevant to the Company's business.
- 4.10 The Executive Board shall prepare a proxy matrix pursuant to which officers and employees of the Company or its Subsidiaries (including the Executive Directors) may be authorised to perform legal acts on the Company's behalf within the limits of such proxy matrix. The preparation of, and any amendment to, the proxy matrix shall require the approval of the Supervisory Board.

## Decision-making

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### article 5

- 5.1 The Executive Board meets in principle once a month, or more often as deemed desirable or required for a proper functioning of the Executive Board by any one or more Executive Directors. Meetings of the Executive Board will be called by the CEO. Save in urgent cases, to be determined by the CEO, the agenda for the meeting will be sent at least three calendar days before the meeting to all Executive Directors. Whenever possible, an explanation in writing and/or other related documentation will be attached for each item on the agenda.
- 5.2 Executive Board meetings are being held at the office of the Company or anywhere else. Meetings of the Executive Board can be held by means of conference call, video conference or other means of

communication, provided that all the participants are able to communicate simultaneously with each other and that no Executive Director objects thereto.

- 5.3 If a Board Meeting has not been convened in accordance with Article 5.1, resolutions may nevertheless be passed at such Board Meeting by a unanimous vote of all Executive Directors.
- 5.4 All Board Meetings shall be chaired by the CEO or, in her/his absence, one of the other Executive Directors, designated by a majority of votes cast by the Executive Directors present and represented at the meeting, presides over the meeting. The chair of the Board Meeting shall appoint a secretary to prepare the minutes of the proceedings at such Board Meeting. The secretary does not necessarily need to be an Executive Director.
- 5.5 Minutes of the proceedings at a Board Meeting shall be sufficient evidence thereof and of the observance of all necessary formalities, provided that such minutes are certified by an Executive Director.
- 5.6 Without prejudice to Article 5.10, each Executive Director may cast one vote in the decision-making of the Executive Board.
- 5.7 An Executive Director can be represented by another Executive Director holding a written proxy for the purpose of the deliberations and the decision-making of the Executive Board.
- 5.8 Resolutions of the Executive Board shall be passed, irrespective of whether this occurs at a meeting or otherwise, by Simple Majority unless these rules provide differently.
- 5.9 Invalid votes, blank votes and abstentions shall not be counted as votes cast. Executive Directors who cast an invalid or blank vote or who abstained from voting shall be taken into account when determining the number of Executive Directors who are present or represented at a meeting of the Executive Board.
- 5.10 Where there is a tie in any vote of the Executive Board, the CEO shall have a casting vote, provided that there are more than two (2) Executive Directors in office. The CEO shall not exercise this casting vote without first having consulted the Chair. If there are two (2) Executive Directors in office, the Executive Directors shall consult the Chair in case of a tied vote with the intention to reach agreement concerning the decision making concerned. If no agreement is reached, the relevant resolution shall not have been passed.
- 5.11 Resolutions of the Executive Board may, instead of at a Board Meeting, be passed in writing provided that all Executive Directors are familiar with the resolution to be passed and none of them objects to this decision-making process. Articles 5.6 through 5.10 apply mutatis mutandis.

## **Risk Management and Control System**

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### **article 6**

- 6.1 The Executive Board identifies and analyses the risks associated with the Company's strategy and activities and the business connected with it. The identification and analysis cover in any case the strategic, operational, compliance and reporting risks. The Executive Board is responsible for establishing the risk appetite, and also for the measures that are put in place in order to counter the risks being taken. Based on the risk assessment, the Executive Board designs, implements and maintains adequate internal risk management and control systems.

- 6.2 The Executive Board monitors the design and operation of the internal risk management and control systems and conducts a systematic assessment of the design and operation of the systems at least once a year. Attention will be paid to observed weaknesses, instances of misconduct and irregularities, indications from whistle-blowers, lessons learned and findings from the internal audit function and the External Auditor. Where necessary, improvements will be made to the internal risk management and control systems.
- 6.3 The Executive Board discusses the effectiveness of the design and the operation of the internal risk management and control systems with the Audit Committee and renders account of this to the Supervisory Board.
- 6.4 The Company shall, in any event, apply the following instruments of its internal risk management and control system:
- a. risk analyses of the Company's operational and financial objectives;
  - b. a code of conduct which shall be published on the Website;
  - c. guides for the layout of the Company's financial reporting and the procedures to be followed in drawing up such financial reporting; and
  - d. a system of monitoring and reporting.

## Conflict of Interests

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### article 7

- 7.1 An Executive Director shall not:
- a. enter into competition with the Company;
  - b. demand or accept (substantial) gifts from the Company for himself or for any of her/his Family Members;
  - c. provide unjustified advantages to third parties to the detriment of the Company; or
  - d. take advantage of business opportunities available to the Company for himself or for any of her/his Family Members.
- 7.2 An Executive Director shall immediately report any actual or potential Conflict of Interests, if it is of material significance to the Company and/or to such Executive Director, to the Chair and to the other Executive Directors, and shall provide all relevant information concerning such Conflict of Interests, including relevant information concerning the relevant Family Members of such Executive Director. The Supervisory Board shall decide, without the Executive Director concerned being present, whether there is a Conflict of Interests.
- 7.3 A Conflict of Interests shall in any event be considered to exist, if the Company intends to enter into a transaction with an entity:
- a. in which an Executive Director personally has a material financial interest;
  - b. which has a managing director who is related to an Executive Director under family law; or
  - c. in which an Executive Director has a management or supervisory position.
- 7.4 An Executive Director shall not participate in the deliberations and decision-making of the Executive Board on a matter in relation to which he has a Conflict of Interests. If, as a result thereof, no resolution can be passed by the Executive Board, the resolution shall be passed by the Supervisory Board.

- 7.5 All transactions in respect of which there is a Conflict of Interests with one or more Executive Directors shall be agreed on terms that are customary in the sector concerned. Resolutions to enter into a transaction in respect of which there is a Conflict of Interests with one or more Executive Directors which is of material significance to the Company and/or to the Executive Director(s) concerned shall require the approval of the Supervisory Board.

## Ownership of and Trading in Financial Instruments

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### article 8

- 8.1 Any shareholding by Executive Directors is for the purpose of long-term investment. If shares are awarded to an Executive Director, the shares will be held for at least five years after they are awarded. If share options are being awarded, in any case, the options cannot be exercised during the first three years after they are awarded. The Executive Directors shall be subject to the Company's policy on the ownership of and trading in shares in the Company's capital and financial instruments of which the value is determined, in whole or in part, by the value of such shares.
- 8.2 In addition, each Executive Director shall practice great reticence:
- a. when conducting a transaction in shares or other financial instruments issued by, or relating to, another listed company if this could reasonably create the appearance of such Executive Director possessing, or being able to possess, price-sensitive information concerning such company; and
  - b. in the ownership of and trading in shares or other financial instruments issued by, or relating to, another listed company which is a direct competitor of the Company.

## Confidentiality, Acceptance, Amendments and Deviations

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### article 9

- 9.1 No Executive Director will, during his membership of the Executive Board or afterwards, disclose in any way whatsoever to anyone whomsoever any information of a confidential nature regarding the business of the Company and/or companies in which it holds a stake, that came to his knowledge in the capacity of his work for the Company and the companies in which it holds a stake and which he knows or should know to be of a confidential nature, unless required by law. An Executive Director is allowed to disclose the above information to Executive Directors and Supervisory Directors as well as to staff members of the Company and of companies in which the Company holds a stake, who, in view of their activities for the Company and/or companies in which the Company holds a stake, will be informed of the information concerned. An Executive Director will not in any way whatsoever utilise the information referred to above for his personal benefit.
- 9.2 Anyone who is appointed as an Executive Director must, upon assuming office, declare in writing to the Company that he accepts and agrees to the contents of these Executive Board rules and pledge to the Company that he will comply with the provisions of these rules. These rules are also applicable to anyone who in the event of absence or inability to act of one or more Executive Directors, has been appointed by the Supervisory Board to perform managerial duties.

- 9.3 The Executive Board may, with the approval of the Supervisory Board, amend or supplement these rules pursuant to a resolution to that effect.
- 9.4 The Executive Board may also, with the approval of the Supervisory Board, approve temporary deviations from these rules pursuant to a resolution to that effect.
- 9.5 Any amendment or deviation made pursuant to this Article 9 shall be subject to the Articles of Association and applicable laws and regulations.

## **Governing Law and Jurisdiction**

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### **article 10**

These rules shall be governed by and shall be construed in accordance with the laws of the Netherlands. Any dispute arising in connection with these rules shall be submitted to the exclusive jurisdiction of the competent court in Amsterdam.