

# RULES OF PROCEDURE MANAGEMENT BOARD VION HOLDING N.V.

These regulations (“**Regulations**”) were adopted by the management board (the “**Management Board**”) of Vion Holding N.V. on 27 November 2017 and approved by the Company’s supervisory board (the “**Supervisory Board**”) on 9 February 2018.

## **1 INTRODUCTION; STATUS OF REGULATIONS**

**1.1** These Regulations were drawn up pursuant to Article 15.2 of the Company’s articles of association and serve to supplement the rules and regulations which apply (from time to time) to the Management Board under Dutch law or the Company’s articles of association.

**1.2** For the purpose of these Regulations, the “**Company**” is understood to mean Vion Holding N.V. and, where appropriate, the subsidiaries and any other group companies of Vion Holding N.V. whose financial data is included in the Company’s consolidated financial statements.

**1.3** Where these Regulations are contrary to Dutch law or the Company’s articles of association, these latter will prevail. Where these Regulations are consistent with the articles of association but contrary to Dutch law, Dutch law will prevail. If one of the provisions of these Regulations is not or is no longer valid, this will not affect the validity of the remaining provisions. The Management Board will replace the invalid provisions with valid provisions the effect of which, given their content and purport, will approximate the invalid provisions as closely as possible.

**1.4** By a unanimous resolution, adopted on 27 November 2017, the Management Board declared:

(a) that it would apply, and consider itself bound by obligations of, these Regulations insofar as these apply to the Management Board and its individual members;

(b) that it would ask new members of the Management Board to make a declaration as referred to under (a) above when taking office.

## **2 TASK OF THE MANAGEMENT BOARD**

### **General**

**2.1** The Management Board is responsible for the continuity of the Company and its business. The Management Board must develop a view on the relevance of long-term value creation for the Company and its business and take into account the relevant stakeholder interests.

- 2.2** The members of the Management Board are collectively responsible for the management of the Company, the general affairs of the Company's business and the affairs of group companies affiliated to the Company.
- 2.3** Each Management Board member is accountable to the Management Board for the performance of his duties, and is therefore obliged to report to the Management Board on a regular basis, in such a way that the latter - partly in view of its collective responsibility - obtains proper insight into the performance of duties.
- 2.4** Each Management Board member is authorised to request information from other Management Board members and from employees if he considers this useful or desirable in the context of his collective responsibility for the management of the Company. He must consult the other Management Board members if there is a connection between the discharge of his duties and those of the other members, or if the importance of the subject requires consultation with the other members.
- 2.5** Irrespective of the fact that any Management Board member can represent the company, (i) two signatures, (ii) a prior written statement of agreement from a fellow-member of the Management Board, or (iii) a Management Board resolution to this effect will be required in order to bind the Company or to extinguish any of the Company's rights, if such acts involve an interest in excess of three million Euros (EUR 3,000,000).
- 2.6** In performing its duties, the Management Board must be guided by the interests of the Company and its associated business, weighing up the eligible interests of those involved with the Company (including the shareholders). The Management Board is responsible for the quality of its own performance.
- 2.7** The Management Board's task includes duties such as:
- (a) achieving the Company's objectives;
  - (b) determining strategy with its associated risk profile and the policy that should ensure that the objectives are achieved;
  - (c) the Company's general affairs and results;
  - (d) identifying and managing the risks associated with the business operations;
  - (e) considering the corporate social responsibility issues relevant to the Company;
  - (f) providing properly functioning internal risk management and control systems, and reporting on these in the annual report;
  - (g) overseeing and preparing the financial reporting process, including guaranteeing the quality and completeness of the financial reports to be published;

- (h) closely involving the Supervisory Board in a takeover process, if a takeover bid for the shares or depositary receipts for shares in the Company is being prepared or has been made;
- (i) compliance with the laws and regulations;
- (j) guaranteeing the quality and completeness of the published financial reports;
- (k) compiling the Company's financial statements and preparing the Company's annual budget and major capital investments;
- (l) facilitating the Supervisory Board in the process of nominating an external auditor for the audit of the financial statements; and
- (m) ensuring that internal procedures are established and maintained which safeguard that all relevant information is known to the Management Board and the Supervisory Board in a timely fashion.

## **Risk Management**

- 2.8** The Management Board is responsible for establishing the risk appetite of the Company and also the measures that are put in place in order to counter the risks being taken. Based on a risk assessment, the Management Board designs, implements and maintains adequate internal risk management and control systems.
- 2.9** The Company will use the following instruments in its internal risk management and control system:
- (a) risk analyses of the Company's strategy, activities and the operational and financial objectives ;
  - (b) a code of conduct under which employees of the Company's business can report alleged irregularities of a general, operational or financial nature within the business (the "**Code of Conduct**");
  - (c) handbooks detailing the structuring of financial reporting and the procedures for preparing such reports;
  - (d) a monitoring and reporting system.
- 2.10** At least once a year, the Management Board will monitor the operation of the internal risk management and control systems and will carry out a systematic assessment of the design and effectiveness of the Company's internal risk management and control systems. Such monitoring will cover all material control measures relating to strategic, operational, compliance and reporting risks.
- 2.11** The Management Board, under the supervision of the Supervisory Board, is responsible for setting up and enforcing internal procedures designed to ensure that the Management Board is aware of all important financial information, in

order to guarantee the completeness, correctness and timeliness of external financial reporting. To this end, the Management Board must ensure that it receives the financial information originating from group companies directly, and that the integrity of the information is not jeopardised.

#### **Internal audit department**

- 2.12** The Management Board is responsible for the internal audit department. The duty of the internal audit department is to assess the design and the operation of the internal risk management and control system. Subject to the approval of the Supervisory Board, the Management Board appoints and dismisses the senior internal auditor.
- 2.13** The Management Board assesses the way in which the internal audit department fulfils its responsibility annually, taking into account the audit committee's opinion.
- 2.14** The internal audit plan – drawn up by the internal audit department, involving the Management Board, the audit committee and the external auditor and paying attention to the interaction with the external auditor – must be approved by the Management Board and the Supervisory Board.
- 2.15** The internal audit department reports its audit results to the Management Board and the essence of its audit results to the audit committee and informs the external auditor. The research findings of the internal audit department include, at least, the items listed in best practice provision 1.3.5 of the Dutch Corporate Governance Code.

#### **Strategy and financing**

- 2.16** At least once every three years, the Management Board will formulate a strategy and business plan for the Company and the group companies for the next three (3) years (the “Strategy and Business Plan”). Furthermore, the Management Board will annually formulate the budget for the next year (the “Budget”). The adoption of the Strategy and Business Plan and the Budget is subject to the Supervisory Board’s approval.

#### **Management report**

- 2.17** Among other things, in the management report, the Management Board must:
- (a) give a more detailed explanation of its view on long-term value creation and the strategy for its realisation, as well as describing which contributions were made to long-term value creation in the past financial year; the Management Board reports on both the short-term and long term developments;
  - (b) render account of the items listed in best practice provision 1.4.2 of the Dutch Corporate Governance Code;

- (c) make, with clear substantiation, the statements listed in best practice provision 1.4.3 of the Dutch Corporate Governance Code; and
- (d) explain the values and the way in which they are incorporated in the Company and the effectiveness of, and compliance with, the Code of Conduct.

## **Culture**

**2.18** The Management Board adopts values for the Company that contribute to a culture focused on long-term value creation, and discuss these with the Supervisory Board. The Management Board is responsible for the incorporation and maintenance of the values within the group to which the Company belongs. Attention must be paid to the following, among other things:

- (a) the strategy and the business model;
- (b) the environment in which the Company operates; and
- (c) the existing culture within the Company and whether it is desirable to complement any changes in this.

**2.19** The Management Board encourages behaviour that is in keeping with the values, and propagates these values through leading by example.

**2.20** The Management Board will ensure that employees of the business have the opportunity to make a report under the Code of Conduct without endangering their legal position.

## **Matters requiring Supervisory Board and/or shareholder approval**

**2.21** The Management Board will submit the following to the Supervisory Board for approval:

- (a) the Company's operational and financial objectives;
- (b) the strategy that should ensure that the objectives are achieved;
- (c) the preconditions that apply to the strategy, for instance in respect of the financial ratios;
- (d) the corporate social responsibility issues relevant to the business;
- (e) the resolutions as referred to in Annex 1;
- (f) the appointment or dismissal of the senior internal auditor;
- (g) the audit plan drawn up by the internal audit function.; and
- (h) the appointment of the Company secretary.

The main points of the information referred to under (a) to (d) above will also be set out in the Company's annual report.

**2.22** The Management Board will submit the resolutions listed in Annex 2 to the Company's general meeting of shareholders (the "**General Meeting**") for approval.

**2.23** The Management Board will only appoint and dismiss the Company secretary after this has been approved by the Supervisory Board.

### **3 COMPOSITION, EXPERTISE AND INDEPENDENCE OF THE MANAGEMENT BOARD**

**3.1** The Management Board is composed such that the requisite expertise, background and competencies are present for the Management Board members to carry out their duties properly, thereby also taking into account the diversity policy of the Company. The size of the Management Board reflects these requirements.

**3.2** The Management Board will consist of the number of members determined in accordance with the Company's articles of association.

**3.3** In the absence of a Management Board member, his duties and powers will be exercised by a member designated by the Management Board. In the event of long-term absence / an absence lasting more than four weeks, the Supervisory Board will be notified of this.

**3.4** The Management Board has a chairman who sees to the proper functioning of the Management Board as a whole. Furthermore, the Management Board will have a member who is specifically responsible for the Company's financial affairs.

**3.5** The Management Board will carry out its duties independently and will not be bound by instructions from third parties outside the Company.

**3.6** A Management Board member will not sit on the board of a trust office that holds and administers the shares in the Company's capital in trust. A former member of the Management Board will not hold a position on the board of such a trust office either.

### **4 DIVISION OF DUTIES WITHIN THE MANAGEMENT BOARD**

**4.1** The members of the Management Board may divide the duties amongst themselves in joint consultation. The division of duties will require the prior approval of the Supervisory Board.

**4.2** The Management Board will remain collectively responsible for resolutions, even if these have been prepared by individual members. An individual member of the Management Board will only have those powers that have been explicitly allocated or delegated to him/her; an individual member's powers will never exceed those of the Management Board as a whole.

## 5 CEO

5.1 The Supervisory Board may appoint one of the Management Board members as chairman and Chief Executive Officer (CEO) if the Management Board has more than one member.

5.2 In addition to coordinating the Management Board's policy, the CEO will be primarily responsible within the Management Board for:

- (a) the daily affairs of the Company's management and the efficient functioning of the Management Board and the executive committee of the Company (the "**Executive Committee**");
- (b) the development of the Strategy and Business Plan and the Budget, and their short-term and long-term implementation;
- (c) the Company's culture;
- (d) the Company's overall performance;
- (e) maintaining the Company's high standards of corporate social responsibility;
- (f) supporting the other Management Board members and providing mediation in the event of differences of opinion between those members;
- (g) ensuring that there is more than sufficient time for seeking advice, consultation and the other aspects of preparing the adoption of resolutions at Management Board meetings and the reports of those meetings, and supervising the implementation of the resolutions adopted;
- (h) presiding over Management Board meetings;
- (i) ensuring that the Management Board members are provided adequately and in good time with the information they need in order to perform their duties properly;
- (j) preparing the adoption of resolutions at the Management Board's meetings with the boards of group companies and with the heads of the designated staff departments, and preparing the reports of those meetings;
- (k) maintaining intensive and frequent contact with the Supervisory Board, in particular with its chairman, and informing the other Management Board members accurately and in good time about the outcome of this contact;
- (l) receiving and deciding on notifications made by Company employees of alleged irregularities of a general, operational or financial nature within the Company, insofar as the Company's regulations on reporting

irregularities do not provide that such notifications by employees must be made to the chairman of the Supervisory Board or to another officer designated for that purpose by the chairman of the Management Board;

- (m) ensuring that the Supervisory Board and its individual members are provided adequately and in good time with the information they need in order to perform their duties properly;
- (n) cooperating in the Supervisory Board's evaluation and assessment of the performance of the individual Management Board members and the size and composition of the Management Board.

**5.3** The CEO chairs the Executive Committee.

## **6 CFO**

**6.1** The Management Board will appoint one of its members as Chief Financial Officer (CFO), subject to the Supervisory Board's approval.

**6.2** Within the Management Board, the CFO will be primarily responsible for:

- (a) guaranteeing the financial reliability of all the plans developed under the Management Board's direction;
- (b) the Company's financing, and the formulation and communication of the Company's financial strategy;
- (c) the Company's tax planning;
- (d) heading the Company's financial department (including treasury) and acting as the Company's financial spokesperson;
- (e) monitoring and guaranteeing the integrity of the Company's financial data;
- (f) reporting on the Company's financial results;
- (g) the qualifications, independence and remuneration of the external auditor and the non-audit services which the latter provides to the Company (without prejudice to the audit committee's responsibilities in this respect);
- (h) the performance of the Company's internal control function and of the external auditor;
- (i) the internal control system (involving aspects such as the effectiveness of the internal risk management and control systems);
- (j) compliance by the Company with all relevant primary and secondary legislation and all relevant codes of conduct; and



- (k) compliance by the Company with the recommendations made by the external auditor and the Company's internal control function.

## **7 EXECUTIVE COMMITTEE**

**7.1** The Management Board is supported by the Executive Committee for achieving the Company's objectives and implementing the strategic objectives as laid down in the Strategy and Business Plan. The Executive Committee comprises the CEO, the CFO and the COOs of the divisions, and any other persons designated by the Management Board.

**7.2** The Management Board explains in its management report:

- (i) the choice to work with an Executive Committee;
- (ii) the role, duty and composition of the Executive Committee; and
- (iii) how the contacts between the Supervisory Board and the Executive Committee have been given shape.

**7.3** The Management Board will inform the Supervisory Board about the remuneration of the members of the Executive Committee who are not Management Board Members and will discuss this remuneration with the Supervisory Board annually.

## **8 APPOINTMENT, REAPPOINTMENT, TERM OF OFFICE AND RETIREMENT**

**8.1** Management Board members are appointed for an indefinite period in the manner provided for in the articles of association.

**8.2** Management positions at group companies of the Company are positions derived from Management Board membership and are therefore subject to the provisions of these Regulations.

**8.3** A Management Board member may hold a supervisory directorship (supervisory position) at no more than two businesses which are classified as "large enterprises" within the meaning of Sections 2:132a and 2:397(1) and (2) of the Dutch Civil Code (*Burgerlijk Wetboek*). A Management Board member may not be the chairman of the supervisory board or one-tier board of such a "large enterprise".

**8.4** Management Board members may only put themselves forward as candidates for significant ancillary positions (which do not in any case include unpaid positions at local sports associations, social clubs, charities and schools) at companies other than group companies with the prior approval of the Supervisory Board. These positions may not conflict with the Company's interests.

**8.5** Management Board members will retire early in the event of unsatisfactory performance, structural differences of opinion, incompatibility of interests or whenever the Supervisory Board deems this necessary for other reasons.

## **9 REMUNERATION**

- 9.1** The remuneration of the Management Board members will be determined by the Supervisory Board in accordance with the Company's remuneration policy as adopted by the General Meeting.
- 9.2** The Company may not issue any personal loans, guarantees and suchlike to members of the Management Board, unless this is done in the context of normal business operations and on the conditions applicable to all personnel, which will then require the Supervisory Board's approval. Loans will not be waived.
- 9.3** The Supervisory Board is authorised to adjust the value of a conditional variable remuneration component awarded to a Management Board member in a previous financial year either upwards or downwards, if it believes that the component in question is unfair due to extraordinary circumstances in the period during which the predetermined performance criteria were or should have been met.
- 9.4** The Supervisory Board is authorised to reclaim any variable remuneration amounts that were awarded to a Management Board member based on incorrect data, of a financial or other nature, from the member concerned.

## **10 EVALUATION**

- 10.1** The Supervisory Board chairman is the main contact on behalf of the Supervisory Board regarding the performance of the Management Board members.
- 10.2** The Management Board regularly, and at least annually, evaluates its own and its members' performance.

## **11 MANAGEMENT BOARD MEETINGS (AGENDA, CONFERENCE CALLS, PARTICIPATION, REPORT), ADOPTION OF RESOLUTIONS**

- 11.1** Where possible, the Management Board will meet at least once every two weeks and furthermore as often as one or more of its members considers it necessary. Although, as a rule, the meetings will be held at the Company's offices, they may also be held elsewhere. Meetings may also be held by telephone or video conferencing, provided that all the participating members can hear each other simultaneously.
- 11.2** The meeting will choose its own chairman. Meetings are presided over by the chairman or, in the chairman's absence, by his deputy. If the Supervisory Board has appointed a chairman, the latter will preside over the meeting.
- 11.3** Any Management Board member may convene a meeting.
- 11.4** The Board member convening the meeting will set the agenda for that meeting. Any other Management Board member may submit agenda items to the Management Board member convening the meeting for discussion at the

meeting. An item for discussion which was not submitted on time, or is insufficiently supported by documentation, will not be placed on the agenda.

- 11.5** Urgent matters may be discussed immediately, or discussed at an extra meeting, at the request of any Management Board member and with the agreement of the majority of the other Management Board members.
- 11.6** The voting members of the Management Board are obliged to attend the Management Board meetings. Insofar as they are unable to attend, and insofar as the report requires an explanation, the chairman of the meeting will inform them of the resolutions adopted and discussions held at the meeting concerned.
- 11.7** The Management Board can only adopt resolutions if at least the majority of the voting members are present. If there is no majority at two successive meetings, the chairman of the second meeting will consult the absent voting members of the Management Board, by telephone, video conferencing, email or fax, if he believes that a resolution needs to be adopted.
- 11.8** Resolutions may also be adopted outside a meeting, provided that all the voting members of the Management Board have voted in favour of the motion in writing.
- 11.9** Where possible, resolutions are adopted unanimously. If this is not possible, the resolution will be adopted by a majority of the votes cast. If the votes are tied, the chairman of the Management Board will have the casting vote.
- 11.10** If there is insufficient agreement on particular subjects at a meeting, the chairman of the Management Board may refer the relevant agenda item back for further deliberation.
- 11.11** As a rule, the report of the Management Board meeting will be adopted at the next meeting. The chairman of the Management Board will sign the report in evidence of its adoption. The adopted report will serve as evidence of the proceedings. A copy of the report will be sent to the chairman of the Supervisory Board.

## **12 CONFLICTING INTEREST**

- 12.1** Any conflict of interest between the Company and the Management Board members should be prevented.

Management Board members must be alert to conflicts of interest and may not:

- (a) compete with the Company;
- (b) demand or accept 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) provide unjustified advantages to third parties at the Company's expense;

- (d) take advantage of business opportunities that the Company is entitled to, 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.

**12.2** For the purpose of this clause 12, a "**Conflicting Interest**" means:

- (a) a direct or indirect personal conflict of interest within the meaning of article 2:129(6) Dutch Civil Code; and
- (b) any other situation which causes reasonable doubt about whether the Management Board member concerned is primarily guided in the decision-making process by the interests of the Company and its business.

**12.3** A Management Board member will not take part in the discussion of and is not entitled to vote on a subject or transaction whereby he has a Conflicting Interest or whereby he has a potential Conflicting Interest. The terms under which such a transaction may then be entered into must at least be those that are customary in the sector concerned, and will require the Supervisory Board's approval. If the above provisions prevent the Management Board from adopting a resolution, the resolution will be adopted by the Supervisory Board.

**12.4** A Conflicting Interest in respect of a Management Board member will exist in any case if:

- (a) the Company proposes to enter into a transaction with a legal person in which the Management Board member personally holds a material financial interest;
- (b) the Company proposes to enter into a transaction with a legal person where a member of the management board of that legal person has a family relationship with one of the Company's Management Board members; or
- (c) the chairman of the Supervisory Board has ruled that a Conflicting Interest exists or is deemed to exist.

**12.5** Each Management Board member must immediately report any (potential) Conflicting Interest to the chairman of the Supervisory Board and the other members of the Management Board. Each Management Board member who has a (potential) Conflicting Interest must provide the chairman of the Supervisory Board and the other members of the Management Board with all relevant information about this, including any relevant information concerning his or her spouse, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree. The Supervisory Board will decide whether a reported (potential) Conflicting Interest is a Conflicting Interest to which Article 12.3 applies, without the Management Board member being present.

**12.6** The chairman of the Supervisory Board will see to it that the transactions referred to in Article 12 are published in the Management Board's annual report, which will specify the Conflicting Interest and state that this Article 12 has been observed.

### **13 COMPLAINTS, NOTIFICATION OF IRREGULARITIES**

**13.1** The Management Board will see to the receipt, recording and handling of complaints received by the Company in respect of the financial reporting, the internal risk management and control systems and the audit.

**13.2** The Management Board will ensure that Company employees have the opportunity, without endangering their legal position, to report alleged irregularities of a general, operational or financial nature within the Company to the chairman of the Management Board or an officer designated by the chairman, or, if it involves the performance of Management Board members, to the chairman of the Supervisory Board.

### **14 INFORMATION, RELATIONSHIP WITH THE SUPERVISORY BOARD**

**14.1** The Management Board will provide the Supervisory Board in good time (and where possible in writing) with all information about the facts and developments concerning the Company which the Supervisory Board may require in order to fulfil its duties properly.

**14.2** The Management Board will provide a report to the Supervisory Board three times a year, drawn up in a format to be agreed from time to time, which contains information about the general affairs and gives a forecast of the results for the current year.

**14.3** Without prejudice to the foregoing, the Management Board will each year provide the Supervisory Board with a budget for the coming year, a recent version of its long-term plans and the main features of the Company's strategic policy, general and financial risks and the risk management and control system. These documents will be provided in good time, so as to enable the Supervisory Board to approve them by December of the current year at the latest.

### **15 RELATIONSHIP WITH THE SHAREHOLDER**

**15.1** The Management Board members will, together with the chairman and vice-chairman of the Supervisory Board, attend the general meetings of shareholders, unless they are unable to attend for valid reasons or the General Meeting has stated that it wants to meet without the Management Board or one of its members being present.

**15.2** The Management Board will provide the General Meeting with all information requested, unless such disclosure is incompatible with compelling interests of the Company or with a legal provision or rule of law. If the Management Board relies on such a compelling interest, it will explain this in explicit terms.

- 15.3** The Management Board and the Supervisory Board are responsible for the Company's corporate governance structure and render account for this to the General Meeting, whereby any derogations from the provisions are properly substantiated.

## **16 RELATIONSHIP WITH THE WORKS COUNCIL**

If a proposal of the Management Board requires the approval of the Supervisory Board as well as a recommendation from the (central) works council, the proposal will first be submitted for approval to the Supervisory Board. If the Supervisory Board's approval is obtained, it will be deemed to have been granted under the condition of a positive or non-negative recommendation from the (central) works council.

## **17 CONFIDENTIALITY**

Each Management Board member is obliged to exercise the necessary discretion and integrity in respect of all information and documentation obtained in the context of his membership, and to observe secrecy in respect of confidential information. Members and former members of the Management Board will not take confidential information away from the Management Board or Supervisory Board, disclose it to the public or make it available to third parties in other ways, unless the Company has disclosed this information or it has been established that this information is already in the public domain.

## **18 INCIDENTAL INAPPLICABILITY, AMENDMENT**

- 18.1** Without prejudice to the provisions of Article 1.3, the Management Board, with the Supervisory Board's approval, may decide by resolution not to apply these Regulations on an incidental basis.
- 18.2** Without prejudice to the provisions of Article 1.3, the Management Board may amend these Regulations by resolution with the prior approval of the Supervisory Board. Such resolution will be mentioned in the Management Board's annual report.

## **19 APPLICABLE LAW**

These Regulations are governed by, and must be interpreted in accordance with, Dutch law.

## **Annex 1      Resolutions requiring the Supervisory Board's approval**

The following resolutions of the Management Board require the approval of the Company's Supervisory Board:

- (a) a proposal to amend the Company's articles of association;
- (b) a proposal to change the Company's legal form;
- (c) a proposal for a resolution to dissolve the Company;
- (d) a proposal to file a winding-up petition and to apply for a moratorium for the Company;
- (e) a proposal to reduce the Company's issued capital;
- (f) a proposal to issue shares, to acquire shares or to issue debt securities;
- (g) an application for a listing on a stock exchange;
- (h) a proposal to appropriate the profits after the end of the financial year, or a proposal to distribute an interim dividend;
- (i) an issue of options or profit entitlements, or a proposal to this effect, unless this involves options or profit entitlements that are issued to group companies or in the context of an employee remuneration programme;
- (j) the adoption of the Company's Strategy and Business Plan and the amendments to this plan;
- (k) capital expenditure (CAPEX) which exceeds an amount of one million Euros (EUR 1,000,000);
- (l) entering into transactions with the Company's shareholder, including shareholder financing;
- (m) contracting loans and debts outside the Company's normal business operations, including payment terms agreed with suppliers;
- (n) extensive internal legal restructuring within the group to which the Company belongs;
- (o) a major change to the working conditions of a significant number of employees working for the Company or a subsidiary;
- (p) a material change to the identity or nature of the Company's business that exceeds a financial interest of one million Euros (EUR 1,000,000), which includes:
  - (i) the purchase, sale or transfer of material activities outside the group to which the Company belongs;

- (ii) the purchase, sale or transfer of a material participating interest of the Company;
- (iii) the purchase or sale of activities falling outside the core activities of the group to which the Company belongs;
- (iv) entering into or terminating material collaboration agreements or other agreements, including joint ventures;
- (v) a merger or demerger which involves the Company;
- (q) entering into or terminating a long-term collaboration between the Company or a subsidiary and another legal person or company, or as a fully liable partner in a general partnership or limited partnership, if this collaboration or its termination is of major significance to the Company;
- (r) the acquisition by the Company or a subsidiary of a participating interest equivalent to at least one quarter of the amount of the issued capital and the reserves, according to the Company's balance sheet and explanatory notes, in the capital of another company, as well as a significant increase or decrease in such participating interest; and
- (s) the exercise of the voting right attached to shares held by the Company, but only insofar as this relates to the appointment, suspension or dismissal of one or more Management Board members, or a proposal to this effect.



## **Annex 2        Resolutions requiring the General Meeting's approval**

The Management Board will submit the following resolutions to the General Meeting for approval:

- (a) a proposal to amend the Company's articles of association;
- (b) a proposal to change the Company's legal form;
- (c) a proposal for a resolution to dissolve the Company;
- (d) a proposal to file a winding-up petition and to apply for a moratorium for the Company;
- (e) a material change to the identity or nature of the Company's business that exceeds a financial interest of ten million Euros (EUR 10,000,000), which includes:
  - (i) the purchase, sale or transfer of material activities outside the group to which the Company belongs;
  - (ii) the purchase, sale or transfer of a material participating interest of the Company;
  - (iii) the purchase or sale of activities falling outside the core activities of the group to which the Company belongs;
  - (iv) entering into or terminating material collaboration agreements or other agreements, including joint ventures;
  - (v) a merger or demerger which involves the Company;
- (f) entering into transactions with the Company's shareholder, including shareholder financing;
- (g) a proposal to reduce the Company's issued capital;
- (h) a proposal to issue shares, to acquire shares or to issue debt securities;
- (i) an application for a listing on the stock exchange;
- (j) a proposal to appropriate the profits after the end of the financial year, or a proposal to distribute an interim dividend;
- (k) an issue of options or profit entitlements, or a proposal to this effect, unless this involves options or profit entitlements that are issued to group companies or in the context of an employee remuneration programme.