



Sligro Food Group N.V.

Rules of Procedure of the

Executive Board

of

Sligro Food Group N.V.

These Rules of Procedure were adopted by the Executive Board and approved by the Supervisory Board on 13 December 2023 and replace the Rules of Procedure adopted by the Executive Board and approved by the Supervisory Board on 13 December 2018.

## **Article 1 Definitions**

1.1. In these Rules of Procedure the following terms have the meaning ascribed to them below:

- General Meeting: the organ of the Company comprising the shareholders and all other persons entitled to vote or the meeting in which the shareholders and all other persons entitled to attend the meetings convene;
- Audit Committee: the Audit Committee of the Supervisory Board;
- Corporate Governance Code: the Dutch Corporate Governance Code of 20 December 2022, as amended from time to time. Where, in these Rules of Procedure, reference is made to 'Principle' or 'best practice provision', this refers to the relevant Principle or best practice provision of the Corporate Governance Code;
- Executive Board: the management board of the Company;
- Management Report: the management report of the Company as prepared by the Executive Board;
- Works Council: the Works Council of the Company;
- Supervisory Board: the Supervisory Board of the Company;
- Rules of Procedure: the Rules of Procedure of the Executive Board as adopted on 25 January 2005 and most recently amended on 13 December 2023;
- Articles of Association: the Articles of Association of the Company as amended from time to time and most recently amended on 9 April 2021;
- Conflict of Interests: where an interest held personally, whether directly or indirectly, conflicts with the Company's interests within the meaning of Section 2:140(2) of the Dutch Civil Code;
- Company: Sligro Food Group N.V., with its registered offices in Veghel;
- Chair: the Chair of the Executive Board.

## **Article 2 Status and content of the Rules of Procedure**

2.1. These Rules of Procedure have been drawn up pursuant to Article 20(2) of the Articles of Association and serve to supplement the rules and regulations applicable (from time to time) to the Executive Board under Dutch law or of the Articles

of Association.

- 2.2. Where these Rules of Procedure conflict with Dutch law or the Articles of Association, the law and the Articles of Association prevail. Where these Rules of Procedure are consistent with the Articles of Association but run contrary to Dutch law, the law prevails. If any of the provisions of these Rules of Procedure is or becomes invalid, this will not affect the validity of the other provisions. The Executive Board will replace the invalid provisions by valid provisions, the effect of which, in terms of their content and purpose, will be as close as possible to that of the invalid provisions.
- 2.3. These Rules of Procedure have been drawn up with due regard to the Corporate Governance Code and sustainability legislation. The Corporate Governance Code sets out several best practices for the Executive Board and makes other recommendations.
- 2.4. In a resolution unanimously carried on 13 December 2023, the Executive Board has declared that:
  - a. it will apply these Rules of Procedure and will consider itself bound by the obligations which they impose insofar as they apply to the Executive Board and its individual members;
  - b. when new members join the Executive Board, they will be required to make the formal declaration referred to under point a above.
- 2.5. These Rules of Procedure have been published on the Company's website at [www.sligrofoodgroup.nl](http://www.sligrofoodgroup.nl) under Corporate Governance, from where they can be downloaded.

### **Article 3 Duties and responsibilities of the Executive Board**

- 3.1. The Executive Board is responsible for managing the Company, for ensuring the continuity of the Company and its affiliated enterprise, and for the sustainable, long-term value creation of the Company and its affiliated enterprise, which includes responsibility for achieving the Company's objectives, for its strategy and policy and for its consequent performance. The Executive Board is accountable to the Supervisory Board and the General Meeting for its performance. The Executive Board concerns itself with the impact of the Company and its affiliated enterprise on people and the environment and takes due account of the relevant interests of the stakeholders. The Executive Board provides the Supervisory Board, in good time, all information the Supervisory Board needs to perform its duties.

### 3.2. Responsibilities

The responsibilities of the Executive Board comprise:

- a. developing a sustainable vision of the long-term value creation by the Company;<sup>1</sup>
- b. forming a strategy, taking account of the responsibility referred to under point a above;
- c. identifying, analysing and managing the risks and opportunities associated with pursuing the strategy and with the activities of the Company;<sup>2</sup>
- d. discussing the draft audit plan with the external auditor before presenting it to the Audit Committee;<sup>3</sup>
- e. establishing and implementing internal procedures to ensure that all relevant information is available to the Executive Board and the Supervisory Board in good time;<sup>4</sup>
- f. evaluating, at least once a year, the functioning of the Executive Board as a whole and of the individual members of the Executive Board, also ascertaining in which areas further training or special courses are warranted;<sup>5</sup>
- g. discussing with the Works Council: (i) the general conduct and culture in the Company; (ii) the values established by the Executive Board based on best practice provision 2.5.1 of the Corporate Governance Code, and (iii) the Company's Diversity & Inclusion (D&I) policy;<sup>6</sup>
- h. structuring and operating internal business control systems;<sup>7</sup>
- i. ensuring the Company's compliance with all legal requirements, including the publication of all the information required by law;
- j. ensuring compliance with the Company's corporate governance policy and practices and keeping these up to date;<sup>8</sup>
- k. encouraging frank and open discussion in the Executive Board and among the various bodies of the Company;<sup>9</sup>
- l. convening the General Meeting;
- m. preparing the Company's financial statements, the annual budget and the Management Report; and

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<sup>1</sup> Principle 1.1

<sup>2</sup> Principle 1.2

<sup>3</sup> Best practice provision 1.7.2

<sup>4</sup> Principle 1.2 and best practice provision 1.2.2

<sup>5</sup> Principle 2.2 and best practice provision 2.2.7

<sup>6</sup> Principle 2.5 and best practice provision 2.5.1 and 2.5.3

<sup>7</sup> Best practice provision 1.2.3

<sup>8</sup> Compliance with the Code, p. 3 of the Code.

<sup>9</sup> Best practice provision 2.4.1

- n. drawing up a D&I policy for the Company, with appropriate, concrete, ambitious goals aimed at achieving a good balance in gender diversity and other aspects of D&I relevant to the Company with regard to the composition of the Executive Board, the Supervisory Board and a further category of employees in management positions to be determined by the Executive Board (the 'sub-top'), and establishing D&I policy for the sub-top and the rest of the employee base, after prior approval by the Supervisory Board.<sup>10</sup>

### 3.3. Strategy

In developing a strategy appropriate to the vision of sustainable, long-term value creation by the Company, the Executive Board will consider:<sup>11</sup>

- a. the implementation and feasibility of the strategy;
- b. the business model pursued by the Company and the market in which the Company operates;
- c. risks and opportunities facing the Company;
- d. the Company's operational and financial objectives and the influence these have on the future position in relevant markets;
- e. the interests of the stakeholders;
- f. the impact of the Company and its affiliated enterprise in the area of sustainability, including its impact on people and the environment;
- g. ensuring that the Company fairly contributes to the countries in which it operates by paying its fair share of taxes; and
- h. the impact of new technologies and changing business models.

The Executive Board will formulate concrete objectives in this regard. Depending on market dynamics, short-term adjustments to the strategy may be necessary.

The Executive Board will involve the Supervisory Board at an early stage in the formulation of the strategy for realising sustainable, long-term value creation. The Executive Board reports to the Supervisory Board on the strategy and on the explanation of the strategy.<sup>12</sup>

### 3.4. Risk management

The Executive Board is responsible for deciding the risk appetite and the measures to control the risks. Its risk identification and analysis process covers, at least, the strategic, operational, compliance and reporting risks. The Executive Board is

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<sup>10</sup> Best practice provision 2.1.5

<sup>11</sup> Best practice provision 1.1.1

<sup>12</sup> Best practice provision 1.1.2

responsible for carrying out a materiality assessment, based on the double materiality principle, to identify the material impacts, risks and opportunities that need to be disclosed regarding sustainability topics. Based on the risk assessment, the Executive Board designs, implements and maintains adequate internal risk management and control systems. Where relevant, these systems are integrated into the Company's working processes and must be familiar to those on whose work they have a bearing.<sup>13</sup>

The Executive Board will monitor the design and operation of the internal risk management and control systems and carry out a systematic assessment of the design and operation of the systems at least once a year. This monitoring is conducted in accordance with best practice provision 1.2.3 of the Corporate Governance Code.<sup>14</sup>

The Executive Board will discuss the effectiveness of the design and operation of the internal risk management and control systems with the Audit Committee and report on this to the Supervisory Board.

### 3.5. Internal audit department<sup>15</sup>

The Executive Board is responsible for the internal audit department. The task of the internal audit department is to assess the design and operation of the internal risk management and control systems. The Executive Board is responsible for appointing and dismissing the head of the internal audit department. In the event of either appointment or dismissal of the head of the internal audit department, the Executive Board will submit its intended decision, together with a recommendation from the Audit Committee, to the Supervisory Board for its approval.

Every year, after consultation with the Audit Committee, the Executive Board will assess the performance of the internal audit department in fulfilling its role. Additionally, the performance of the internal audit function is assessed at least every five years by an independent third party.<sup>16</sup>

The internal audit plan – drawn up by the internal audit department after consulting with the Executive Board, the Audit Committee and the external auditors,

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<sup>13</sup> Principle 1.2 and best practice provision 1.2.1 and 1.2.2

<sup>14</sup> Best practice provision 1.2.3

<sup>15</sup> Principle 1.3

<sup>16</sup> Best practice provision 1.3.2

and taking into account interaction with the external auditors – requires the approval of the Executive Board and the Supervisory Board.<sup>17</sup>

The internal audit function will be provided sufficient resources to implement the audit plan and will be given access to information that is important for the performance of its work. The internal audit function will be provided direct access to the Audit Committee and to the external auditor.

The internal audit department will report its audit results to the Executive Board and the Audit Committee and keep the external auditor informed. The internal audit department's report on its findings will at least include the topics referred to in best practice provision 1.3.5 of the Corporate Governance Code.<sup>18</sup>

The internal audit department reports hierarchically to the CEO.

### 3.6. External auditor

The Executive Board ensures that the external auditor receives all the information needed to perform their work in good time. The Executive Board gives the external auditor the opportunity to respond to the information provided.<sup>19</sup>

In the event of the early termination of the relationship with the external audit firm, the Company will publish a press release stating the reasons for this early termination.<sup>20</sup>

### 3.7. Management Report

In the Management Report:

- a. taking into account sustainability legislation, the Executive Board will present its vision of the sustainable, long-term value creation and the strategy adopted for achieving this objective and will describe the way in which the preceding year contributed to progress in this area. The Executive Board will report on both the short-term and long-term developments in this regard;<sup>21</sup>
- b. taking into account sustainability legislation, the Executive Board will render account of: (i) the risk assessment and the Company's risk appetite; (ii) the design and operation of the internal risk management and control systems;

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<sup>17</sup> Best practice provision 1.3.3

<sup>18</sup> Best practice provision 1.3.5

<sup>19</sup> Principle 1.7 and best practice provision 1.7.1

<sup>20</sup> Best practice provision 1.7.3

<sup>21</sup> Best practice provision 1.1.4

- (iii) any major failings in the internal risk management and control systems; and (iv) the sensitivity of the Company's results to material changes in external factors;<sup>22</sup>
- c. the Executive Board will issue the statements included in best practice provision 1.4.3 of the Corporate Governance Code, supported by clear evidence;<sup>23</sup>
- d. the Executive Board will render account of the D&I policy in the manner specified in best practice provision 2.1.6; and
- e. the Executive Board will explain:
  - (i) the culture within the Company and whether it is desirable to change that culture;
  - (ii) how the culture, underlying values and behaviour/conduct promoted within the company contribute to sustainable, long-term value creation and, if it is felt that changes need to be brought about, what initiatives are being taken to further increase this contribution; and
  - (iii) the operation of and compliance with the code of conduct.

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### 3.8. Dialogue with stakeholders

To ensure that the interests of the Company's relevant stakeholders are taken into account when determining the aspects of the strategy that relate to sustainability, the Executive Board will draw up an outline policy for facilitating effective dialogue with stakeholders. The Company will be receptive to entering into dialogue with the relevant stakeholders and will facilitate this dialogue, unless, in the opinion of the Executive Board, this dialogue is not in the interests of the Company and its affiliated enterprise. This policy will be published on the Company's website.<sup>25</sup>

The Company will also formulate an outline policy on bilateral contact with shareholders; this policy will cover more topics than the stakeholder dialogue referred to above. This policy will be published on the Company's website.<sup>26</sup>

- 3.9. The Executive Board will notify the Works Council in good time if the appointment of one or more members of the Supervisory Board is to be an agenda item to be discussed at the General Meeting. The Executive Board will also notify the Works Council if the appointment of one or more members of the Supervisory Board is being made on the basis of a nomination by the Supervisory Board on which a

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<sup>22</sup> Best practice provision 1.4.2

<sup>23</sup> Best practice provision 1.4.3

<sup>24</sup> Best practice provision 2.5.4

<sup>25</sup> Best practice provision 1.1.5

<sup>26</sup> Best practice provision 4.2.2



person recommended by the Works Council sits.

The Executive Board will notify the Works Council in good time if the loss of confidence in the Supervisory Board will be an agenda item to be discussed at the General Meeting. The Executive Board will also inform the Works Council of the reasons for submitting the resolution to be considered by the General Meeting. Notice will be given at least 30 days in advance of the General Meeting at which the resolution is to be discussed. If the Works Council takes a position on the resolution, the Executive Board will inform the members of the Supervisory Board and the General Meeting of that position.

- 3.10. The Executive Board has adopted an internal allocation of duties. Any changes in the allocation of duties must be approved by the Supervisory Board. Each member of the Executive Board is responsible for the duties allocated to them personally, although the full Executive Board has collective responsibility for the policy to be pursued.

The following duties have been allocated to Executive Board members:

- The CEO, CFO and CCO are jointly responsible for setting the Company's objectives and strategy, as well as for its internationalisation and corporate affairs.
- The CEO holds primary responsible for Procurement & Product Range Management, HRM, Supply Chain Operations, and Real Estate.
- The CFO holds primary responsibility for Finance, IT and Supply Chain Development.
- The CCO holds primary responsibility for Sales (Delivery Service and Cash-and-Carry), Marketing and Quality Assurance.<sup>27</sup>

- 3.11. Culture<sup>28</sup>
- The Executive Board will set out standards for the Company that foster a culture aimed at sustainable, long-term value creation and discuss these standards with the Supervisory Board. The Executive Board is responsible for embedding and maintaining the standards in the Company. The Executive Board will encourage behaviour that conforms to the standards and will uphold these values by demonstrating exemplary conduct, paying attention to various matters, including:
- the strategy and the business model;

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<sup>27</sup> The changes in clause 3(10) will come into effect from the date of the proposed appointment of Mr Bögels in March 2024.

<sup>28</sup> Best practice provision 2.5.1

- the environment in which the business operates;
- the existing culture within the Company and whether it is desirable to change that culture; and
- social safety at the Company and ensuring that employees feel that they can discuss misconduct or irregularities that they know of or suspect, and are given the means to report such instances.

3.12. Code of conduct<sup>29</sup>

The Executive Board is responsible for drawing up a code of conduct and ensuring the proper operation of the rules and compliance with these by the Executive Board itself and by the Company's employees. The Executive Board will inform the Supervisory Board about the findings and observations regarding the operation of and compliance with the code of conduct, also taking into account the obligations under sustainability legislation with regard to bribery and corruption. The code of conduct will be published on the Company's website.

3.13. Misconduct and irregularities<sup>30</sup>

The Executive Board will establish a procedure for reporting identified or suspected cases of misconduct and irregularities within the Company and its affiliated enterprise. The procedure will be published on the Company's website. The Executive Board will ensure that employees are able to make a report without jeopardising their legal position.

The Executive Board will notify the Chair of the Supervisory Board without delay of any reports (or indications) of identified or suspected cases of material misconduct or irregularities in the Company and its affiliated enterprise. If the identified or suspected misconduct or irregularity pertains to the functioning of a member of the Executive Board, an employee may report the matter directly to the Chair of the Supervisory Board.

#### **Article 4 Composition of the Executive Board**

4.1. The Executive Board will have at least two members. The members of the Executive Board are appointed in accordance with the provisions of the Articles of Association.

4.2. Each member of the Executive Board will possess the specific expertise that is

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<sup>29</sup> Best practice provision 2.5.2

<sup>30</sup> Principle 2.6

necessary for the performance of their duties.<sup>31</sup>

4.3. Other positions held<sup>32</sup>

Members of the Executive Board will notify the Supervisory Board in advance of any other positions they hold or will hold; such other positions will be discussed in the meeting of the Supervisory Board at least once a year. If a member of the Executive Board is being considered for a position on a supervisory board this member must first get the approval of the Supervisory Board before accepting the position.

4.4. Early departure from the board

A member of the Executive Board<sup>33</sup> will step down from the Executive Board before the end of their designated term in the event of poor performance, irreconcilable interests of a permanent nature, or any other compelling reason in the opinion of the Supervisory Board. Should a member of the Executive Board step down before the end of their term, the Company will issue a press release stating the reason for that member's early departure.

## **Article 5 Chair**

5.1. In accordance with the provisions of Article 17 of the Articles of Association, the Supervisory Board will appoint one of the members of the Executive Board to serve as its Chair.

5.2. The Chair sets the agenda and presides over meetings of the Executive Board, ensures there is sufficient time for discussion and decision making by the Executive Board, and is responsible for the proper functioning of the Executive Board.

## **Article 6 Ownership of securities**

6.1. All members of the Executive Board are subject to the rules on ownership of and transactions in securities other than those issued by the Company by the members of the Executive Board.

6.2. Shares in the Company owned by members of the Executive Board are long-term investments.

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<sup>31</sup> Principle 2.1 and best practice provisions 2.1.1 and 2.1.4

<sup>32</sup> Best practice provision 2.4.2

<sup>33</sup> Best practice provision 2.2.3

## **Article 7 Meetings**

- 7.1. The Executive Board will meet at least twelve times a year and additionally as frequently as one or more members of the Executive Board so wish. In principle, meetings will be held at the Company's offices, but may also be held elsewhere. Members of the Executive Board may, with the approval of the Chair, participate in meetings of the Executive Board by phone or video. The Chair may decide to hold a meeting by phone or video.
- 7.2. A meeting will be convened by the Chair or the member/members of the Executive Board who requested it. If practical, notice will be given in writing at least three working days before the meeting, accompanied by the agenda and any documents to be discussed.
- 7.3. The agenda of a meeting will be set by the Chair or the member/members of the Executive Board who requested it.
- 7.4. The Chair will preside over meetings. The Company Secretary will record and prepare the minutes of the meeting, which will then be submitted to the Executive Board for approval and signed by the Chair as proof of such approval.
- 7.5. The minutes will describe the matters discussed, viewpoints, considerations and resolutions adopted at the meeting in such a way that members of the Executive Board not present at the meeting are given a clear and complete view of what, insofar as relevant, was discussed during the meeting. A separate list of resolutions, expressly setting out the resolutions adopted by the meeting, will be attached to the minutes.
- 7.6. If a resolution is adopted outside a meeting, the resolution must be recorded in writing and this record must be included with the documents for the next meeting of the Executive Board.

## **Article 8 Decision making**

- 8.1. Decisions by the Executive Board will generally be made in meetings of the Executive Board. The Executive Board may also adopt resolutions outside a meeting. In that case, the Chair will provide all members of the Executive Board with the agenda and any documents for discussion. The members of the Executive Board will put forward their opinion on a proposal within a period set by the Chair. (All

members of the Executive Board will be informed of the opinion of each member of the Executive Board.)

- 8.2. The Executive Board may only pass resolutions if at least two members of the Executive Board are present or represented at the meeting or have put forward their opinion on the proposed resolution.
- 8.3. Resolutions will be adopted by an absolute majority of votes. If the voting is tied the Chair will have a casting vote.
- 8.4. In addition to resolutions that require the approval of the Supervisory Board pursuant to the law or the Articles of Association, all resolutions by the Executive Board on the following subjects will be submitted to the Supervisory Board for approval:
  - the operational and financial objectives of the Company;
  - the strategy to achieve the objectives;
  - the conditions used for the strategy;
  - entering into transactions that involve a Conflict of Interests on the part of members of the Supervisory Board or of the Executive Board or the external auditor;
  - transactions between the Company and natural persons or legal entities who directly or indirectly own at least 10% of the shares in the Company and where these transactions are of material significance to the Company and/or these persons.
- 8.5. Proposed resolutions by the Executive Board that require the approval of the General Meeting pursuant to the law or the Articles of Association will also be submitted to the Supervisory Board for approval.
- 8.6. Proposed resolutions by the Executive Board that require advance approval of the Supervisory Board and on which the Works Council has a right to be consulted must first be approved by the Supervisory Board. Such approval (if granted) will be given subject to the Works Council issuing a positive opinion on the matter.
- 8.7. The Executive Board will not pass any resolutions that pursuant to the law, Articles of Association or these Rules of Procedure require the approval of the Supervisory Board and/or the General Meeting until such approval has been given.

## Article 9 Preventing conflicts of interests<sup>34</sup>

- 9.1. All forms of conflict of interests between the Company or its subsidiaries and members of the Executive Board or members of the Supervisory Board will be avoided.
- 9.2. A member of the Executive Board will not:
- enter into competition with the Company;
  - demand or accept a (substantial) favour from the Company for themselves or for their spouse, registered partner or other life companion, children, adopted children, foster child or other relative by blood or marriage up to the second degree [*bloed- of aanverwant tot in de tweede graad*] as understood under Dutch law;
  - provide unjustified advantages to third parties to the detriment of the Company;
  - with regard to business opportunities to which the Company is entitled, take advantage of these for themselves or for any party other than the Company.
- 9.3. Each member of the Executive Board will report any actual or potential Conflict of Interests that is of material significance to the Company, its subsidiaries and/or the member of the Executive Board themselves to the Supervisory Board and the other members of the Executive Board without delay. The member of the Executive Board who has an actual or potential Conflict of Interests will provide all relevant information, including information relevant in the situation concerning their spouse, registered partner or other life companion, children, adopted children, foster child or other relative by blood or marriage up to the second degree [*bloed- of aanverwant tot in de tweede graad*] as understood under Dutch law.
- 9.4. A Conflict of Interests can potentially<sup>35</sup> arise if the Company or one or more of its subsidiaries intends to enter into a transaction with a legal entity:
- in which a member of the Executive Board personally has a material financial interest;
  - of which a member of the management board or supervisory board is related under family law with a member of the Executive Board.
- 9.5. The Supervisory Board will decide, without the member of the Executive Board

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<sup>34</sup> Principle 2.7

<sup>35</sup> Best practice provision 2.7.3.

concerned being present, whether there is a Conflict of Interests.<sup>36</sup>

- 9.6. A member of the Executive Board will not take part in any discussion or decision making that involves a matter or transaction in relation to which they have a Conflict of Interests.
- 9.7. All transactions in relation to which a member of the Executive Board has a Conflict of Interests may only be entered into on terms that are at least customary for arm's length transactions in the relevant branch of business. Decisions to enter into transactions in relation to which a member of the Executive Board has a Conflict of Interests that are of material significance to the Company, its subsidiaries and/or to the members of the Executive Board concerned require the approval of the Supervisory Board. Details of such transactions will be published in the Management Report with disclosure of the Conflict of Interests along with a statement that best practice provisions 2.7.3 and 2.7.4 of the Corporate Governance Code have been complied with.

#### **Article 10 Provision of information**

- 10.1. The Executive Board and the Supervisory Board will ensure adequate provision of information to and briefing of the General Meeting.<sup>37</sup>

The Executive Board will provide the General Meeting with all information it requires for the exercise of its powers, unless there is an overriding interest on the part of the Company not to disclose this information, in which case they will give the reasons for not providing the information.

Analyst meetings, analyst presentations, presentations to institutional or other investors and press conferences will be announced in advance on the Company's website and by means of press releases. Analyst meetings and presentations to investors will not take place shortly before the publication of the regular financial information. All shareholders will be able to follow these meetings and presentations in real time, by means of webcasting, by phone or via another means. After the meetings, the presentations will be posted on the Company's website.<sup>38</sup>

On a separate section of its website, the Company will post and update

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<sup>36</sup> Best practice provision 2.7.3

<sup>37</sup> Principle 4.2

<sup>38</sup> Best practice provision 4.2.3

information that is relevant to the shareholders and information that the Company is required to publish or submit pursuant to the provisions of company law and/or securities law applicable to the Company.<sup>39</sup>

The contacts between the Executive Board on the one hand and the press and financial analysts on the other will be handled and structured carefully and with due observance of the applicable laws and regulations. The Company will not do anything that might compromise the independence of analysts in relation to the Company and vice versa.<sup>40</sup>

- 10.2. The Executive Board will provide the Supervisory Board and its various committees in good time with all information needed for the Supervisory Board and its committees to perform their duties.

The members of the Executive Board will attend the meetings of the Supervisory Board as and when invited to do so.

The Executive Board is responsible for formulating and maintaining internal procedures for ensuring that all relevant information is known to the Executive Board and to the Supervisory Board in good time.<sup>41</sup>

## **Article 11 Takeover situations**

- 11.1. In the event of a takeover bid for the Company's shares or depositary receipts for the Company's shares, in the event of a private bid for part of the business or a participating interest where the value of the bid exceeds the limit stated in Section 2:107a(1)(c) of the Dutch Civil Code and/or in the event of any other far-reaching changes in the structure of the Company, both the Executive Board and the Supervisory Board will ensure that the affected interests of the stakeholders are carefully considered and that any Conflict of Interests for members of the Supervisory Board or Executive Board are avoided. The Executive Board and the Supervisory Board will be guided in their actions by the interests of the Company and its affiliated enterprise.<sup>42</sup>

- 11.2. When a takeover bid for the Company's shares or depositary receipts for the

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<sup>39</sup> Best practice provision 4.2.4

<sup>40</sup> Best practice provision 4.2.5

<sup>41</sup> Best practice provision 2.4.7

<sup>42</sup> Principle 2.8



Company's shares is being prepared, in the event of a private bid for part of the business or a participating interest where the value of the bid exceeds the limit stated in Section 2:107a(1)(c) of the Dutch Civil Code and/or in the event of any other far-reaching changes in the structure of the Company, the Executive Board will ensure that the Supervisory Board is closely involved at an early stage in the takeover process and/or the change of structure.<sup>43</sup>

- 11.3. If a takeover bid for the Company's shares or depositary receipts for the Company's shares has been announced or tabled and the Executive Board receives a request from a third, competing bidder to be allowed to inspect the information relating to the Company, the Executive Board will discuss such a request with the Supervisory Board without delay.<sup>44</sup>
- 11.4. If a private bid for part of the business or a participating interest of which the value exceeds the limit stated in Section 2:107a(1)(c) of the Dutch Civil Code has been made public, the Executive Board will as soon as possible make public its position on the bid and the reasons for this position.<sup>45</sup>

## **Article 12 Confidentiality**

- 12.1. Each member of the Executive Board is under obligation to observe the required discretion and, where confidential information is concerned, strict secrecy with regard to all information and documentation obtained in connection with membership of the Executive Board.
- 12.2. Existing and former members of the Executive Board will not divulge confidential information outside of the Executive Board either by releasing it to the general public or making it available to third parties in some other manner unless the Company has published this information or it has been ascertained that the information is already in the public domain.

## **Article 13 Amendments**

These Rules of Procedure may only be amended if the Executive Board so decides and the Supervisory Board has approved the amendment. Such amendment will be set out in writing.

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<sup>43</sup> Best practice provision 2.8.1

<sup>44</sup> Best practice provision 2.8.2

<sup>45</sup> Best practice provision 2.8.3

**Article 14      Applicable law and competent court**

- 14.1.    These Rules of Procedure are subject to and must be interpreted by application of Dutch law.
  
- 14.2.    The District Court at 's-Hertogenbosch is the competent court to the exclusion of all others to hear any disputes relating to these Rules of Procedure (including disputes concerning the existence, the validity and the rescinding of these Rules of Procedure).