

SUBJECT SUPERVISORY BOARD RULES governing the internal proceedings of the Supervisory Board,
effective as of 29 November 2018

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1 DEFINITIONS AND CONSTRUCTION

1.1 Definitions

- 1.1.1 In these rules capitalised terms have the meaning as set out in Annex 1.
- 1.1.2 Any reference in these rules to "in writing" means in writing or by other reproducible electronic communication.

2 COMPOSITION OF THE SUPERVISORY BOARD, DIVISION OF DUTIES AND RESPONSIBILITIES

2.1 Composition of the Supervisory Board

- 2.1.1 The Supervisory Board consists of at least three members; the number of members is determined by the general meeting.
- 2.1.2 The Supervisory Board prepares a profile of its size and composition, taking into account the nature of the Company's business and the Supervisory Board's activities. The profile of the Supervisory Board sets out:
 - (a) the size of the Supervisory Board;
 - (b) the desired expertise and background represented in the Supervisory Board;
 - (c) the desired diversity among Supervisory Directors; and
 - (d) the desired independence of Supervisory Directors.
- 2.1.3 The current profile of the Supervisory Board is published on the Company's website www.tennet.eu.
- 2.1.4 The Supervisory Board considers the profile when preparing nominations of persons to be appointed as Supervisory Directors.
- 2.1.5 The Supervisory Board must prepare a rotation schedule to prevent, where possible. A schedule of (re)appointments occurring is published on the Company's website www.tennet.eu.

2.2 Responsibilities

- 2.2.1 The general responsibilities of the Supervisory Board are set out in Annex 2.

2.3 Chair and Vice-Chair

- 2.3.1 The Supervisory Board appoints one of the Supervisory Directors as Chair and one of its members as Vice-Chair.
- 2.3.2 The Chair cannot be a former Executive Director and must be independent in accordance with best practice provision 2.1.8 of the Code.
- 2.3.3 The responsibilities of the Chair and the Vice-Chair are set out in Annex 3.

3 COMMITTEES OF THE SUPERVISORY BOARD

3.1 General

- 3.1.1 The Supervisory Board may assign certain tasks to one or more permanent or ad hoc committees comprising one or more Supervisory Directors.
- 3.1.2 The task of Supervisory Board committees is to prepare the decision-making of the Supervisory Board. Establishing committees does not diminish the responsibility of the Supervisory Board and the Supervisory Directors for obtaining information and forming an independent opinion. The committees cannot adopt resolutions on behalf of the Supervisory Board except in case a specific mandate has been given by the Supervisory Board.
- 3.1.3 The Supervisory Board appoints Supervisory Board committee members. For each committee, the Supervisory Board appoints a Chair from among committee members.
- 3.1.4 Supervisory Board committees report on a regular basis to the Supervisory Board about their actions, reviews, recommendations and findings.

3.2 Permanent Committees

3.2.1 The Supervisory Board has established the following permanent committees:

- (a) the Audit, Risk and Compliance Committee, with duties and internal proceedings as set out in Annex 4;
- (b) the Remuneration and Appointments Committee, with duties and internal proceedings as set out in Annex 5; and
- (c) the Strategic Investment Committee, with duties and internal proceedings organisation as set out in Annex 6.

3.3 Ad hoc committees

3.3.1 The Supervisory Board may establish ad hoc committees.

3.3.2 The duties and internal proceedings of ad hoc committees are set out in writing by the Supervisory Board and form part of these rules.

4 **COMPANY SECRETARY**

4.1 Duties and responsibilities

4.1.1 The Company Secretary assists the Supervisory Board. The Company Secretary ensures that the proper procedures as required by law, the Articles of Association or the Rules are complied with. The Company Secretary assists the Chair in organising Supervisory Board meetings.

4.2 Appointment and dismissal

4.2.1 Subject to the Supervisory Board's approval, the Executive Board appoints and dismisses the Company Secretary. The Supervisory Board may recommend the appointment or dismissal of the Company Secretary to the Executive Board.

5 **MEETINGS OF THE SUPERVISORY BOARD AND DECISION- MAKING**

5.1 Convening meetings and agenda

5.1.1 Meetings are held in accordance with a meeting schedule to be annually set by the Supervisory Board. Additional meetings are convened at any Supervisory Director's request.

5.1.2 Meetings are convened in a timely manner by the Chair or, if the Chair is unable to act, by the Vice-Chair or, if the Chair and Vice-Chair positions are vacant (*ontstentenis*) or the Chair and Vice-Chair are unable to act (*belet*), by any Supervisory Director. The notice sets out the meeting agenda.

5.1.3 The Supervisory Director convening a meeting sets the agenda for that meeting. Supervisory Directors may submit agenda items to the Supervisory Director convening the meeting.

5.2 Meeting location

5.2.1 Meetings are normally held at the Company's offices, but may also take place elsewhere.

5.2.2 Meetings may also be held by telephone or videoconference, provided that all participants can hear each other simultaneously. Supervisory Directors attending the meeting by telephone or videoconference are considered present at the meeting.

5.3 Attendance

5.3.1 A Supervisory Director may be represented at a meeting by another Supervisory Director holding a proxy in writing.

5.3.2 In general, all statutory Executive Directors are present at meetings of the Supervisory Board. The Supervisory Board may require that others (e.g. non-statutory Executive Directors, other employees of the Company, external advisers) attend its meetings.

5.4 Chair of the meeting

5.4.1 The Chair or, if the Chair is not present at the meeting, the Vice-Chair chairs the meeting. If both the Chair and the Vice-Chair are not present at a meeting and the Chair has not appointed another Supervisory Director as Chair of that meeting, the Supervisory Directors present at the meeting will appoint one of them as Chair of that meeting.

5.5 Adoption of resolutions - quorum requirements

5.5.1 The Supervisory Board may only adopt resolutions at a meeting if a majority of the Supervisory Directors entitled to vote is present or represented at the meeting.

5.5.2 If the Chair believes there is an exceptional situation that requires the Supervisory Board's immediate resolution, the quorum requirement referred to in clause 5.5.1 does not apply, provided that:

- (a) at least two Supervisory Directors entitled to vote are present or represented at the meeting; and
- (b) reasonable efforts have been made to involve the other Supervisory Directors in the decision-making.

5.5.3 The Chair of the meeting ensures that adopted resolutions are communicated to Supervisory Directors not present at the meeting without delay.

5.6 Adoption of resolutions - majority requirements

5.6.1 Each Supervisory Director has one vote.

5.6.2 Where possible, the Supervisory Board adopts its resolutions by unanimous vote. If this is not possible, the resolution is adopted by a majority of votes cast.

5.6.3 In the event of a tied vote; a second vote shall be held; if the votes tie again, the Chair has a casting vote.

5.6.4 If there is insufficient consensus on a proposed resolution during the meeting, the Chair of the meeting may defer the proposal for further discussion or withdraw the proposal before decision-making/adoption.

5.7 Meeting minutes

5.7.1 The Company Secretary or any other person designated as the meeting secretary prepares the meeting minutes. The minutes are adopted:

- (a) at the next Supervisory Board meeting; or
- (b) by the Chair and secretary of the particular meeting, after having consulted the Supervisory Directors present or represented at that meeting.

5.8 Adopting resolutions without holding a meeting

5.8.1 The Supervisory Board may also adopt resolutions without holding a meeting, provided that:

- (a) the resolutions are adopted in writing; and
- (b) no objections to adopting the resolutions without holding a meeting have been raised by any Supervisory Directors entitled to vote.

5.8.2 Clauses 5.6.1 through 5.6.3 apply to adopting resolutions without holding a meeting.

5.9 Evidence of adopted resolutions

5.9.1 Resolutions can be evidenced by a statement signed by the Chair.

6 **CONFLICTS OF INTEREST**

6.1 Preventing conflicts of interest

- 6.1.1 Any conflict of interest between the Company and Supervisory Directors should be avoided. The Supervisory Board is responsible for dealing with any conflicts of interest that statutory Executive Directors, Supervisory Directors or the shareholder may have in relation to the Company.
- 6.1.2 Supervisory Directors must be alert to conflicts of interest and may not:
- (a) engage in similar activities as 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 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.

6.2 Definition

- 6.2.1 For purposes of clauses 6.2 through 6.6, a "conflict of interest" means:
- (a) a direct or indirect personal conflict of interest within the meaning of article 2:140(5) BW; and
 - (b) any other situation which causes reasonable doubt about whether the Supervisory Director concerned is primarily guided in the decision-making process by the interests of the Company and its business. These situations may include but are not limited to (i) personal workplace relationships (e.g., hiring or supervising a closely related person), (ii) external mandates (e.g., serving on the board of directors or advisory board of a competitor of the Company), (iii) outside employment (e.g., having a second job with a customer, supplier, or competitor of the Company), (iv) promoting personal financial interests (e.g., owning a substantial share of a Company supplier/takeover candidate while in a position to steer Company business towards it), and (v) receiving fees, commissions, discounts, gifts, entertainment, or services (e.g., receiving cash from a business partner of the Company).
 - (c) a conflict of interest within the meaning of the TenneT Corporate Conflict of Interest Policy.
- 6.2.2 A Supervisory Director has a potential conflict of interest if the Company intends to enter into a transaction with a legal entity:
- (a) in which that Supervisory Director has a material financial interest;
 - (b) whose management or supervisory board includes a member who has a family law relationship with that Supervisory Director; or
 - (c) where that Supervisory Director has a management or supervisory position.

6.3 Consequences

- 6.3.1 A Supervisory Director may not participate in the Supervisory Board's or a committee's deliberations and decision-making process on a subject where the Supervisory Director is found to have a conflict of interest pursuant to clause 6.5.1. The Supervisory Director does not qualify as a Supervisory Director entitled to vote in relation to that subject.
- 6.3.2 A Supervisory Director should retire early in the event of structural incompatibility of interests.

6.4 Obligation to report

- 6.4.1 A Supervisory Director, other than the Chair or Vice-Chair shall, without delay, report any conflict of interest or potential conflict of interest to the Chair, or in the Chair's absence, the Vice-Chair. The Chair shall without delay, report any conflict of interest or potential conflict of interest to the Vice-Chair or, in the Vice-Chair's absence, to the other Supervisory Directors. The Vice-Chair shall, without delay, report any conflict of interest or potential conflict of interest to the Chair or, in the Chair's absence, to the other Supervisory Directors. The Supervisory 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.

6.5 Determination of conflict of interest

6.5.1 The Supervisory Board decides whether a Supervisory Director has a conflict of interest, without the Supervisory Director being present. The Executive Board may advise on the subject.

6.6 At arm's length. Supervisory Board approval

6.6.1 Executive Board resolutions on a subject where the Supervisory Board has found one or more Supervisory Directors to have a conflict of interest require the approval of the Supervisory Board. The Supervisory Board may only grant its approval if the transaction is to be entered into by the Company on terms that are customary in the market.

7 **RELATIONSHIP WITH THE EXECUTIVE BOARD AND GENERAL MEETING**

7.1 Main contact

7.1.1 The Chair is the main contact on behalf of the Supervisory Board for the Executive Board and the General Meeting.

7.1.2 The Vice-Chair is the main contact on behalf the Supervisory Board in matters regarding the Chair's performance.

7.2 General Meeting - requests for information

7.2.1 The Supervisory Board adequately provides any information the General Meeting requires, unless overriding interests (*zwaarwegende belangen*) of the Company or any laws, rules or regulations applicable to the Company prevent the Supervisory Board from doing so.

7.2.2 If the Supervisory Board decides not to provide the General Meeting with all information requested based on overriding interests of the Company, the Supervisory Board must explain this.

7.3 Executive Board - resolutions requiring Supervisory Board approval

7.3.1 Executive Board resolutions may be subject to the Supervisory Board's approval pursuant to the law, the Articles of Association or the Executive Board rules.

7.4 Executive Board - annual evaluation

7.4.1 The Supervisory Board regularly, and at least annually, evaluates the performance of the Executive Board and the statutory Executive Directors. The evaluation takes place without the statutory Executive Directors being present.

7.4.2. The Supervisory Board meets at least annually with individual Executive Directors.

7.5 Executive Directors - conflicts of interest

7.5.1 The Supervisory Board is responsible for dealing with conflicts of interest between Executive Directors and the Company. The Rules governing the Executive Board and the TenneT Corporate Conflict of Interest Policy set out the rules on conflict of interest for Executive Directors.

7.5.2 The rules of the Executive Board set out the rules on conflicts of interest for Executive Directors.

8 **ANNUAL EVALUATION OF SUPERVISORY DIRECTORS**

8.1 Evaluation of Supervisory Directors

- 8.1.1 The Chair of the Supervisory Board is the main contact on behalf of the Supervisory Board regarding the performance of Supervisory Directors other than the Chair. The Vice-Chair is the main contact on behalf of the Supervisory Board regarding the Chair's performance.
- 8.1.2 The Supervisory Board regularly, and at least annually, evaluates its own and the Supervisory Directors' performance, based on o.a. input from the Executive Board as well as Shareholder.

9 **POSITIONS OUTSIDE THE COMPANY**

- 9.1 Supervisory Directors must inform the Chair of Supervisory Board before accepting positions outside the Company.

10 **CONFIDENTIALITY**

- 10.1 Each Supervisory Director must treat all information and documentation obtained in connection with his or her position as Supervisory Director with the necessary discretion, integrity and confidentiality.

11 **MISCELLANEOUS**

11.1 Decision not to comply with these rules. Amendment of these rules

- 11.1.1 The Supervisory Board may occasionally resolve (reasoned) not to comply with these rules.
- 11.1.2 The Supervisory Board may amend these rules.
- 11.1.3 If the Supervisory Board considers it necessary, it may obtain information from external advisers. The company should provide the necessary means to this end.

11.2 Partial invalidity

- 11.2.1 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.

11.3 Governing law and jurisdiction

- 11.3.1 These rules are governed exclusively by Dutch law.
- 11.3.2 Any disputes arising out of or in connection with these rules, including disputes concerning their applicability will be resolved by the courts in Arnhem, the Netherlands.

Annex 1: Definitions

- "**Audit, Risk and Compliance Committee**" means the committee of the Supervisory Board referred to in clause 3.2.1(a);
- "**Articles of Association**" means the articles of association of the Company;
- "**BW**" means the Dutch Civil Code (*Burgerlijk Wetboek*);
- "**Chair**" means the Supervisory Director with the title Chair, in accordance with clause 2.3.1;
- "**Chief Executive Officer**" means the chief executive officer of the Company;
- "**Chief Financial Officer**" means the chief executive officer of the Company;
- "**Code**" means the Dutch Corporate Governance Code;
- "**Company**" means TenneT Holding B.V.;
- "**General Meeting**" means the corporate body that consists of shareholders and all other persons with meeting rights / the meeting in which the shareholders and all other persons with meeting rights assemble;
- "**Group**" means the Company and all entities included in the group (*groep*, within the meaning of article 2:24b BW) headed by it;
- "**Executive Board**" means the Executive Board of the Company
- "**Executive Director**" means a member of the Executive Board. Executive Directors may be statutory or non-statutory; this difference is included in those articles in which this is relevant;
- "**Remuneration and Appointments Committee**" means the committee of the Supervisory Board referred to in clause 3.2.1(b);
- "**Rules**" means these rules of the Supervisory Board;
- "**Strategic Investment Committee**" means the committee of the Supervisory Board referred to in clause 3.2.1(c);
- "**Annex**" means an Annex to these rules;
- "**Supervisory Director**" means a member of the Supervisory Board; and
- "**Vice-Chair**" means the Supervisory Director with the title Vice-Chair, appointed in accordance with clause 2.3.1.

Annex 2: General responsibilities of the Supervisory Board

1 GENERAL RESPONSIBILITIES OF THE SUPERVISORY BOARD

- 1.1 The Supervisory Board supervises the policies, management and the general affairs of the Group. The Supervisory Board assists the Executive Board with advice on general policies related to the Company and its business.
- 1.2 The Supervisory Board supervises how the Executive Board determines its position on the long-term value creation strategy and how the Executive Board implements that strategy. The Supervisory Board regularly discusses the strategy, the implementation of the strategy and the principal risks associated with it.
- 1.3 In fulfilling its responsibilities, the Supervisory Board is guided by the interests of the Company and its business.
- 1.4 The responsibilities of the Supervisory Board include supervising and advising the Executive Board with respect to the following responsibilities of the Executive Board:
 - (a) realisation of the Company's objectives and enhancing the Group's performance;
 - (b) determining the Company's strategy and the policy designed to realise the objectives;
 - (c) complying with laws and regulations;
 - (d) complying with the Code;
 - (e) the general conduct of business in the Company and the results of the Company;
 - (f) assessing and managing the risks connected with the Company's business activities;
 - (g) setting up and maintaining an effective risk management and business control system;
 - (h) setting up and maintaining the financial reporting process and overseeing the Group's financial reporting processes;
 - (i) preparing the annual accounts and drawing up the annual budget and resolutions concerning important capital investments of the Company;
 - (j) deterring and implementing long-term value creation strategy and the principal risk and controls associated with it;
 - (j) preparing a medium term plan and a 10 years ahead investment plan for the Company and its group companies,and any further responsibilities of the Executive Board as set forth in the rules governing the Executive Board.
- 1.5 In addition, the responsibilities and tasks of the Supervisory Board include:
 - (a) drawing up the Company's diversity policy for the composition of the Executive Board and the Supervisory Board;
 - (b) drawing up a succession planning for the Executive Board;
 - (c) selecting and nominating individuals for appointment by the General Meeting as statutory Executive Director;
 - (d) proposing the remuneration policy for statutory Executive Directors for adoption by the General Meeting and determining the remuneration and the employment terms for the individual statutory Executive Directors in conformity with the remuneration policy;
 - (e) selecting and nominating individuals for appointment by the General Meeting as Supervisory Directors;
 - (f) proposing the remuneration for Supervisory Directors for adoption by the General Meeting;
 - (g) reviewing the performance of the Supervisory Board, its committees, and individual Supervisory Directors and discussing the conclusions that must be drawn on the basis of this review at least on an annual basis;

- (h) reviewing the performance of the Executive Board and individual statutory Executive Directors and discussing the conclusions that must be drawn on the basis of this review at least on an annual basis;
- (i) selecting and nominating for appointment by the General Meeting of the Company's external auditor;
- (j) approving, based upon recommendation of the Audit, Risk and Compliance Committee, the appointment or dismissal of the senior internal auditor as submitted by the Executive Board.
- (k) reviewing and approving any resolution of the Executive Board concerning matters that require approval of the Supervisory board pursuant to the law, the Articles of Association or clause 7.3.1 of the rules of the Supervisory Board; and
- (l) being responsible for the decision making on dealing with conflicts of interest regarding statutory Executive Directors and Supervisory Directors.

Annex 3: Responsibilities of the Chair and the Vice-Chair

1 RESPONSIBILITIES OF THE CHAIR AND THE VICE-CHAIR

1.1 Chair

1.1.1 The Chair is primarily responsible for ensuring that:

- (a) the Supervisory Board has proper contact with the Executive Board, any employee participation body (works councils) and the General Meeting;
- (b) the Supervisory Board appoints a Vice-Chair;
- (c) there is sufficient time for deliberation and decision making by the Supervisory Board;
- (d) the Supervisory Directors receive all information that is necessary for the proper performance of their duties in a timely fashion;
- (e) the Supervisory Board and its committees function properly;
- (f) the performance of individual statutory Executive Directors and Supervisory Directors is assessed at least annually;
- (g) the Supervisory Directors and statutory Executive Directors follow their introduction programme;
- (h) the Supervisory Directors and statutory Executive Directors follow their education or training programme;
- (i) the Executive Board performs activities in respect of culture;
- (j) the General Meeting proceeds in an orderly and efficient manner;
- (k) effective communication with shareholders is assured; and
- (l) the Supervisory Board is involved closely, and at an early stage, in any merger or takeover process.

1.1.2 The Chair acts on behalf of the Supervisory Board as the main contact for the Executive Board, Supervisory Directors and shareholders.

1.1.3 The Chair must consult regularly with the Chair of the Executive Board.

1.2 Vice-Chair

1.2.1 The Vice-Chair deputises for the Chair in the event that the position of Chair is vacant (*ontstentenis*) or if the Chair is unable to act (*belet*).

1.2.2 The Vice-Chair acts as main contact for individual Supervisory Directors and Executive Directors regarding the performance of the Chair.

Annex 4: Audit, Risk and Compliance Committee Charter

- 1 RESPONSIBILITIES AND COMPOSITION OF THE AUDIT, RISK AND COMPLIANCE COMMITTEE
 - 1.1 Responsibilities
 - 1.1.1 The Audit, Risk and Compliance Committee ("ARCC") prepares the Supervisory Board's decision-making regarding the supervision of the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control systems.
 - 1.1.2 The ARCC focuses on monitoring the Executive Board in matters including:
 - (a) relations with the internal and external auditors, and compliance with and follow-up on their recommendations and comments;
 - (b) the Company's funding;
 - (c) the application of information and communication technology by the Company, including risks relating to cybersecurity; and
 - (d) the Company's tax policy.
 - 1.1.3 In addition, the ARCC carries out the following duties:
 - (a) advising the Supervisory Board on the appointment or dismissal of the senior internal auditor;
 - (b) forming a position on how the internal audit function fulfils its responsibility.
 - 1.1.4 The ARCC also carries out the following duties:
 - (a) monitoring the financial reporting process and drawing up proposals to safeguard the integrity of this process;
 - (b) monitoring the effectiveness of the internal control systems, the internal audit function and risk management systems with regard to the Company's financial reporting;
 - (c) monitoring the statutory audit of the annual accounts and the consolidated annual accounts;
 - (d) assessing and monitoring the independence of the external auditor or the audit firm, as applicable, specifically taking into account the extension of ancillary services to the Company; and
 - (e) determining the selection process for the external auditor or the audit firm, as applicable to the Company and the nomination to extend the assignment to carry out the statutory audit.
 - 1.2 Composition and Chair
 - 1.2.1 The Supervisory Board determines the size of the ARCC, provided that the ARCC consists of at least two members.
 - 1.2.2 Members of the ARCC are appointed by the Supervisory Board.
 - 1.2.3 More than half of the members of the ARCC must be independent pursuant to Best Practice provision 2.1.8 of the Code.
 - 1.2.4 At least one member of the ARCC must have specific expertise in financial reporting and in the reviewing of financial reports.
 - 1.2.5 The Chair of the Supervisory Board cannot serve as Chair of the ARCC.
- 2 MEETINGS AND DECISION-MAKING
 - 2.1 Applicability of rules governing meetings and decision-making of the Supervisory Board
 - 2.1.1 Clause 5 of the Rules applies equally to the ARCC, provided that:
 - (a) meetings of the ARCC are attended by the internal auditor and the external auditor, unless the ARCC determines otherwise; and
 - (b) the ARCC may decide that the CFO attends its meetings.

- 3 REPORT TO THE SUPERVISORY BOARD
- 3.1 The ARCC reports on its deliberations and findings to the Supervisory Board. This report includes information on how the duties of the ARCC were carried out in the financial year, and also reports on the composition of the ARCC, the number of meetings of the ARCC and the main items discussed at those meetings.
- 3.2 In particular, the ARCC reports on the results of the annual statutory audit to the Supervisory Board. This report includes information on how the audit has contributed to the integrity of the financial reporting, and also reports on the role of the ARCC in the audit.

Annex 5: Remuneration and Appointment Committee Charter

- 1 RESPONSIBILITIES AND COMPOSITION OF THE REMUNERATION AND APPOINTMENT COMMITTEE
 - 1.1 Responsibilities
 - 1.1.1 The Remuneration and Appointment Committee ("RAC") prepares the Supervisory Board's decision-making regarding the determination of the remuneration of individual Executive Directors, including severance payments.
 - 1.1.2 The RAC submits a proposal to the Supervisory Board concerning the remuneration of statutory Executive Directors. The proposal is drawn up according to the remuneration policy that has been established.
 - 1.1.3 The RAC will take note of individual statutory Executive Directors' own views with regard to the amount and structure of their own remuneration.
 - 1.1.4 Furthermore the RAC prepares the Supervisory Board's decision-making regarding:
 - (a) the drawing up of selection criteria and appointment procedures for statutory Executive Directors and Supervisory Directors;
 - (b) the periodical assessment of the size and composition of the Executive Board and the Supervisory Board, and the making of a proposal for a composition profile of the Supervisory Board;
 - (c) the periodical assessment of the performance of individual statutory Executive Directors and Supervisory Directors and reporting thereof to the Supervisory Board;
 - (d) the drawing up of a succession plan of statutory Executive Directors and Supervisory Directors;
 - (e) the proposal for appointment of statutory Executive Directors and Supervisory Directors; and
 - (f) the supervision of the Executive Board 's policy regarding the selection criteria and appointment procedures for senior management.
 - (g) the drawing up of the Company's diversity policy for the composition of the Executive Board and the Supervisory Board.
 - 1.2 Composition and Chair
 - 1.2.1 The Supervisory Board determines the size of the RAC, provided that the RAC consists of at least two members.
 - 1.2.2 Members of the RAC are appointed by the Supervisory Board.
 - 1.2.3 More than half of the members of the RAC must be independent pursuant to Best Practice provision 2.1.8 of the Code.
 - 1.2.4 The Supervisory Board appoints one of its members as Chair of the RAC.
 - 1.2.5 The Chair of the Supervisory Board cannot serve as Chair of the RAC.
- 2 MEETINGS AND DECISION-MAKING
 - 2.1 Applicability of rules governing meetings and decision making of the Supervisory Board
 - 2.1.1 Clause 5 of the Rules applies equally to the RAC provided that the RAC may decide that the a(n) Executive Director(s) attend(s) its meetings.
- 3 REPORT TO THE SUPERVISORY BOARD
 - 3.1 The RAC reports on its deliberations and findings to the Supervisory Board. This report includes information on how the duties of the RAC were carried out in the financial year, and also reports on the composition of the RAC, the number of meetings of the RAC and the main items discussed at those meetings.

Annex 6: Strategic Investment Committee Charter

1 RESPONSIBILITIES AND COMPOSITION OF THE STRATEGIC INVESTMENT COMMITTEE

1.1 Responsibilities

1.1.1 The Strategic Investment Committee ("SIC") prepares the Supervisory Board's decision-making regarding the determination of strategic investment proposals: the SIC evaluates investment proposals against the economic, financial and technical objectives of the Company. Furthermore the SIC assesses the progress of investment projects based on quarterly reporting.

1.2 Composition and Chair

1.2.1 The Supervisory Board determines the size of the SIC, provided that the SIC consists of at least two members.

1.2.2 Members of the SIC are appointed by the Supervisory Board.

1.2.3 More than half of the members of the SIC must be independent pursuant to Best Practice provision 2.1.8 of the Code.

1.2.4 The Supervisory Board appoints one of its members as Chair of the SIC.

2 MEETINGS AND DECISION MAKING

2.1 Applicability of rules governing meetings and decision making of the Supervisory Board

2.1.1 Clause 5 of the Rules applies equally to the meetings and decision-making of the SIC provided that the SIC may decide that the a(n) Executive Director(s) attend(s) its meetings.

3 REPORT TO THE SUPERVISORY BOARD

3.1 The SIC reports on its deliberations and findings to the Supervisory Board. This report includes information on how the duties of the SIC were carried out in the financial year, and also reports on the composition of the SIC, the number of meetings of the RAC and the main items discussed at those meetings.