

**JUBII EUROPE N.V.**

**BY-LAWS MANAGEMENT BOARD**

as amended on 16 May 2018

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## INTRODUCTION

- 0.1 These By-Laws are established pursuant to article 19 of the Company's articles of association.
- 0.2 These By-Laws are complementary to the provisions regarding the Management Board and the Management Board member contained in applicable law and regulation, the articles of association of the Company and the rules pertaining to the relationship between the Supervisory Board and the Management Board contained in the By-Laws of the Supervisory Board.
- 0.3 These By-Laws are posted on the Company's website.
- 0.4 The meaning of certain capitalised or uncapitalised terms used in these By-Laws are set forth in the List of Definitions attached as **Annex 1**.

## CHAPTER I

### COMPOSITION OF THE MANAGEMENT BOARD; POSITIONS

#### 1. Composition; Division of Tasks

- 1.1 Members of the Management Board are appointed by the General Meeting of Shareholders in accordance with article 18 of the Company's articles of association.
- 1.2 Currently the Management Board consists of one member and there is no intention to appoint a second member. If and when a second member is appointed, the appointment is made in accordance with the diversity policy drawn up by the Supervisory Board with regard to the composition of the Management Board. The diversity policy addresses the concrete targets relating to diversity and the diversity aspects relevant to the Company, such as nationality, age, gender and background of education and professional experience.<sup>1</sup>
- 1.3 Management Board members shall retire periodically in accordance with a rotation plan to be drawn up by the Supervisory Board in order to avoid as much as possible the situation in which many Management Board members retire at the same time. The Supervisory Board may at any time amend the rotation plan. Amendments to the rotation plan, however, do not entail that a sitting member of the Management Board remains in office for a longer period than he was appointed for, or that he retires against his will before his term has expired. The rotation plan is made available on written demand to the Company (for the attention of the Company Secretary) and is posted on the Company's website.
- 1.4 Notwithstanding the first sentence of clause 1.2, The number of Management Board members is determined by the General Meeting of Shareholders in accordance with article 18 of the Company's articles of association.
- 1.5 A Management Board member shall retire early in the event of inadequate functioning, structural incompatibility of interests and in other instances in which this is deemed

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<sup>1</sup> Dutch Corporate Governance Code 2016, best practice provision 2.1.5

necessary by the Supervisory Board.<sup>2</sup>

- 1.6 In the event that the Management Board consists of two or more members, the individual members of the Management Board may be charged with specific parts of the managerial tasks, without prejudice to the collective responsibility of the Management Board as a whole. The Management Board remains collectively responsible for decisions, even if they are prepared by individual members of the Management Board. An individual member of the Management Board may only exercise such powers as are explicitly attributed or delegated to him and he may never exercise powers beyond those exercisable by the Management Board as a whole.

## CHAPTER II

### DUTIES AND POWERS

#### 2. General Duties and Powers

- 2.1 Subject to the limitations contained herein, in the By-laws of the Supervisory Board, in the Company's articles of association or in applicable laws or regulation the Management Board is charged with the management of the Company and coordinates the management of its Subsidiaries, which means, among other things, that it is responsible for the setting and achieving of the Company's objectives, strategy and policies, as well as the ensuing delivery of results, taking the long-term value creation into account to the extent relevant and possible for the Company. The Management Board is accountable for these matters to the Supervisory Board and the General Meeting of Shareholders. The responsibility for the management of the Company is vested collectively in the Management Board. The Supervisory Board monitors the Management Board in this.
- 2.2 The Management Board is responsible for compliance with all relevant laws and regulations, for managing the risks attached to the Company's activities and for financing the Company. The Management Board reports on these issues and discusses the internal risk management and control systems with the Supervisory Board.
- 2.3 When discharging its duties the Management Board shall act in accordance with the interests of the Company and the business connected with it, taking into consideration the interests of the Company's stakeholders.
- 2.4 The Management Board is itself responsible for the quality of its performance.
- 2.5 Without prejudice to any limitations following from the Company's articles of association (including but not limited to rules contained therein regarding the nomination of Management Board members and Supervisory Board members), the Management Board is, together with the Supervisory Board, responsible for the corporate governance structure of the Company and compliance with the Dutch Corporate Governance Code.
- 2.6 The Management Board informs the chairman of the Supervisory Board without delay of signs of actual (or suspected) material misconduct or irregularities within the Company and its affiliated enterprise.<sup>3</sup>
- 2.7 The Management Board shall ensure that employees have the possibility of reporting alleged irregularities of a general, operational and financial nature in the Company to the

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<sup>2</sup> Dutch Corporate Governance Code 2016, best practice provision 2.2.3

<sup>3</sup> Dutch Corporate Governance Code 2016, best practice provisions 2.6.1 and 2.6.2

member of the Management Board or an officer designated thereto, without jeopardizing their legal position. Alleged irregularities concerning the functioning of Management Board member are reported to the Chairman of the Supervisory Board.

- 2.8 All transactions between the Company and individuals or legal entities who hold at least 10% of the shares in the Company must be agreed on terms that are customary in the market. Decisions to enter into transactions in which there are conflicts of interest with such persons that are of material significance to the Company and/or to such persons require the approval of the Supervisory Board.<sup>4</sup>
- 2.9 At least once a year the Management Board itself shall evaluate the functioning of the Management Board.<sup>5</sup>

### **3. Strategy and Risks**

- 3.1 The Management Board shall formulate a strategy, taking into account the strategy's implementation and feasibility, the business model applied by the Company and the market in which the Company and its affiliated enterprise operate, opportunities and risks for the Company, the interests of the stakeholders and any other aspects relevant to the Company and its affiliated enterprise, such as the environment, social and employee-related matters, the chain within which the enterprise operates, respect for human rights, and fighting corruption and bribery.
- 3.2 The Management Board shall engage the Supervisory Board at an early stage in formulating the strategy, and renders account to the Supervisory Board of the strategy and the explanatory notes to that strategy.<sup>6</sup>
- 3.3 The Management Board shall identify and analyse the risks associated with the Company's strategy and activities and its affiliated enterprise. It is responsible for establishing the risk appetite, and also the measures that are put in place in order to counter the risks being taken. Based on the risk assessment, the Management Board shall design, implement and maintain adequate internal risk management and control systems.

### **4. Financial Reporting; Annual Accounts and Report of the Management Board**

- 4.1 The Management Board is responsible for establishing and maintaining internal procedures that ensure that all major financial information is known to the Management Board, so that the timeliness, completeness and accuracy of the external financial reporting are assured. For this purpose the Management Board shall ensure that financial information from business divisions and/or subsidiaries is reported directly to itself and that the integrity of that information is not compromised.
- 4.2 The Management Board is responsible for the quality and completeness of publicly disclosed financial reports.
- 4.3 The Management Board shall prepare half-yearly figures that will be discussed at the first meeting of the Supervisory Board thereafter.
- 4.4 Annually, the Management Board shall submit the Report of the Management Board and the Annual Accounts together with the required additional information to the Supervisory Board for discussion. The Management Board shall release the Report of the Management Board and the Annual Accounts within four months of the end of the financial year.

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<sup>4</sup> Dutch Corporate Governance Code 2016, best practice provision 2.7.5

<sup>5</sup> Dutch Corporate Governance Code 2016, best practice provision 2.2.7

<sup>6</sup> Dutch Corporate Governance Code, best practice provision 1.1.2.

- 4.5 The Management Board shall ensure that the information listed in **Annex 2** are included in the Report of the Management Board.

## **5. Relation with the External Auditor**

- 5.1 The Management Board shall ensure that the External Auditor can properly perform his audit work, and it shall encourage both the External Auditor and the Company to properly perform and pursue the role and the policy of the Company regarding the External Auditor, as provided for by agreement with the External Auditor, these By-Laws and the By-Laws of the Supervisory Board.
- 5.2 The Management Board and the Supervisory Board maintain on regular basis contact with the External Auditor. In its contact with the External Auditor the Management Board discusses at least the draft audit plan before presenting it to the Supervisory Board.<sup>7</sup> The Management Board ensures that the External Auditor receives all information necessary for completing his task and will give the External Auditor the opportunity to respond to the information that has been provided.<sup>8</sup>
- 5.3 The Supervisory Board is permitted to examine the most important points of discussion arising between the External Auditor and the Management Board based on the draft management letter or the draft audit report.<sup>9</sup>
- 5.4 The Management Board annually reports its observations to the Supervisory Board on the functioning of the External Auditor and the fulfillment of his duties, in respect of the (re)appointment or dismissal of the External Auditor and the issue of a new audit-engagement.<sup>10</sup> The Management Board facilitates the process of appointment of the External Auditor, paying attention to the scope of the audit, the materiality to be used and remuneration for the audit.<sup>11</sup>
- 5.5 The Management Board publishes a press release in the event of the early termination of the relationship with the external audit firm, which shall explain the reasons for such early termination.<sup>12</sup>

## **6. Relation with the Supervisory Board**

- 6.1 The Management Board member attends as many meetings of the Supervisory Board as possible, to the extent the Supervisory Board does not indicate that it wishes to meet in the absence of the Management Board member.
- 6.2 The Management Board stipulates a culture of openness and accountability between the Management Board and the Supervisory Board.<sup>13</sup>
- 6.3 In relation to the provision of information and the exercise of duties and powers by the Supervisory Board and its members, the Management Board shall act in accordance with the provisions applying to the Management Board under or pursuant to these By-Laws, the By-Laws of the Supervisory Board, the Company's articles of association and the applicable laws and regulations.
- 6.4 Without prejudice to any rights of approval vested in the Supervisory Board under the terms of the Articles of Association or resulting from resolutions adopted by the

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<sup>7</sup> Dutch Corporate Governance Code 2016, best practice provision 1.7.2

<sup>8</sup> Dutch Corporate Governance Code 2016, best practice provision 1.7.1

<sup>9</sup> Dutch Corporate Governance Code 2016, best practice provision 1.7.5

<sup>10</sup> Dutch Corporate Governance Code 2016, best practice provision 1.6.1

<sup>11</sup> Dutch Corporate Governance Code 2016, best practice provision 1.6.3

<sup>12</sup> Dutch Corporate Governance Code 2016, best practice provision 1.6.5

<sup>13</sup> Dutch Corporate Governance Code 2016, best practice provision 2.4.1

Supervisory Board and notwithstanding the reporting obligations laid down in the applicable law, the Management Board shall inform the Supervisory Board of all business matters of particular significance. The Management Board shall decide after conscientious assessments of all the pertinent facts to what extent a question should be attributed particular significance as a result of its financial consequences and/or its importance in terms of overall corporate policy.

- 6.5 The Management Board shall inform the Chairman of the Supervisory Board of matters to be submitted to the Supervisory Board for adoption or resolution or for their information.
- 6.6 The Management Board shall provide the Supervisory Board with adequate information relating to such matters as are being submitted for approval.
- 6.7 The Management Board sees to it 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.<sup>14</sup>

## **7. Relation with the Shareholders**

- 7.1 The Management Board and the Supervisory Board shall provide the General Meeting of Shareholders with all information required to exercise its powers.
- 7.2 The Management Board and the Supervisory Board shall provide the General Meeting of Shareholders with all requested information, unless this would be contrary to an overriding interest of the Company. If the Management Board and the Supervisory Board invoke an overriding interest, it shall state the reasons.
- 7.3 If a right of approval is granted to the General Meeting of Shareholders by law or under the articles of association of the Company (e.g. in the case of option schemes, far-reaching decisions as referred to in Section 2:107a of the Dutch Civil Code), or the Management Board or the Supervisory Board requests a delegation of powers (e.g. issue of shares or authorisation for the repurchase of shares), the Management Board and the Supervisory Board shall inform the General Meeting of Shareholders by means of a shareholders' circular of all facts relevant to the approval, delegation or authorisation to be granted. The shareholders' circular shall in any event be posted on the Company's website as of the convening of the General Meeting of Shareholders at which the proposal concerned is discussed until the meeting has ended. This shareholders' circular may be in the format of explanatory notes to the agenda of the General Meeting of Shareholders.
- 7.4 The Management Board shall be present at the General Meeting of Shareholders, unless he is unable to attend for important reasons.
- 7.5 The Management Board and the Supervisory Board shall procure that each substantial change in the corporate governance structure of the Company or in the Company's compliance with the Dutch Corporate Governance Code is submitted to the General Meeting of Shareholders for discussion under a separate agenda item.
- 7.6 The policy of the Company on reserves and on dividends (the level and purpose of the reserves, the amount of the dividend and the type of dividend) and any changes to this policy shall be dealt with and explained as a separate agenda item at the General Meeting of Shareholders.

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<sup>14</sup> Dutch Corporate Governance Code 2016, best practice provision 2.4.7

- 7.7 A proposal to distribute a dividend shall be dealt with as a separate agenda item at the General Meeting of Shareholders.
- 7.8 The Company shall determine a registration date or the exercise of the voting rights and the rights attached to meetings.
- 7.9 The Management Board and the Supervisory Board shall ensure compliance with all applicable laws and regulations related to the rights of the General Meeting of Shareholders and the rights of individual shareholders with respect thereto.
- 7.10 If a serious private bid is made for a business unit or a participating interest and the value of the bid exceeds the threshold referred to in Section 2:107a paragraph 1(c) of the Dutch Civil Code, and the bid is made public, the Management Board shall, at its earliest convenience, make public its position on the bid and the reasons for this position.

## **8. Relation with Analysts, the Financial Press and Institutional and Other Investors**

- 8.1 The contacts between the Management Board on the one hand and press and financial analysts on the other shall be carefully handled and structured and the Company shall not engage in any acts that compromise the independence of analysts in relation to the Company and vice versa.
- 8.2 The Company shall not in advance assess, comment on or correct (other than factually), analysts' reports and valuations.
- 8.3 The Company shall not pay any fee to any party for the carrying out of research for analysts' reports or for the production or publication of analysts' reports on the Company, with the exception of credit rating agencies.
- 8.4 Analysts' meetings, presentations to institutional or other investors and direct discussions with those investors shall not take place shortly before the publication of the regular financial information (quarterly, half-yearly or annual reports).

## **9. Website of the Company**

The Management Board shall post and update all information that the Company is required to publish or deposit pursuant to the applicable provisions of company law or securities law and regulation on a separate part of the Company's website (i.e. separate from the commercial information of the Company) that is recognisable as such. A list of items that must be placed on the website is attached as **Annex 3**. It is sufficient for the Company to create a hyperlink to the website of the institutions that (also) publish the relevant information electronically due to statutory provisions or stock exchange regulations.

## **CHAPTER III DECISION-MAKING WITHIN THE MANAGEMENT BOARD**

## **10. Decision-making within the Management Board**

- 10.1 Each Management Board member has the right to cast one vote.

- 10.2 In general, resolutions of the Management Board are adopted at a Management Board meeting. Management Board resolutions may also be adopted in writing.
- 10.3 A resolution adopted by the Management Board may be evidenced outside the Company through a statement from the Management Board.
- 10.4 Resolutions of the Management Board on the matters listed in **Annex 4** require the prior approval of the Supervisory Board. To the extent that any action requiring the approval of the Supervisory Board is specifically set forth on a line item basis in any Business Plan approved by the Supervisory Board, such action shall be deemed to have been approved except as to subparagraph (r) and (u) of Annex 4.

In the event that the Supervisory Board fails to approve a business plan, then, for a period of one (1) year, the last Business Plan approved by the Supervisory Board shall continue in effect, provided that all expenses in such Business Plan shall be adjusted by a fraction, the numerator of which shall be the actual revenues for the respective entity for the measuring period constituting the last business plan year and the denominator of which shall be the projected revenues of the respective entity as reflected in the last approved Business Plan of the respective entity.

## **CHAPTER IV**

### **OTHER PROVISIONS**

#### **11. Conflicts of Interests of Management Board Member**

- 11.1 The Management Board member is alert to conflicts of interests and shall in any case not:
- (a) enter into competition with the Company;
  - (b) demand or accept gifts from the Company with a value of more than Euro 100 for himself or for his 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 to the detriment of the Company; or
  - (d) take advantage of business opportunities to which the Company is entitled for himself or for his spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree.
- 11.2 A conflict of interest may exist if the Company intends to enter into a transaction with a legal entity:
- (a) in which the Management Board member personally has a material financial interest; and
  - (b) which has a management board member or a supervisory board member who has a relationship under family law with the Management Board member.
- 11.3 The Management Board member shall immediately report any conflict of interest or potential conflict of interest that is of material significance to the Company and/or to the member concerned, to the Chairman of the Supervisory Board and shall provide all relevant information, including information concerning his spouse, registered partner or other life companion, foster child and relatives by blood or marriage upon the second degree.

- 11.4 Where the Supervisory Board decides that a particular transaction must be treated as a transaction in which a Management Board member has a conflict of interest, the Supervisory Board will decide on the internal decision-making process to be followed in respect thereof, provided that the Management Board member conflicted will, in any event, not take part in deliberation and/or decision-making on subjects in which he has a conflict of interest within the (narrow) meaning of Section 2:129(6) of the Dutch Civil Code.
- 11.5 All transactions in which there are conflicts of interest with the Management Board member shall be agreed on terms that are customary in the market. Decisions to enter into transactions in which there are conflicts of interest with the Management Board member that are of material significance to the Company and/or the Management Board member require the approval of the Supervisory Board.

## **12. Internal Investigation**

The Management Board member is at all times obliged to cooperate fully with an investigation set up by the Company into signs of material misconduct and irregularities in the Company and the affiliated enterprise.<sup>15</sup>

## **13. Remuneration of Management Board Member**

- 13.1 The remuneration policy applicable to the Management Board shall be clear and understandable and shall take into account the internal pay ratios within the enterprise.
- 13.2 The remuneration and contractual terms of employment of the Management Board member are determined by the Supervisory Board in accordance with article 18 paragraph 6 of the Company's articles of association and the By-Laws of the Supervisory Board, within the scope of the remuneration policy adopted by the General Meeting of Shareholders.
- 13.3 The Company and its Subsidiaries shall not grant advances or guarantees to the Management Board member except within the framework of its usual business operations, on conditions which apply to all employees and with the approval of the Supervisory Board. No loans to the Management Board member are permitted.
- 13.4 Apart from their remuneration, the Management Board member shall be reimbursed for all reasonable costs incurred with the consent of the Chairman of the Supervisory Board or a person designated by him.
- 13.5 Any shareholding in the Company by the Management Board member is for the purpose of long- term investment.

## **14. Outside Positions**

- 14.1 The Management Board member shall report any other position he may have to the Supervisory Board in advance, and at least annually these outside positions will be discussed in a Supervisory Board meeting.
- 14.2 The Management Board member may not be a member of the supervisory board of more than two Dutch large companies or large foundations. The Management Board member may not concurrently serve as chairman of the supervisory board or one tier board of a Dutch large company or large foundation.

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<sup>15</sup> Dutch Corporate Governance Code 2016, best practice provision 2.6.4

- 14.3 The acceptance by the Management Board member of the position of a supervisory director requires the approval of the Supervisory Board. Other important positions held by a Management Board member must be notified to the Supervisory Board.
- 14.4 The Management Board member shall not without prior permission of the Chairman of the Supervisory Board, accept:
- (a) any other remunerated employment position, including in an advisory or supervisory capacity; or
  - (b) any non-remunerated employment position.

## 15. Confidentiality

The Management Board member shall not, during his membership of the Management Board or afterwards, disclose in any way whatsoever to anyone whomsoever any information of a confidential nature regarding the business of the Company and/or companies in which it holds a stake, that came to his knowledge in the capacity of his work for the Company and which he knows or should know to be of a confidential nature, unless required by law and save for disclosing information to special counsel to the Management Board member concerned provided that Management Board member must subject such special counsel to the same requirement of confidentiality as he is himself subject to. The Management Board member is allowed to disclose the above information to Supervisory Board members as well as to staff members of the Company and of companies in which the Company holds a stake, who, in view of their activities for the Company and/or companies in which the Company holds a stake, should be informed of the information concerned. A Management Board member shall not in any way whatsoever utilise the information referred to above for his personal benefit.

## 16. Miscellaneous

- 16.1 **Acceptance by Management Board members.** Anyone who is appointed as a Management Board member must, upon assuming office, declare in writing to the Company that he accepts and agrees to the contents of these By-Laws and pledge to the Company that he will comply with the provisions of these By-Laws.
- 16.2 **Occasional non-compliance.** The Management Board may occasionally decide not to comply with these By-Laws, with due observance of applicable laws and regulations and with the prior approval of the Supervisory Board.
- 16.3 **Amendment.** These By-Laws may be amended by the Management Board at any time and without any notification being made, subject only to prior Supervisory Board approval.
- 16.4 **Interpretation.** In the event of lack of clarity or difference of opinion on the interpretation of any provision of these By-Laws, the opinion of the Chairman of the Supervisory Board shall be decisive, except if it concerns Annex 4 in which case the opinion of the Supervisory Board shall be decisive; provided, however, that the Chairman may not decide any dispute or difference of opinion that relates to rights or obligations under that certain Shareholders Agreement dated 18 February 2000 between the Company's shareholders AA and AB (as amended).
- 16.5 **Governing law and jurisdiction.** These By-Laws are governed by the laws of the Netherlands. The courts of the Netherlands have exclusive jurisdiction to settle any dispute arising from or in connection with these By-Laws (including any dispute regarding the existence, validity or termination of these By-Laws).

- 16.6 **Complementarity to Dutch law and Articles of Association.** These By-Laws are complementary to the provisions governing the Management Board as contained in Dutch law, other applicable Dutch or EU regulations and the Company's articles of association. Where these By-Laws are inconsistent with Dutch law, other applicable Dutch or EU regulations or the articles of association, the latter shall prevail. Where these By-Laws are consistent with the Company's articles of association but inconsistent with Dutch law or other applicable Dutch or EU regulations, the latter shall prevail.
- 16.7 **Partial invalidity.** If one or more provisions of these By-Laws are or become invalid, this shall not affect the validity of the remaining provisions. The Management Board, subject to prior approval of the Supervisory Board, may replace the invalid provisions by provisions which are valid and the effect of which, given the contents and purpose of these By-Laws is, to the greatest extent possible, similar to that of the invalid provisions.

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## ANNEX 1

### LIST OF DEFINITIONS

1. In the By-Laws of the Management Board and the Supervisory Board, the following terms have the following meanings:

**affiliated company** has the meaning attributed to it in Section 1 of the Disclosure of Major Holdings in Listed Companies Act 1996 (*Wet melding zeggenschap in ter beurze genoteerde vennootschappen 1996*).

**Annual Accounts** means the annual accounts of the Company as referred to in Section 2:101 of the Dutch Civil Code.

**By-Laws** means the By-Laws of the Management Board or the By-Laws of the Supervisory Board, depending on the context, including the annexes belonging thereto.

**Company** means Jubii Europe N.V., and, where appropriate, the subsidiaries and possible other group companies of the Company whose financial information is incorporated in the consolidated annual accounts of the Company.

**External Auditor** means the accounting and auditing firm that, in accordance with Section 2:393 of the Dutch Civil Code, is charged with the audit of the Annual Accounts of the Company.

**General Meeting of Shareholders** means the general meeting of shareholders of the Company.

**group company** has the meaning attributed to it in Section 2:24b of the Dutch Civil Code.

**in writing** means by letter, by telecopier, by e-mail, or by message which is transmitted via any other current means of communication and which can be received in written form.

**Management Board** means the management board of the Company.

**Remuneration Report** means the remuneration report of the Supervisory Board regarding the remuneration policy of the Company as drawn up by the Supervisory Board.

**Report of the Management Board** means the Report of the Management Board drawn up by the Management Board, as referred to in Section 2:101 of the Dutch Civil Code.

**Subsidiary** has the meaning attributed to it in Section 2:24a of the Dutch Civil Code.

**Supervisory Board** means the supervisory board of the Company.

**Supervisory Board Profile** means the profile for the size and composition of the Supervisory Board, as designated in clause 1.1 of the By-Laws of the Supervisory Board.

2. Save where the context dictates otherwise, in these By-Laws:
  - (a) words and expressions expressed in the singular form also include the plural form, and vice versa;
  - (b) words and expressions expressed in the masculine form also include the feminine form; and
  - (c) a reference to a statutory provision counts as a reference to this statutory provision including all amendments, additions and replacing legislation that may apply from time to time.
3. Headings of clauses and other headings in these By-Laws are inserted for ease of reference and do not form part of these By-Laws concerned for the purpose of interpretation.

## ANNEX 2

### LIST OF INFORMATION TO BE INCLUDED IN THE REPORT OF THE MANAGEMENT BOARD

In addition to the information which must be included pursuant to the provisions of Book 2 Dutch Civil Code, see also Sections 2:391 and 2:392 DCC, the following information must be included in the Report of the Management Board:

- |               |  |
|---------------|--|
| 1.1.4 CG Code | A detailed explanation of the view of the Management Board on the long-term value creation, the strategy for its realisation and which contributions were made to the long-term value creation in the past financial year.   |
| 1.4.2 CG Code | Accountability about (a) the execution of the risk assessment, with a description of the principal risks facing the Company in relationship to the risk appetite; (b) the design and operation of the internal risk management and control systems during the past financial year; (c) any major failings in the internal risk management and control systems which have been observed in the financial year, any significant changes made to these systems and any major improvements planned, along with a confirmation that these issues have been discussed with the Supervisory Board; and (d) the sensitivity of the results of the Company to material changes in external factors.       |
| 1.4.3 CG Code | With clear substantiation that (a) the Report of the Management Board provides sufficient insights into any failings in the effectiveness of the internal risk management and control systems; (b) the aforementioned systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies; (c) based on the current state of affairs, it is justified that the financial reporting is prepared on a going concern basis; and (d) the Report of the Management Board states those material risks and uncertainties that are relevant to the expectation of the Company's continuity for the period of twelve months after the preparation of the report. |
| 2.5.4 CG Code | An explanation of the values and the way in which they are incorporated in the Company and its affiliated enterprise.  |
| 2.7.4 CG Code | Publication of all transactions in which there are conflicts of interest with Management Board member or Supervisory Board members that are of material significance to the Company and/or to the relevant Management Board member or Supervisory Board members, with a statement of the conflict of interest and a declaration that best practice provisions 2.7.3. and 2.7.4. have been complied with.   |
| 2.7.5 CG Code | Publication of all transactions between the Company and legal or natural persons who holds at least 10% of the shares in the Company, which are of material significance for the Company and/or the legal or natural person, with a declaration that best practice provision 2.7.5. has been complied with.  |
| 4.2.6 CG Code | A survey of all existing or potential anti-takeover measures and an indication of the circumstances in which and by whom these measures can be used.   |
| CG Code       | In a separate chapter: the broad outline of the corporate governance structure of the Company, partly on the basis of the principles stated in the Dutch Corporate Governance Code and explicitly stating the extent to which it complies with the   |

principles and best practice provisions stipulated in the Dutch Corporate Governance Code and, where it does not comply with them, why and to what extent it deviates from them. If the composition of the Management Board and/or the Supervisory Board diverges from the targets stipulated in the Company's diversity policy and/or the statutory target for the male/female ratio, if and to the extent that this is provided under or pursuant to the law, the current state of affairs shall be outlined in the corporate governance statement, along with an explanation as to which measures are being taken to attain the intended target, and by when this is likely to be achieved.

2:391 paragraph 7 DCC To the extent the seats on the Management Board or Supervisory Board are not divided in a balanced manner amongst men and women as referred to in Section 2:166 DCC, an explanation: (a) why the seats are not divided in a balanced manner, (b) what the Company has done to establish a balanced division, and (c) what the intentions of the Company are to establish a balanced division of seats in the future.

#### Management Report Decree:

A corporate governance statement regarding: (a) compliance with the principles and best practice provisions of the Dutch Corporate Governance Code, (b) the most important characteristics of the management- and control system of the Company in respect of the process of financial reporting of the Company and the group of which the financials are consolidated, (c) the functioning of the General Meeting of Shareholders, its major powers and the shareholders' rights and the way they can be exercised, (d) the composition and functioning of the Management Board and Supervisory Board and its committees, (e) the diversity policy with respect to the composition of the Management Board and the Supervisory Board (by which the Company describes the manner in which the diversity policy has been executed and the results thereof in the last financial year), and (f) the information referred to in Section 10(1)(c)(d)(f)(h) and (i) EU-Directive 2004/25 regarding public takeovers.

#### Non-financial information Decree:

Notices regarding: (a) a brief description of the Company's business model, (b) a description of the policies pursued by the Company in relation to those matters, including due diligence processes implemented and the outcome of those policies regarding: (i) environmental, social and employee matters, (ii) respect for human rights and (iii) anti-corruption and anti-bribery matters, (c) the principal risks related to those matters referred to under (b) and linked to the Company's operations, (d) the non-financial key performance indicators relevant to the particular business of the Company. Where the Company does not pursue policies in relation to those matters referred to under (b), the non-financial notice shall provide a clear and reasoned explanation for not doing so.

A reference to the Management Board resolutions pursuant to Clauses 16.2 and 16.3 of these By-Laws, to the extent of material significance.

### ANNEX 3

#### LIST OF ITEMS TO BE PLACED ON THE COMPANY'S WEBSITE

2.1.1 CG Code	Supervisory Board Profile.
2.2.4 CG Code	Supervisory Board Rotation Plan.
2.3.1 CG Code	By-laws of the Supervisory Board.
2.6.1 CG Code	Whistle-blower policy.
Principle 3.4 CG Code	Remuneration Report of the Supervisory Board.
3.4.2 CG Code	Main elements of the agreement of a Management Board member, after the agreement has been concluded and in any event no later than the date of the notice calling the General Meeting of Shareholders where the appointment of that Management Board member will be proposed.
4.1.4 CG Code	A proposal for approval or authorisation by the General Meeting of Shareholders shall be explained in writing. The Management Board shall in this explanation state all the facts and circumstances that are relevant for the approval or authorisation to be granted. The explanation to the agenda shall be posted on the Company's website.
4.2.3 CG Code	Announcements prior meeting and presentations to analysts, presentations and (institutional) investors and press conferences.
4.2.4 CG Code	The Company shall post and update information relevant to the shareholders and which it is required to publish or submit pursuant to the provisions of company law and securities law and regulation applicable to it, on a separate section of the Company's website.
4.1.4 CG Code	Shareholder circulars drawn up by the Company.  By-Laws of the Management Board.  Resolutions of the General Meeting of Shareholders and (draft) reports of General Meetings of Shareholders.

## ANNEX 4

### LIST OF MATTERS REQUIRING PRIOR APPROVAL OF THE SUPERVISORY BOARD.

- (a) approval of any strategic plan, including the content strategy of the Company and any Subsidiary;
- (b) proposals for the nomination or removal of the statutory auditor of the Company;
- (c) nomination or removal of the statutory auditor of the Company and any Subsidiary;
- (d) proposals for the adoption, amendment or repeal of any provisions of the charter documents of the Company;
- (e) the adoption, amendment or repeal of any provisions of the charter documents of any Subsidiary;
- (f) the issuance, redemption, repurchase or retirement of any securities of the Company and any Subsidiary (including any option, warrant or other right to purchase an interest in the Company or any Subsidiary, or any securities convertible or exchangeable into the same);
- (g) the sale, transfer or any disposition of assets of the Company or any Subsidiary which individually exceeds one hundred thousand dollars (Euro 100,000) or in the aggregate exceeds one million dollars (Euro 1,000,000) during any fiscal year;
- (h) proposal of any merger or consolidation of the Company with or into another entity;
- (i) merger or consolidation of any Subsidiary with or into another entity;
- (j) the organization of, or the acquisition or disposition of, any interest in another entity by the Company or any Subsidiary other than for purposes of cash management on a short term basis with a recognized money market institution;
- (k) the borrowing of funds in excess of two hundred thousand dollars (Euro 200.000) per fiscal year by the Company or any Subsidiary;
- (l) the sale, sublicense, encumbrance or other transfer of any intellectual property rights of material importance for the business operations of the Company or any Subsidiary of conflicting with the Licence Agreements between Lycos, Inc. or an affiliated company and the Company;
- (m) the filing of a petition for liquidation, dissolution or seeking protection from creditors of the Company or any Subsidiary;
- (n) approval of the annual operating and Business Plan of the Company and its Subsidiaries or the Group;
- (o) any decision involving declaration of dividends;
- (p) any decision involving the approval of a material agreement between one of Bertelsmann Internet Holding GmbH, Christoph Mohn Internet Holding GmbH, Fireball Internet GmbH,

Lycos, Inc. or their respective affiliates and the Company or a Subsidiary including but not limited to any guarantee given by those entities on behalf of the Company or a Subsidiary;

- (q) any action outside the scope of the ordinary business of the Company or any Subsidiary;
- (r) any Subsidiary knowingly entering into any material transaction with AOL or any entity jointly owned by Bertelsmann AG and AOL;
- (s) any action relating to, transfer of, change in or modification to the Lycos brand or the Technology outside the scope of the relevant license agreement, if of material significance to the Company;
- (t) adoption of the initial marketing strategy and approval of any substantial change in the marketing strategy of the Company or any Subsidiary including the pricing of products and decisions regarding traffic distribution and licensing, if of material significance to the Company;
- (u) knowingly entering into a transaction or arrangement between the Company or any Subsidiary and a Competitor, if of material significance to the Company.