

REGULATIONS LAYING DOWN PRINCIPLES AND BEST PRACTICES FOR THE SUPERVISORY BOARD

These regulations ("Regulations") were adopted by the Supervisory Board (the "Supervisory Board") of Royal Boskalis Westminster N.V. (the "company") to enter into force on 31 December 2017.

Article 1: Status and content of the rules

- 1.1 These Regulations supplement the rules and regulations applying (from time to time) to the Supervisory Board under Dutch law or the Articles of Association of the company.
- 1.2 These Regulations were drawn up in conjunction with the Articles of Association of the company and take into account the Dutch corporate governance code (the "Code") as drawn up by the "Monitoring Committee Corporate Governance" on 8 December 2016. This Code has entered into force on 7 September 2017 (the "Code").
- 1.3 If one or more provisions of these Regulations are or prove to be invalid, this shall not affect the validity of the remaining provisions. The Supervisory Board shall replace the invalid provisions by provisions which, given their content and purport, shall have an effect that is as close as possible to that of the invalid provisions.
- 1.4 The following Annexes are attached to these Regulations, of which they form an integral part.

- Annex A:** Profile of the Supervisory Board of Royal Boskalis Westminster N.V.;
- Annex B:** Rota of retirement of members of the Supervisory Board;
- Annex C:** Regulations of the Supervisory Board Audit Committee;
- Annex D:** Regulations of the Supervisory Board Remuneration Committee;
- Annex E:** Regulations of the Supervisory Board Selection and Appointment Committee;
- Annex F:** The "Apply or Explain" report as referred to in the Code.

- 1.5 These Regulations have been published on the company's website: www.boskalis.com

Article 2: Role of the Supervisory Board

- 2.1 It is the role of the Supervisory Board to supervise the policies of the Board of Management of the company and the general course of affairs of the company and its affiliated enterprise. In doing so, the Supervisory Board shall also focus on the effectiveness of the company's internal risk management and control systems and the integrity and quality of the financial reporting. The Supervisory Board shall assist the management by providing advice and shall be guided in the performance of its duties by the interests of the company and those of its affiliated enterprise. The Supervisory Board shall take into consideration the relevant interests of stakeholders in the company (including shareholders). The Supervisory Board shall also have due regard for corporate social responsibility issues that are relevant to the company. The Supervisory Board shall be responsible for the quality of its functioning.

2.2 In this respect, the tasks of the Supervisory Board include:

- a) supervising and advising the Board of Management on:
 - (i) achieving the company's objectives,
 - (ii) the strategic policies designed to achieve the company's objectives ;
 - (iii) the company's results;(iv) the strategy designed to achieve the long-term value creation of the company and the affiliated enterprise and the manner in which the Board of Management implements that strategy. The Supervisory Board shall regularly discuss the strategy, the implementation thereof and the principal risks associated with it. The Supervisory Board shall explain in the Supervisory Board Report how it was involved in the formulation of the strategy and the supervision of its implementation;
 - (v) the risks associated with the company's strategy and activities;
 - (vi) the internal audit function;
 - (vii) the setting up and implementation of internal procedures ensuring that the Board of Management and the Supervisory Board are provided in a timely manner with all relevant information;
 - (viii) the operation of the procedure for reporting actual and suspected misconduct and irregularities within the company and the affiliated enterprise, appropriate and independent investigations into signs of misconduct and irregularities and, if misconduct or an irregularity has been identified, an adequate follow up of any recommendations for remedial actions;
 - (ix) the financial reporting process;
 - (x) the process of a takeover bid, if a takeover bid for the company's shares is being prepared or has been announced;
 - (vi) the relationship with the shareholders;
 - (vii) the corporate social responsibility issues that are relevant to the company; and
 - (v) compliance with the relevant legislation and regulations;
- b) the compliance with the Code and the publication and enforcement of the corporate governance structure of the company;
- c) consideration of the financial statements as well as approval of the company's annual budget and important capital investments;
- d) selecting and nominating the external auditor of the company and supervising his performance;
- e) selecting and appointing members of the Board of Management;
- f) submitting remuneration policy proposal for members of the Board of Management to the General Meeting of Shareholders for adoption and subsequently determining the remuneration in accordance with said policy, and setting the contractual conditions of the members of the Board of Management;

- g) selecting and nominating the members of the Supervisory Board for appointment by the General Meeting as well as submitting proposals for the remuneration of its members to the General Meeting for adoption;
- h) evaluating and assessing the performance of the Board of Management and the Supervisory Board, its Committees, as well as of individual members of the Supervisory Board and the Board of Management (including an assessment of the profile of the Supervisory Board, and the induction and education or training program);
- i) dealing with and deciding on reported cases of potential conflicts of interest between the company on the one hand and the members of the Board of Management, the Supervisory Board, the external auditor and the major shareholders on the other;
- j) approving resolutions of the Board of Management which by or pursuant the Articles of Association are subject to approval of the Supervisory Board;
- k) stimulating openness and accountability within the Supervisory Board and between the Supervisory Board and the Board of Management;
- l) obtaining jointly or individually from the Board of Management, the internal audit function, the external auditor and the Works Council the information which the Supervisory Board needs in order to be able to properly carry out its duties as supervisory body;

2.3 The Supervisory Board shall annually compile and publish a report after the end of the company's financial year on the performance and activities of the Supervisory Board and its committees in that financial year.

Article 3: Composition, expertise and independence

- 3.1 The Supervisory Board shall consist of the number of members stated in the company's Articles of Association.
- 3.2 The Supervisory Board shall compile a profile describing its own size and composition, taking into account the nature of the company, its activities and the desired expertise, experience, background, diversity, competencies and independence of its members. The Supervisory Board shall evaluate the Profile annually. The current Supervisory Board profile is contained in **Annex A** to these Regulations. The Supervisory Board shall discuss any amendments with the Works Council and the Meeting of Shareholders.
- 3.4 The Supervisory Board shall formulate a diversity policy for the composition of the Board of Management and the Supervisory Board. The policy shall include the specific targets relating to diversity and the aspects of diversity relevant to the company, such as nationality, age, gender and background regarding education and professional experience.

- 3.5 The Supervisory Board shall ensure that the company has a sound succession plan for the Board of Management and the Supervisory Board, that is aimed at retaining the balance in the requisite expertise, experience and diversity, whereby the profile of the Supervisory Board shall be taken into account.
- 3.6 The composition of the Supervisory Board shall be such that the combination of experience, expertise diversity and independence of its members complies with the profile as contained in Annex A, and as best enables the Supervisory Board to discharge its various obligations towards the company and its stakeholders.
- 3.7 The members of the Supervisory Board shall decide among themselves on the distribution of their tasks, bearing in mind the profile contained in Annex A.
- 3.8 The following requirements must be taken into consideration in the composition of the Supervisory Board:
- a) each of the members must be capable of assessing the main aspects of the overall policy of the company and its affiliated enterprise;
 - b) each of the members must match the Supervisory Board profile in Annex A, and their participation on the Supervisory Board (upon appointment/reappointment and subsequently) must mean that the composition of the Supervisory Board as a whole is consistent with Article 3.3;
 - c) at least one member of the Supervisory Board shall be a financial expert, which means that such Supervisory Director has gained relevant knowledge and experience in the field of financial reporting or audit of listed companies or other large legal entities;
 - d) the Supervisory Board shall be composed so that the members of the Supervisory Board are able to operate independently and critically vis-à-vis one another, the Board of Management and any particular interests involved;
 - e) Only one member of the Supervisory Board may not be independent within the meaning of best practice 2.1.8 under (i) up to and included (v) of the Code. The amount of members of the Supervisory Board where for the criteria are applicable as described in best practice 2.1.8 of the Code form less than half of the aggregate number of Supervisory Directors. Furthermore for each shareholder, or group of affiliated shareholders, holding directly or indirectly more than ten percent of the shares in the share capital of the company, no more than one supervisory board director may be affiliated with him or representing him in the Supervisory Board. The Supervisory Board shall state in the Supervisory Report that in the view of the opinion of the Supervisory Board the criteria regarding independence as set out in best practice 2.1.8 under (i) up to and including (v) are met and which Supervisory Board members are not considered to be independent;

- f) none of its members may be reappointed after having served longer than twelve years, unless the interests of the company require otherwise;
 - g) none of its members may hold more than five Supervisory Board memberships with Dutch listed companies (including the company), whereby a chairmanship shall count double; and
 - h) the chairman of the Supervisory Board may not be a former member of the company's Board of Management and should be independent in accordance with best practice 2.1.8.
- 3.9 The Supervisory Board may appoint one or more members as "delegated" members. A delegated Supervisory Board member has a special duty. The delegation may not extend beyond the duties of the supervisory board itself and may not include the management of the company. It may entail more intensive supervision and advice and more regular consultation with the Board of Management. The delegation shall be of a temporary nature only. The delegation may not detract from the role and power of the Supervisory Board. The delegated Supervisory Board member remains a member of the Supervisory Board. The delegated member shall report on his findings to the Supervisory Board.
- 3.7 Each member of the Supervisory Board is obliged to provide the chairman of the Board with the information required for determining and, if applicable, updating information about his:
- a) gender;
 - b) age;
 - c) principal position;
 - d) nationality;
 - e) other positions in so far as relevant to the performance of the duties of a Supervisory Board member;
 - f) date of initial appointment; and
 - g) the current term of office of the member of the Supervisory Board.

The Chairman shall ensure that this information is published in the report of the Supervisory Board.

- 3.8 Members of the Management Board shall report any other positions to the Supervisory Board in advance. The other positions of members of the Board of Management and Supervisory Board shall be discussed in the meeting of the Supervisory Board at least once a year.

Article 4: Chairman, vice-chairman and secretary

4.1 The Supervisory Board shall appoint one of his members as chairman subject to the provisions in Article 3.5(g). The Supervisory Board shall also appoint a vice-chairman.

4.2 The chairman:

- a) determines the agenda and chairs the meetings of the Supervisory Board;
- b) ensures that the Supervisory Board and its committees function properly;
- c) ensures the proper and timely provision of information to the members of the Supervisory Board, necessary for the fulfillment of their tasks;
- d) ensures that sufficient time is allocated to deliberate and make decisions within the Supervisory Board;
- e) is responsible for the induction and education or training program for the Supervisory Board members and ensures that the members follow their program;
- f) acts as the principal point of contact on the Supervisory Board for the Board of Management and the shareholders regarding the functioning of members of the Board of Management and members of the Supervisory Board;
- g) initiates the annual evaluation and appraisal of the performance of the Supervisory Board, its committees and the Board of Management as well as the individual members of the Board of Management and the Supervisory Board;
- h) as chairman, is responsible for the orderly and efficient conduct of the General Meeting of Shareholders and ensures that effective communication with shareholders may take place;
- i) makes arrangements for the appointment of a vice-chairman of the Supervisory Board;
- j) ensures that the contacts between the Supervisory Board and the Board of Management and the Works Council and the General Meeting proceed properly and that the other members of the Supervisory Board are properly informed of the results of these contacts in good time;
- k) receives and decides on, reported conflicts of interest and potential conflicts of interest between the members of the Board of Management and the Supervisory Board on one hand and the company on the other hand;
- l) consults regularly with the chairman of the Board of Management;
- m) ensures that the Board of Management performs activities in respect of culture;
- n) ensures that the Supervisory Board recognizes signs from the company and the affiliated enterprise and any (suspicion) of material misconduct and irregularities are reported to the supervisory board without delay;

- o) ensures that the Supervisory Board is timely and closely involved in a merger or takeover process;
- 4.3 The Supervisory Board shall be assisted in its work by the company secretary. The latter shall be appointed and dismissed, on the recommendation of the Supervisory Board or otherwise, by the Board of Management after approval by the Supervisory Board.
- 4.4 The secretary of the Board of Management is responsible for:
 - a) ensuring that the correct procedures are followed and that the Supervisory Board acts in accordance with its obligations under law and the Articles of Association (including its obligations under these Regulations);
 - b) facilitating the provision of information to the Board of Management and the Supervisory Board;
 - c) assisting the chairman of the Supervisory Board in organizational matters pertaining to it, such as provision of information, setting the agendas of its meetings and conducting evaluations; and education- and training programme.
 - d) reporting to the chairman in the event he notes that the interests of the Board of Management and the Supervisory Board diverge, resulting in lack of clarity as to which interests the Company Secretary should present.
- 4.5 The vice-chairman replaces when necessary the chairman, The vice-chairmen functions as principal point of contact for individual members of the Supervisory Board and members of the Board of Management regarding the functioning of the chairman of the Supervisory Board.

Article 5: Committees

- 5.1 If the Supervisory Board consists of more than four members, it shall have at least three core committees: an Audit Committee, a Remuneration Committee and a Selection and Appointment Committee. The committees are appointed and composed by the Supervisory Board from its own ranks, with the understanding that the majority of the members of each Committee shall be independent as described in the Code. The Supervisory Board as a whole shall remain responsible for decisions, even if these have been prepared by one of the Supervisory Board committees. The tasks of the committees is to prepare the decision-making of the Supervisory Board.
- 5.2 The Supervisory Board shall compile a set of regulations governing each committee. The regulations shall set out the committee's tasks and responsibilities, the composition thereof and how the tasks shall be executed. The present regulations of the committees are contained in **Annexes C, D and E**.
- 5.3 The execution of the tasks in the past financial year, the composition of the committees, the number of committee meetings and the most important agenda topics of each committee shall be stated in the report of the Supervisory Board. The regulations of the committees shall be posted on the company website.

- 5.4 If one or more of the committees referred to in Article 5.1 has not been appointed or no longer exists, the principles and practices as referred to in the relevant Annex shall apply to the Supervisory Board as a whole.
- 5.5 The Supervisory Board shall receive an annual report from each of the committees on its deliberations and findings.

Article 6: Appointment/reappointment, term of office and retirement

- 6.1 The members of the Supervisory Board shall be appointed/reappointed in the manner provided for in the Articles of Association at the binding nomination of the Supervisory Board. The binding nomination for appointment/reappointment must be supported by reasons. In the case of reappointment, account is taken of the way in which the Supervisory Board member has discharged his duties. Members are appointed for a term of no more than four years, after which they qualify for reappointment, subject to the proviso that no member may serve more than two four-year terms and subsequently two two-year terms, unless the interests of the company require otherwise. For reappointment after a period of eight years, the Supervisory Board shall state the reasons in the Supervisory Board Report. Upon appointment/reappointment, the profile of the Supervisory Board shall be taken into account.
- 6.2 The Supervisory Board shall draw up a rota of retirement so as to prevent reappointments from taking place at the same time wherever possible. The present rota of retirement is contained in **Annex B** to these Regulations. Without prejudice to Article 6.3, members of the Supervisory Board shall retire in accordance with the rota. The rota of retirement shall be published on the company's website.
- 6.3 Members of the Supervisory Board shall step down in the event of inadequate performance, a structural incompatibility of interests, or in other instances in which the Supervisory Board deems this necessary. In the event of early retirement the company shall publish a press release mentioning the reason for the retirement.
- 6.4 A Supervisory Board member who temporarily takes on the management of the company when members of the Board of Management are absent or unable to fulfil their duties shall temporarily resign from the Supervisory Board in order to take on these management duties.
- 6.5 The members of the Supervisory Board shall be suspended or dismissed in the manner provided for in the Articles of Association.

Article 7: Remuneration

- 7.1 The Supervisory Board shall from time to time submit a detailed and comprehensible proposal to the General Meeting concerning the remuneration of the chairman, the vice-chairman and other members of the Supervisory Board. The remuneration for the Supervisory Board shall enhance adequate performance and shall not be dependent on the company's results. The remuneration of the Supervisory Board reflects the time and responsibilities of the function. The General Meeting determines the remuneration for the Supervisory Board.

- 7.2 The following requirements must be met when determining the remuneration of the Supervisory Board:
- a) no shares and/or options or comparable rights to acquire shares in the capital of the company may be granted to a Supervisory Board member by way of remuneration;
 - b) no member of the Supervisory Board may own shares as referred to in a) above other than as a long-term investment;
 - c) no member may accept personal loans, guarantees or the like from the company other than on an arm's length basis, against conditions applicable to all employees and with the prior approval of the Supervisory Board. There shall be no loan remission. The Supervisory Board shall draw up a set of regulations laying down rules with respect to the ownership of and transactions in securities by Supervisory Board members, where the company has not issued those securities. These regulations shall be posted on the company website.
- 7.3 Members of the Supervisory Board shall receive reimbursement for all reasonable costs incurred in connection with their attendance at its meetings. All other costs incurred shall only be reimbursable, in whole or in part, if they have been incurred with the prior consent of the chairman. The chairman shall advise the Supervisory Board of such reimbursements.
- 7.4 The remuneration, reimbursement of expenses and other agreed conditions, including the date when payment shall be made shall be determined by the General Meeting. The notes to the financial statements shall at all events include the information required by law concerning the level and structure of the remuneration of individual members of the Supervisory Board.
- 7.5 Members of the Supervisory Board shall be exempted by the company, under the conditions included in an agreement drawn up for the purpose, from any expenses (including legal fees, fines and settlement amounts, etc.) incurred by them in connection with proceedings under civil, criminal or administrative law in which they have been involved in their capacity as a present or former Supervisory Board member of the company. The company shall take out liability insurance on behalf of the members of the Supervisory Board in order to cover these costs, wherever possible.

Article 8: Induction program and continuing education or training

- 8.1 After appointment, each member of the Supervisory Board shall take an introductory program (arranged and financed by the company), tailored to his office that shall cover:
- a) general, financial, social and legal affairs;
 - b) financial reporting by the company;
 - c) specific aspects unique to the company and its business activities;
 - d) the company's culture;

- e) the relationship with the Works Council;
- d) the responsibilities of a member of the Supervisory Board.

8.2 The Supervisory Board shall conduct an annual review to identify any aspects with regard to which the supervisory board members require further training or education during their period of appointment.

Article 9: Meetings (agenda, topics, attendance, minutes)

9.1 The Supervisory Board shall meet at least four times a year and otherwise as often as deemed necessary by one or more of its members. The members of the Board of Management shall be invited to attend the meetings.

9.2 The Supervisory Board shall meet at least once a year in absence of the Board of Management to consider the following matters:

- a) assessment of the performance of the Board of Management and its individual members, and the conclusions to be attached thereto;
- b) assessment of the performance of the Supervisory Board, its Committees and that of its individual members, and the conclusions to be attached thereto;

The Supervisory Board shall in the assessment under a) and b) pay attention to

- (i) the substantive aspects, the mutual interaction and the interaction with the Board of Management;
- (ii) events that occurred in practice from which lessons may be learned; and
- (iii) the desired profile, composition, competence and expertise of the Supervisory Board.

The report of the Supervisory Board describes how the assessment of the Board of Management, the Supervisory Board, its Committees and the individual members of the Supervisory Board has been taken place.

9.3 The Supervisory Board shall regularly discuss the strategy, the implementation of the strategy and the principal risks connected with it. The Supervisory Report shall give an account of the involvement of the Supervisory Board in the establishment of the strategy and the way in which it monitors its implementation.

9.4 One or more members of the Board of Management shall be present at the meetings of the Supervisory Board, with the exception of the meetings which deal with the subjects mentioned under sub clauses a, b of article 9.2, unless the Supervisory Board decides otherwise.

- 9.3 Recurrent agenda items shall at all events include the budget and financial results of the company, important decisions on which the Supervisory Board must take action, the strategy of the company and changes therein (e.g. the long-term strategy, capital investments not covered by the company's budget, long-term capital structures, the establishment of new business units, significant acquisitions and disposals) and reports from the individual committees of the Supervisory Board.
- 9.4 The meetings shall as a rule take place at the company's offices, but may also be convened elsewhere. Meetings may also be held in the form of a conference call or video conference, as long as all the participating members are able to communicate at the same time with one another.
- 9.5 The Chairman shall ask members of the Supervisory Board who frequently fail to attend meetings to account for their absences. The report of the Supervisory Board shall state the percentage of attendance of the members of the Supervisory Board for the meetings of the Supervisory Board and the Committees.
- 9.6 The external auditor of the company shall attend the meeting (or the part of the meeting) of the Supervisory Board at which the report of the external accountant regarding the examination of the financial statements and their adoption are discussed.
- 9.7 Except in matters of urgency, the secretary shall convene meetings in accordance with the fixed meeting schedule. Where practically feasible, the agenda and relevant documents concerning the matters to be discussed shall be sent to the members of the Supervisory Board and the Board of Management seven days in advance of the meeting.
- 9.8 The secretary shall take minutes of the meeting. These minutes shall as a rule be adopted at the next meeting. The adopted minutes shall be evidenced by the signatures of the chairman and the secretary. Excerpts of the adopted minutes may be signed and provided by the secretary of the company

Article 10: Resolutions (quorum, voting)

- 10.1 The quorum required for the adoption of valid resolutions by the Supervisory Board shall be determined in compliance with the relevant Articles of the company's Articles of Association.
- 10.2 The Supervisory Board shall adopt resolutions in compliance with the relevant articles of the company's Articles of Association.

Article 11: Conflict of interest

- 11.1 Any form of conflict of interest between the company and the Supervisory Board shall be prevented.

- 11.2 Supervisory Board Directors shall be alert to conflicts of interest and shall in any event refrain from:
- a) competing with the company;
 - b) demanding or accepting substantial gifts from the company for themselves or their spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree;
 - c) providing unjustified advantages to third parties at the company's expense;
 - d) taking advantage of business opportunities to which the company is entitled for themselves or for their spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree;
- 11.3 A conflict of interest may exist if the company intends to enter into a transaction with a legal person:
- a) in which a Supervisory Board Director personally has a material financial interest; or;
 - b) which has a managing director or supervisory board director who is related under family law to a Supervisory Board director.
- 11.4 With regard to a Supervisory Board member if such member of the Supervisory Board has a direct or indirect personal interest that is conflicting with the interest of the company and the business connected therewith. A conflicting interest with regard to a Supervisory Board member is in any case of material importance for the company and/or the Supervisory Board member, if:
- a) the company intends to enter into a transaction with a legal entity:
 - i) in which the member of the Supervisory Board member has a personal and material financial interest,
 - ii) in which a member of the Board of Management has a family relationship with a member of the company's Supervisory Board,
 - iii) in which the Supervisory Board member holds an executive or supervisory position;
 - b) a conflict of interest exists or is deemed to exist under applicable law, including the rules of the stock exchange on which the shares in the company are listed;
 - c) the Supervisory Board has ruled that there is or is deemed to be a conflict of interest.

- 11.5 Each member of the Supervisory Board (other than the chairman) shall report any conflict of interest, whether actual or potential, to the chairman of the Supervisory Board without delay and shall provide all relevant information about that conflict to the Chairman of the Supervisory Board, including information concerning his/her spouse, registered partner or other life companion, foster child or relation by blood or marriage up to the second degree. If the chairman of the Supervisory Board has an actual or potential conflict of interest, he shall advise the vice-chairman of the Supervisory Board accordingly without delay and shall provide all relevant information about that conflict, including information concerning the persons with whom he/she has a family relationship his spouse, registered partner or other life companion, foster child or relation by blood or marriage up to the second degree.
- 11.6 A Supervisory Board member shall not participate in discussions or decision-making about subjects or transactions in which he has a conflict of interest as referred to in this article.
- 11.7 The Supervisory Board shall be responsible for deciding how conflicts of interest relating to the company are to be handled, in the absence of the Supervisory Board Director concerned.
- 11.8 All transactions involving conflicts of interest with Supervisory Board members shall be entered into on the terms customary in the sector.
Resolutions to enter into transactions in which there are conflicts of interest with Supervisory Board members that are of material significance to the company and/or the Supervisory Board member in question shall require the approval of the Supervisory Board. The same applies to transactions the company intends to enter into with a natural person or legal entity holding at least ten percent of the shares in the company.
- 11.9 Article 11.1 applies *mutatis mutandis* to the members of the Board of Management. Each member of the Board of Management shall report any conflict of interest, whether actual or potential, to the Chairman of the Supervisory Board without delay. Any member of the Board Management with an actual or potential conflict of interest shall provide all relevant information on such conflict to the Chairman of the Supervisory Board, including information concerning his/her spouse, registered partner or other life companion, foster child or relation by blood or marriage up to the second degree.
- 11.10 In all cases other than those referred to in Article 11.1 (c) the Supervisory Board shall determine whether a reported conflict of interest, whether actual or potential, involving one or several members of the Board of Management qualifies as such.
All transactions in which there are conflicts of interest involving one or several members of the Board of Management shall be entered into solely on the terms customary in the sector and shall require the approval of the Supervisory Board. If, as a consequence of a conflicting interest with regard to one or more members of the Board of Management, the Board of Management cannot take a decision, that decision is taken by the Supervisory Board.

- 11.11 A conflict of interest with respect to the external auditor of the company shall at all events be deemed to exist if:
- a) the non-audit activities conducted for the company by the external auditor (including at all events marketing, advice with respect to management/management consultancy or information technology) call into question the external auditor's independence with respect to the financial reporting and the auditing thereof;
 - b) if a conflict of interest exists or is deemed to exist under applicable law, including the rules of the stock exchange on which the company's shares are listed;
 - c) the Supervisory Board has ruled that there is or is deemed to be a conflict of interest. The external auditor shall report any conflict of interest or potential conflict of interest as referred to above immediately to the chairman of the Supervisory Board and shall provide all relevant information in respect thereof. In all cases other than those referred to in (c) above, the Supervisory Board shall decide whether a reported conflict of interest or potential conflict of interest qualifies as such to the extent that the appointment of the external auditor needs to be reconsidered or other measures need to be taken in order to eliminate the conflict of interest.
- 11.12 The chairman of the Supervisory Board shall ensure that all transactions involving conflicts of interest are published in the annual report, stating the conflict of interest in question and declaring that the relevant provisions of this article have been observed.

Article 12: Misconduct and irregularities

- 12.1 The Supervisory Board shall be alert to indications of actual or suspected irregularities within the company and its affiliated enterprise.
- 12.2 The Board of Management shall inform the chairman of the Supervisory Board without delay of any signs of actual or suspected material misconduct or irregularities within the company and its affiliated enterprise. If the actual or suspected misconduct or irregularity pertains to the functioning of a member of the Management Board, employees and / or the external auditor can report this directly to the chairman of the supervisory board.
- 12.3 The Supervisory Board monitors the operation of the procedure for reporting actual or suspected misconduct or irregularities, appropriate and independent investigations into signs of misconduct or irregularities, and, if an instance of misconduct or irregularity has been discovered, an adequate follow-up of any recommendation for remedial actions. In order to safeguard the independence of the investigations, in cases where the Board of Management itself is allegedly involved, the Supervisory Board shall have the possibility to initiate its own investigation into signs of misconduct and irregularities and to coordinate such investigation.

Article 13: Information, relationship with the Board of Management and the Executive Committee

- 13.1 The Supervisory Board and its individual members have an independent responsibility to demand any information from the management and the external auditor that the Supervisory Board requires for the proper exercise of its duties as a supervisory body. Where it deems this to be necessary, the Supervisory Board may obtain information from the Executive Committee, other officers and external advisers of the company. The Board of Management shall provide the necessary resources for this purpose. The Supervisory Board may require the Executive Committee, other officers and external advisers of the company to attend its meetings.
- 13.2 The Board of Management shall provide the Supervisory Board in good time with all the information (insofar as possible in writing) on facts and developments relating to the company that the Supervisory Board may need for the proper discharge of its duties.
- 13.3 The Board of Management shall ensure the timely and close involvement of the Supervisory Board in a private takeover bid and / or a substantial change in the structure of the company, which exceeds the threshold referred to in Section 2:107a(1)© of the Dutch Civil Code. In the event that the takeover bid has been announced or submitted, the Board of Management shall discuss forthwith with the Supervisory Board any request they might receive of a third competing bidder to obtain insight in the data of the company. The Supervisory Board shall ensure that the shareholders' interests concerned are carefully weighed and that any conflict of interest for members of the Supervisory Board and / or the Board of Management is prevented. The Supervisory Board shall be guided in its actions by the interest of the company and the business connected with it.
- 13.4 If the Board of Management invokes the response time as referred in best practice provision 4.1.7 of the Corporate Governance Code, the Supervisory Board shall supervise the proper application thereof.
- 13.4 Without prejudice to the above, the Board of Management shall annually and promptly provide the Supervisory Board with a budget for the coming year, a recent version of its long-term plans and the main aspects of its strategic policy, and a statement concerning the general and financial risks, the management and control system of the company and compliance with all relevant legislation and regulations. The Board of Management shall discuss the internal risk management and control systems with the Supervisory Board and the Audit Committee.

Article 14: Relationship with the shareholders

- 14.1 General Meetings shall be held in accordance with the company's Articles of Association. It shall be ensured that such meetings are held at the correct time and that the shareholders are informed by means of an explanation on the agenda of all the relevant facts and circumstances relating to the topics on the agenda. The agenda plus explanatory notes shall be posted on the company website. In the agenda will be noted which issues shall be voted upon and which issues shall be for discussion.

- 14.2 The members of the Board of Management and the Supervisory Board shall attend the General Meetings, unless they are prevented from doing so for valid reasons. In accordance with the company's Articles of Association, the Chairman shall normally chair the General Meeting and decide on the content of the resolutions. The Chairman of the General Meeting is responsible for the proper functioning of the meeting to facilitate a relevant discussion in the meeting. Without prejudice to the provisions of Article 2:13 of the Netherlands Civil Code, the result of a vote, as observed and declared by the Chairman, shall be decisive.
- 14.3 The Board of Management and the Supervisory Board shall provide the General Meeting with all the information requested by it, unless a major company interest or statutory regulation or rule precludes such disclosure. Should a major company interest be invoked against disclosure, a reasoned explanation must be provided.
- 14.4 The Supervisory Board shall treat all shareholders in the same circumstances in an equal manner whilst providing information.
- 14.5 The Board of Management and the Supervisory Board shall be responsible for the corporate governance structure of the company and provide a proper motivation for possible deviations of the principles and best practices, for which they shall render account to the General Meeting. The main aspects of the corporate governance structure shall be set out each year in a separate chapter of the annual report. In that chapter it shall also be mentioned whether the company applies the best practices of the Code and, if not, why. Any substantial modification to the company's corporate governance structure or to compliance with the Code shall be submitted to the General Meeting for discussion as a separate agenda item.

Article 15: Relationship with the Works Council

- 15.1 The Supervisory Board shall draw up a schedule each year for the attendance by one or more of its members of the consultative meetings of the Works Council in conformity with the Act on Works Councils. Those meetings shall discuss the general performance of the company and the proposals as referred to in Section 25 (1) of the Works Councils Act as well as the behavior and culture with the company and its affiliated enterprise. The Supervisory Board may also convene other meetings with the Works Council.
- 15.2 A list of the members of the Supervisory Board who are available to attend meetings of the Works Council at which their participation is not required by law shall be drawn up each year.
- 15.3 The Chairman of the Supervisory Board bears the main responsibility for maintaining and coordinating the contacts with the Works Council.

Article 16: Confidentiality

Each member of the Supervisory Board is required to exercise the necessary discretion in relation to any information and documentation obtained in their capacity as Supervisory Board member and, where confidential information is concerned, to observe confidentiality. Members (including former members) of the Supervisory Board shall not pass on confidential information outside the Supervisory Board or the Board of Management or publicly disclose or otherwise place it at the disposal of third parties, unless the company has published this information or it has been established that it is already in the public domain.

Article 17: *Ad hoc* non-applicability, amendment

17.1 The Supervisory Board may decide on an *ad hoc* basis that these Regulations should not be applied. If this decision also affects the Board of Management, the Supervisory Board shall take the decision in consultation with the Board of Management. Reference shall be made to such a decision in the report of the Supervisory Board.

17.2 The Supervisory Board may resolve to amend these Regulations. Reference shall be made to such a decision in the report of the Supervisory Board.

Article 18: Applicable law and legal forum

18.1 These Regulations are subject to, and must be interpreted by application of, Dutch law.

18.2 The Court of Rotterdam has exclusive competence to take cognizance of any dispute in relation to these Regulations.