

## Introduction

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### ARTICLE 1

- 1.1 These rules govern the organisation, decision-making and other internal matters of the Management Board. In performing their duties, the Managing 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:

<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 Management Board.
<b>CEO</b>	The Company's chief executive officer.
<b>CFO</b>	The Company's chief financial officer.
<b>Chairman</b>	The chairman of the Supervisory Board.
<b>Company</b>	Sif Holding N.V.
<b>Conflict of Interests</b>	A direct or indirect personal interest of a Managing 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>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>	A Managing 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 organisationally connected with the Company in an economic unit within the meaning of Section 2:24b DCC.
<b>Management Board</b>	The Company's management board.
<b>Managing Director</b>	A member of the Management Board.
<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> <li>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.</li> </ul>



**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 Management Board consists of two Managing Directors: the CEO and the CFO.
- 3.3 The Supervisory Board may amend the number of Managing Directors from time to time with due observance of the Articles of Association.
- 3.3 The Managing Directors shall be appointed, suspended or dismissed in accordance with the Articles of Association and applicable law.
- 3.4 The Supervisory Board shall elect a Managing Director to be the CEO. The Supervisory Board may dismiss the CEO, provided that the Managing Director so dismissed shall subsequently continue his term of office as a Managing Director without having the title of CEO.
- 3.5 For as long as two Managing Directors hold office, the Managing Director who is not the CEO shall be the CFO.
- 3.6 If more than two Managing Directors hold office:
- a. the CEO shall elect another Managing Director to be the CFO; and
  - b. the CEO may dismiss the CFO, provided that the Managing Director so dismissed shall subsequently continue his term of office as a Managing Director without having the title of CFO.
- 3.7 Without prejudice to any restrictions under mandatory Dutch law, a Managing Director may not be:
- a. a member of the supervisory board of more than two listed companies; or
  - b. the chairman of the supervisory board of any listed company.
- 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 a Managing Director of a membership of the supervisory board of another listed company shall require the approval of the Supervisory Board. Other important positions held by a Managing Director shall be notified by that Managing Director to the Supervisory Board.



- 3.9 Each Managing Director shall retire in accordance with a rotation schedule to be prepared by the Management Board. A retiring Managing Director can be reappointed immediately, with due observance of such rotation schedule. The rotation schedule shall be based on the following principles:
- a. a Managing Director shall retire ultimately at the end of the annual General Meeting held four years following his (re)appointment (without prejudice to the eligibility of the retiring Managing Director for immediate reappointment); and
  - b. to the extent possible and practicable, and unless the Management Board decides otherwise, Managing 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 Management Board is charged with the management of the Company, subject to the restrictions contained in the Articles of Association and these rules. In performing their duties, Managing Directors shall be guided by the interests of the Company and of the business connected with it.
- 4.2 The Management 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 Management 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.
- 4.3 The Management Board shall be responsible for establishing and maintaining internal procedures which ensure that all material financial information is known to the Management Board, such that the timeliness, completeness and accuracy of the Company's financial reporting is assured. For this purpose, the Management Board shall ensure that the financial information concerning business divisions and/or Subsidiaries shall be reported directly to the Management Board and that the integrity of such information remains uncompromised.
- 4.4 The Management Board shall annually report on the developments in the relationship with the External Auditor to the Supervisory Board, including concerning the independence of the External Auditor, the desirability of rotation of the responsible partner(s) within the audit firm engaged as External Auditor and the desirability of such audit firm providing non-audit services to the Company.
- 4.5 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.
- 4.6 The Management Board shall prepare a proxy matrix pursuant to which officers and employees of the Company or its Subsidiaries (including the Managing 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 Management Board shall meet as often as any of the Managing Directors deems necessary or appropriate.
- 5.2 A Board Meeting may be convened by any Managing Director by means of a written notice.
- 5.3 All Managing Directors shall be given reasonable notice of at least one week for all Board Meetings, unless a shorter notice is required to avoid a delay which could reasonably be expected to have an adverse effect on the Company and/or the business connected with it. Notice of a Board Meeting shall include the date, time, place and agenda for that Board Meeting and shall be sent to the Managing Directors in writing.
- 5.4 If a Board Meeting has not been convened in accordance with Articles 5.2 and/or 5.3, resolutions may nevertheless be passed at such Board Meeting by a unanimous vote of all Managing Directors.
- 5.5 All Board Meetings shall be chaired by the CEO or, in his absence, by the CFO. The chairman 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 a Managing Director.
- 5.6 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 a Managing Director.
- 5.7 Without prejudice to Article 5.11, each Managing Director may cast one vote in the decision-making of the Management Board.
- 5.8 A Managing Director can be represented by another Managing Director holding a written proxy for the purpose of the deliberations and the decision-making of the Management Board.
- 5.9 Resolutions of the Management Board shall be passed, irrespective of whether this occurs at a meeting or otherwise, by Simple Majority unless these rules provide differently.
- 5.10 Invalid votes, blank votes and abstentions shall not be counted as votes cast. Managing Directors who casted an invalid or blank vote or who abstained from voting shall be taken into account when determining the number of Managing Directors who are present or represented at a meeting of the Management Board.
- 5.11 Where there is a tie in any vote of the Management Board, the CEO shall have a casting vote[, provided that there are more than two (2) Managing Directors in office.] The CEO shall not exercise this casting vote without first having consulted the Chairman. [If there are two (2) Managing Directors in office, the Managing Directors shall consult the Chairman in case of a tied vote with the intention to reach agreement concerning the decisionmaking concerned. If no agreement is reached, the relevant resolution shall not have been passed.]<sup>1</sup>
- 5.12 Board Meetings can be held through audio-communication facilities, unless a Managing Director objects thereto.
- 5.13 Resolutions of the Management Board may, instead of at a Board Meeting, be passed in writing, provided that all Managing Directors are familiar with the resolution to be passed and none of them objects to this decision-making process. Articles 5.7 through 5.11 apply mutatis mutandis.

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<sup>1</sup> To be confirmed by the Managing Directors.

## Risk Management and Control System

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### ARTICLE 6

- 6.1 The Company shall have an internal risk management and control system that is suitable for the Company.
- 6.2 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 A Managing 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 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 his Family Members.
- 7.2 Managing Director shall immediately report any actual or potential Conflict of Interests, if it is of material significance to the Company and/or to such Managing Director, to the Chairman and to the other Managing Directors, and shall provide all relevant information concerning such Conflict of Interests, including relevant information concerning the relevant Family Members of such Managing Director. The Supervisory Board shall decide, without the Managing 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 a Managing Director personally has a material financial interest;
  - b. which has a managing director who is related to a Managing Director under family law; or
  - c. in which a Managing Director has a management or supervisory position.
- 7.4 A Managing Director shall not participate in the deliberations and decision-making of the Management 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 Management 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 Managing 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 Managing Directors which is of material significance to the Company and/or to the Managing 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 The Managing 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 Managing 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 Managing Director possessing, or being able to possess, pricesensitive 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.

## Amendments and Deviations

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### ARTICLE 9

- 9.1 The Management Board may, with the approval of the Supervisory Board, amend or supplement these rules pursuant to a resolution to that effect.
- 9.2 The Management Board may also, with the approval of the Supervisory Board, approve temporary deviations from these rules pursuant to a resolution to that effect.
- 9.3 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.