

Introduction

1. Article 1

1. These rules govern the organisation, decision-making and other internal matters of the Supervisory Board. In performing their duties, the Supervisory Directors shall act in compliance with these rules.
2. These rules are complementary to, and subject to, the Articles of Association and applicable laws and regulations.
3. These rules shall be posted on the Website.

Definitions and Interpretation

2. Article 2

1. In these rules the following definitions shall apply:

Audit Committee	The audit committee established by the Supervisory Board.
Article	An article of these rules.
Articles of Association	The Company's articles of association.
Chairman	The chairperson of the Supervisory Board.
Committee	Any committee established by the Supervisory Board, including in any event the Audit Committee and the Remuneration Committee.
Committee Rules	The rules concerning the organisation, decision-making and other internal matters of the relevant Committee.
Company	Sif Holding N.V.
Company Secretary	The person appointed as the Company's company secretary by the Management Board, subject to approval by the Supervisory Board.
Conflict of Interests	A direct or indirect personal interest of a Supervisory Director, which conflicts with the interests of the Company and of the business, connected with it.
DCC	The Dutch Civil Code.
External Auditor	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.
Executive Board	The Company's executive board.
Executive Director	A member of the Executive Board.
General Meeting	The Company's general meeting of shareholders.
Remuneration Committee	The remuneration committee established by the Supervisory Board.
Simple Majority	More than half of the votes cast.
Supervisory Board	The Company's supervisory board.
Supervisory Board Meeting	A meeting of the Supervisory Board.
Supervisory Director	A member of the Supervisory Board
Vice-Chairman	The vice-chairman of the Supervisory Board.
Website	The Company's website.
Works Council	The Company's Works Council as referred to in the Dutch Works Council Act

2. Except as otherwise required by law, references to “shareholders” include participants in a giro deposit or collective deposit, which includes shares, both within the meaning of the Dutch Giro Securities Act.
3. References to statutory provisions are to those provisions as they are in force from time to time.
4. Terms defined in the singular have a corresponding meaning in the plural.
5. Words denoting a gender include each other gender.
6. Except as otherwise required by law, the terms “written” and “in writing” include the use of electronic means of communication.

Composition

3. Article 3

1. The Supervisory Board consists of five Supervisory Directors.
2. The Supervisory Directors shall be appointed, suspended or dismissed in accordance with the Articles of Association and applicable law.
3. A person may be appointed as Supervisory Director for a maximum of two consecutive four-year terms, eventually extended by a maximum of two consecutive two-year terms.
4. The Supervisory Board shall prepare a profile for its size and composition, taking into account the nature of the Company’s business, its activities, the desired expertise and background, the pursued diversity and the independence of the Supervisory Directors. The profile of the Supervisory Board shall be posted on the Website.
5. The Supervisory Board shall elect a Supervisory Director to be the Chairman and another Supervisory Director to be the Vice-Chairman. The Supervisory Board may dismiss the Chairman or the Vice-Chairman, provided that the Supervisory Director so dismissed shall subsequently continue his term of office as a Supervisory Director without having the title of Chairman or Vice-Chairman, as the case may be.
6. A Supervisory Director shall retire in the event of inadequate performance, structural incompatibility of interests, and in other instances in which this is deemed necessary by the Supervisory Board.
7. Each Supervisory Director shall retire in accordance with a rotation schedule to be prepared by the Supervisory Board. A retiring Supervisory Director can be reappointed immediately, with due observance of such rotation schedule. The rotation schedule shall be based on the following principles:
 - a. a Supervisory 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 Supervisory Director for immediate reappointment, subject to Articles 3.3 and 3.6); and
 - b. to the extent possible and practicable, and unless the Supervisory Board decides otherwise, the lowest number of Supervisory Directors shall retire simultaneously. The rotation schedule shall be posted on the Website.



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Duties and Organisation

4. Article 4

1. The Supervisory Board is charged with the supervision of the policy of the Executive Board and the general course of affairs of the Company and of the business connected with it. The Supervisory Board shall provide the Executive Board with advice. In performing their duties, Supervisory Directors shall be guided by the interests of the Company and of the business connected with it.
2. Without prejudice to any tasks attributed to the Supervisory Board from time to time pursuant to the Articles of Association, the Company's other internal rules, and/or applicable laws and regulations, the supervision of the policy of the Executive Board by the Supervisory Board shall include supervision on:
 - a. the achievement of the Company's objectives;
 - b. the Company's strategy and the risks inherent in its business activities;
 - c. the design and operation of the Company's internal risk management and control systems;
 - d. the Company's financial reporting process, including:
 - i. compliance with the internal procedures for the preparation and publication of the Company's annual accounts, annual reports, and interim financial information; and
 - ii. the establishment and maintaining of 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;
 - e. compliance with applicable laws and regulations;
 - f. the Company's relationship with its shareholders; and
 - g. corporate social responsibility issues that are relevant to the Company's business.

After their appointment, all Supervisory Directors shall follow an induction programme, which shall in any event cover general financial, social and legal affairs, financial reporting by the Company, specific aspects which are unique to the Company and its culture and business activities, the relationship with the Works' Council and the responsibilities of a Supervisory Director. The Supervisory Board shall conduct an annual review to identify the matters in respect of which the Supervisory Directors require further training or education during their term of office. The Company shall facilitate this.

3. 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. The Supervisory Board and the individual Supervisory Directors each also have their own responsibility for obtaining all information from the Executive Board and the External Auditor which the Supervisory Board may need in order to be able to carry out its supervisory duties properly. If considered necessary by the Supervisory Board, it may obtain information from officers and external advisers of the Company. The Company shall provide the necessary means for this purpose. The Supervisory Board may require that certain officers and external advisers attend Supervisory Board Meetings.
4. At least once each year, the Supervisory Board shall discuss, without the Executive Board being present:
 - a. the functioning of the Supervisory Board, the Supervisory Directors individually and the Committees, and the conclusions that must be drawn on the basis thereof;
 - b. the desired profile, composition and competence of the Supervisory Board; and
 - c. the functioning of the Executive Board and the Executive Directors individually, and the conclusions that must be drawn on the basis thereof.

5. At least once each year, the Supervisory Board shall also discuss, with or without the Executive Board being present:
 - a. the Company's strategy and the main risks inherent in its business activities;
 - b. the result of the assessment by the Executive Board of the design and operation of the Company's internal risk management and control systems; and
 - c. any significant changes to the matters described in paragraphs a. and b. above.

Chairman, Vice-Chairman and Secretary

5. Article 5

1. The Chairman shall ensure that:
 - a. the Supervisory Directors follow their induction programme referred to in Article 4.3;
 - b. the Supervisory Directors receive all information which is necessary for the proper performance of their duties in a timely fashion;
 - c. there is sufficient time for deliberations and decision-making by the Supervisory Board;
 - d. the Committees function properly;
 - e. the functioning of the Executive Directors and the Supervisory Directors is assessed at least once a year pursuant to Article 4.5;
 - f. the Supervisory Board elects a Vice-Chairman;
 - g. the Supervisory Board has proper contact with the Executive Board and the Company's Works Council;
 - h. the Supervisory Directors and Executive Directors follow their (informal) education or training programme;
 - i. the Executive Board performs activities in respect of culture;
 - j. the Supervisory Board recognizes signs from the enterprise affiliated with the Company and ensures that any (suspicion of) material misconduct and irregularities are reported to the Supervisory Board without delay;
 - k. the General Meeting proceeds in an orderly and efficient manner;
 - l. effective communication with shareholders is assured; and
 - m. the Supervisory Board is closely involved, and at an early stage, in any merger or takeover processes.
2. Bilateral dialogue between the Company on the one hand and one or more of its shareholders on the other shall be subject to the Company's policy on bilateral dialogue and any restrictions of applicable laws and regulations.
3. As a general principle, the Chairman is expected to chair the General Meeting. As such, the Chairman shall be the principal point of contact for those attending the General Meeting. The Chairman, as chairman of the General meeting, shall be charged with safeguarding the orderly proceedings at the General Meeting.
4. The Chairman and/or another Supervisory Director, designated by the Chairman, shall attend at least two consultation meetings with the Company's Works Council. The Chairman and/or the designated Director shall have direct access to the Chairman of the Works Council. The designated Director shall be copied on minutes of consultation meetings with the Works Council.



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5. The Vice-Chairman shall deputise for the Chairman when the occasion arises. All rights and obligations of the Chairman shall vest in the Vice-Chairman if the Chairman is absent or unable to act. The Vice-Chairman shall also act as point of contact for Supervisory Directors and Executive Directors concerning the functioning of the Chairman.
6. The Supervisory Board shall be assisted by the Company Secretary. The Company Secretary shall ensure that the correct procedures are followed and that the Supervisory Board shall act in accordance with its obligations. He shall assist the Chairman in the organization of the affairs of the Supervisory Board. The Company Secretary shall be appointed and dismissed by the Executive Board at the recommendation of the Supervisory Board.

Decision-Making

6. Article 6

1. The Supervisory Board shall meet as often as any of the Supervisory Directors deems necessary or appropriate.
2. Supervisory Directors are expected to attend Supervisory Board Meetings and, if a Supervisory Director is frequently absent at Supervisory Board Meetings, he shall be held accountable.
3. A Supervisory Board Meeting may be convened by the Chairman by means of a written notice. If the Chairman fails to convene a Supervisory Board Meeting within one week after a request was made by any Supervisory Director to convene a Supervisory Board Meeting, the requesting Supervisory Director(s) may convene the Supervisory Board Meeting by means of a written notice.
4. All Supervisory Directors shall be given reasonable notice of at least one week for all Supervisory 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 Supervisory Board Meeting shall include the date, time, place and agenda for that Supervisory Board Meeting and shall be sent to the Supervisory Directors in writing.
5. If a Supervisory Board Meeting has not been convened in accordance with Articles 6.3 and/or 6.4, resolutions may nevertheless be passed at such Supervisory Board Meeting by a unanimous vote of all Supervisory Directors.
6. All Supervisory Board Meetings shall be chaired by the Chairman or, in his absence, by another Supervisory Director designated by the Supervisory Directors present at the relevant Supervisory Board Meeting. The chairman of the Supervisory Board Meeting shall appoint a secretary to prepare the minutes of the proceedings at such Supervisory Board Meeting. The secretary does not necessarily need to be a Supervisory Director.
7. Minutes of the proceedings at a Supervisory Board Meeting shall be sufficient evidence thereof and of the observance of all necessary formalities, provided that such minutes are certified by a Supervisory Director.
8. Without prejudice to Article 6.12, each Supervisory Director may cast one vote in the decision-making of the Supervisory Board.
9. A Supervisory Director can be represented by another Supervisory Director holding a written proxy for the purpose of the deliberations and the decision-making of the Supervisory Board.
10. Resolutions of the Supervisory Board shall be passed, irrespective of whether this occurs at a meeting or otherwise, by Simple Majority unless these rules provide differently.
11. Invalid votes, blank votes and abstentions shall not be counted as votes cast. Supervisory Directors who casted an invalid or blank vote or who abstained from voting shall be taken into account when determining the number of Supervisory Directors who are present or represented at a meeting of the Supervisory Board.
12. Where there is a tie in any vote of the Supervisory Board, the Chairman shall have a casting vote.

13. Supervisory Board Meetings can be held through audio-communication facilities, unless a Supervisory Director objects thereto.
14. Resolutions of the Supervisory Board may, instead of at a Supervisory Board Meeting, be passed in writing, provided that all Supervisory Directors are familiar with the resolution to be passed and none of them objects to this decision-making process. Articles 6.8 through 6.12 apply mutatis mutandis.

Conflict Of Interests

7. Article 7

1. A Supervisory Director shall immediately report any actual or potential Conflict of Interests, if it is of material significance to the Company and/or to such Supervisory Director, to the Chairman (and if the Chairman has any such actual or potential Conflict of Interests, he shall immediately report this to the Vice-Chairman), and shall provide all relevant information concerning such Conflict of Interests, including relevant information concerning his spouse, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree. The Supervisory Board shall decide, without the Supervisory Director concerned being present, whether there is a Conflict of Interests.
2. 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 Supervisory Director personally has a material financial interest;
 - b. which has an Executive Director who is related to a Supervisory Director under family law; or
 - c. in which a Supervisory Director has a management or supervisory position.
3. A Supervisory Director shall not participate in the deliberations and decision-making of the Supervisory 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 Supervisory Board, the resolution shall nevertheless be passed by the Supervisory Board.
 - a. All transactions in respect of which there is a Conflict of Interests with one or more Supervisory 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 Supervisory Directors that is of material significance to the Company and/or to the Supervisory Director(s) concerned shall require the approval of the Supervisory Board.
 - b. The rules concerning a conflict of interests between the Company and one or more Executive Directors are laid down in the internal rules of the Executive Board.
 - c. All transactions between:
 - a. the Company and any shareholder, or group of shareholders, holding at least 10% of the Company's issued share capital; or
 - b. the Company and the External Auditor, shall be agreed on terms that are customary in the sector concerned. Article 7.4 applies mutatis mutandis.

Ownership of and Trading in Financial Instruments

8. Article 8

1. The Supervisory 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.
2. In addition, each Supervisory 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 Supervisory 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.

Remuneration

9. Article 9

1. The Supervisory Board shall make recommendations to the General Meeting concerning amendments to the Company's remuneration policy.
2. The General Meeting may grant a remuneration to the Supervisory Directors.
3. A Supervisory Director shall not be granted any shares and/or rights to subscribe for, or otherwise acquire, shares in the Company's capital as part of his remuneration.
4. Without prejudice to Article 9.3, any shares in the Company's capital held by a Supervisory Director shall be treated by such Supervisory Director as long-term investments.
5. The Company shall not grant its Supervisory Directors any personal loans, guarantees or similar benefits, unless in the ordinary course of business and provided that:
 - a. this has been approved by the Supervisory Board; and
 - b. loans granted by the Company to its Supervisory Directors shall not be remitted.

Committees

10. Article 10

1. The Supervisory Board has established the Audit Committee and the Remuneration Committee and may establish such other Committees as deemed to be appropriate by the Supervisory Board.
2. All Committees are subject to the general rules of this Article 10 and their respective Committee Rules.
3. Article 6 applies mutatis mutandis to the decision-making of a Committee, if:
 - a. references to the Chairman should be interpreted as being references to the chairman of the relevant Committee; and
 - b. The Committee Rules of the relevant Committee may deviate from Article 6.

Amendments and Deviations

11. Article 11

1. The Supervisory Board may amend or supplement these rules pursuant to a resolution to that effect.
2. The Supervisory Board may also approve temporary deviations from these rules pursuant to a resolution to that effect.
3. Any amendment or deviation made pursuant to this Article 11 shall be subject to the Articles of Association and applicable laws and regulations.

Governing Law and Jurisdiction

12. Article 12

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.



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