

## Management Board rules Aalberts Industries N.V. governing the internal proceedings of the Management Board

### 1 appointment

#### 1.1 appointment term

- 1.1.1 Members of the management board (“**Management Board**”) of Aalberts Industries N.V. (the “**Company**”) are appointed for a period ending no later than after the end of the first general meeting that is held after four years have lapsed since their appointment. A member of the Management Board (“**Managing Director**”) may be reappointed for a term of not more than four years at a time, with due observance of the provision in the previous sentence.

### 2 responsibilities and division of duties

#### 2.1 responsibilities and division of duties

- 2.1.1 The Management Board may allocate its duties amongst the Managing Directors and shall periodically inform the supervisory board of the Company (the “**Supervisory Board**”) thereof.

#### 2.2 Chief Executive Officer (CEO) and Chairman

- 2.2.1 In the event the Management Board consist of more than one Managing Director, the Supervisory Board appoints one of the Managing Directors as “Chief Executive Officer” (the “**CEO**”).
- 2.2.2 The CEO acts as chairman of the Management Board (the “**Chairman**”).
- 2.2.3 If the CEO position is vacant (*ontstentenis*) or the CEO is unable to act (*belet*), the Supervisory Board may appoint one of the other Managing Directors to temporarily perform the duties of the CEO, and the same or another Managing Director to perform the duties of Chairman as set out in these rules.

#### 2.3 Chief Financial Officer (CFO)

- 2.3.1 The Supervisory Board appoints one of the Managing Directors as “Chief Financial Officer” (the “**CFO**”).
- 2.3.2 If the CFO position is vacant (*ontstentenis*) or the CFO is unable to act (*belet*), the Supervisory Board may appoint one of the other Managing Directors to temporarily perform the duties of CFO.

### 3 meetings of the Management board and decision-making

#### 3.1 convening meetings and agenda

- 3.1.1 Meetings are held at the Company’s offices or elsewhere in accordance with a meeting schedule to be set by the Management Board and which schedule can be amended from time to time. Additional meetings are convened at any Managing Director’s request.
- 3.1.2 Meetings are convened in a timely manner by the Chairman or, if the Chairman position is vacant (*ontstentenis*) or if the Chairman is unable to act (*belet*), any Managing Director. The notice sets out the meeting agenda.

#### 3.2 Chairman and attendance

- 3.2.1 The Chairman chairs the meetings. If the Chairman is not present at a meeting and has not appointed another Managing Director as chairman of that meeting, the Managing Directors present at the meeting will appoint one of them as chairman of that meeting.

- 3.2.2 A Managing Director may only be represented at a meeting by another Managing Director holding a proxy in writing. In writing means in these rules in writing or by other reproducible electronic communication.
- 3.2.3 Meetings may also be held by telephone or other electronic means, provided that all participants can communicate simultaneously. Managing Directors attending the meeting by telephone or other electronic means are considered present at the meeting.

### **3.3 adoption of resolution**

- 3.3.1 Each Managing Director who is entitled to vote has one vote. In the event the Management Board consists of more than one Managing Director and the Supervisory Board has appointed one of the Managing Directors as CEO, the CEO - if he is entitled to vote - may cast as many votes as the other Managing Directors who are entitled to vote jointly.
- 3.3.2 Where possible, the Management Board adopts its resolutions by unanimous vote, of all votes which may be cast by all members of the Management Board in office who are entitled to vote. If this is not possible, the resolution is adopted by a majority of votes cast which may be cast by all members of the Management Board in office who are entitled to vote. In the event of a tie, the Supervisory Board decides.
- 3.3.3 The chairman of the meeting ensures that adopted resolutions are made available to Managing Directors not present at the meeting.
- 3.3.4 In addition to Management Board resolutions that are subject to Supervisory Board approval pursuant to law, the Articles of Association or these Management Board rules, the Management Board requires the Supervisory Board's approval for resolutions:
  - a. to appoint or dismiss the director internal audit;
  - b. to approve the audit plan drawn up by the internal audit function;
  - c. to grant personal loans, guarantees or the like, unless in the normal course of business and on terms applicable to the personnel as a whole;
  - d. to enter into a formal transaction with a legal entity or natural person holding at least ten percent (10%) of the Company's shares.
- 3.3.5 The Supervisory Board may from time to time amend the list of resolutions that require approval as set forth in this clause, provided that the amendments are clearly specified and have been brought to the attention of the Management Board in writing.

### **3.4 meeting minutes and evidence of adopted resolutions**

- 3.4.1 The Management Board may designate a person as the meeting secretary to prepare the meeting minutes. The minutes are adopted by the chairman and secretary of the particular meeting (if designated) and circulated to the Managing Directors present or represented at that meeting.
- 3.4.2 Resolutions adopted at a specific meeting can be evidenced by a statement signed by the chairman and the secretary of that meeting (if designated).

### **3.5 adopting resolutions without holding a meeting**

- 3.5.1 The Management Board may also adopt formal resolutions without holding a meeting, provided that:
  - a. all Managing Directors entitled to vote have been consulted; and
  - b. none of them has declared to be against this manner of decision-making.
- 3.5.2 Such resolutions without holding a meeting must be laid down in writing and made available to the Managing Directors.
- 3.5.3 Clauses 3.3.1 and 3.3.2 apply to adopting resolutions without holding a meeting.

## 4 Company Secretary

### 4.1 appointment and dismissal

4.1.1 Subject to the Supervisory Board's approval, the Management Board may appoint and dismiss a company secretary (the "**Company Secretary**"). The Supervisory Board may recommend the appointment or dismissal of a Company Secretary to the Management Board.

### 4.2 duties and responsibilities

4.2.1 If appointed, the Company Secretary assists the Supervisory Board and the Management Board. The Company Secretary ensures that the proper procedures as required by law, the articles of association of the Company (the "**Articles of Association**") or these rules are complied with. The Company Secretary assists the Chairman in organising Supervisory Board meetings.

## 5 conflicts of interest

### 5.1 preventing conflicts of interest

5.1.1 Any conflict of interest between the Company and Managing Directors should be prevented.

5.1.2 Managing Directors 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; and
- 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.

### 5.2 definition

5.2.1 For the purpose of clauses 5.2 up to and including 5.6, a "conflict of interest" means:

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

5.2.2 A Managing Director has a potential conflict of interest if the Company intends to enter into a transaction with a legal entity:

- a. in which that Managing Director has a material financial interest;
- b. whose management or supervisory board includes a member who has a family law relationship with that Managing Director; or
- c. where that Managing Director has a management or supervisory position.

### 5.3 consequences

5.3.1 A Managing Director shall not participate in the Management Board's deliberations and decision-making process on a subject where the Managing Director is found to have a conflict of interest pursuant to clause 5.5.1. The Managing Director does not qualify as a Managing Director entitled to vote in relation to that subject.

### 5.4 obligation to report

5.4.1 A Managing Director must without delay report any conflict of interest or potential conflict of interest to the chairman of the Supervisory Board and to the other Managing Directors. The Managing Director must provide all relevant information, 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.

## **5.5 determination of conflicts of interest**

- 5.5.1 The Supervisory Board decides whether a Managing Director has a conflict of interest, without the Managing Director being present.
- 5.5.2 The chairman of the Supervisory Board shall determine the course of action to be taken in case a Managing Director is found to have a conflict of interest.

## **5.6 at arm's length. Supervisory Board approval**

- 5.6.1 Management Board resolutions on a subject where the Supervisory Board has found one or more Managing Directors or Supervisory Directors to have a conflict of interest:
  - a. may only be adopted if the Company enters into the transaction on terms that are customary in the market; and
  - b. require the Supervisory Board's approval.

# 6 evaluation of Managing Directors

## **6.1 evaluation**

- 6.1.1 The Supervisory Board chairman is the main contact on behalf of the Supervisory Board regarding the performance of the Managing Directors.
- 6.1.2 The Management Board annually evaluates its own performance and the performance of each Managing Director.

# 7 positions outside the Company

## **7.1 positions outside the Company**

- 7.1.1 Managing Directors must inform the Supervisory Board before accepting positions outside the Company.
- 7.1.2 Managing Directors may not accept a position as a supervisory board member or non-executive director of another company without the Supervisory Board's prior approval.

# 8 confidentiality

## **8.1 confidentiality**

- 8.1.1 Each Managing Director must treat all information and documentation obtained in connection with his or her position as Managing Director with the necessary discretion, integrity and confidentiality. This provision remains applicable to a Managing Director after his appointment as Managing Director ends.

# 9 miscellaneous

## **9.1 compliance with these rules. amendment of these rules**

- 9.1.1 On 14 December 2017, all members of the Management Board declared that:
  - a. they will comply with and be bound by the obligations arising from these rules and by the obligations arising from the rules governing the internal proceedings of the Supervisory Board, to the extent that they apply to the Management Board and its members;
  - b. they will comply with the Code of Conduct and act in accordance with the values of the Company;
  - c. they will cause newly appointed members of the Management Board to issue a declaration as referred to in subparagraphs (a) and (b);
  - d. all members of the Management Board will issue a new declaration as referred to in subparagraphs (a) and (b) if these rules or the Code of Conduct have been amended.
- 9.1.2 Subject to the Supervisory Board's approval, the Management Board may occasionally resolve not to comply with these rules.
- 9.1.3 Subject to the Supervisory Board's approval, the Management Board may amend these rules.

**9.2 governing law and jurisdiction**

9.2.1 These rules are governed exclusively by Dutch law.

9.2.2 Any disputes arising out of or in connection with these rules, including disputes concerning their applicability, will be resolved by the courts in Utrecht, the Netherlands.

9.2.3 If any provision of these rules is held to be or becomes invalid (in each case, either in its entirety or in part) that provision will, to the extent of its invalidity, be deemed not to form part of these rules, but the validity of the remainder of these rules will not be affected.

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Effective as of 14 December 2017