



RULES

DMO/6004902/511702

GOVERNING THE SUPERVISORY BOARD'S PRINCIPLES AND BEST PRACTICES

DRAFT

These rules ('rules') were adopted by the Supervisory Board (the '**Supervisory Board**') of Roto Smeets Quebecor N.V. (the '**Company**') on [*], 2007.

Status and contents of the rules

Article 1.

- 1.1. These rules are complementary to the rules and regulations from time to time applicable to the Supervisory Board under Dutch law or the Company's articles of association.
- 1.2. Where these rules are inconsistent with Dutch law or the Company's articles of association, the latter shall prevail. Where these rules conform to the Company's articles of association but are inconsistent with Dutch law, the latter shall prevail. If one or more provisions of these rules are or become invalid, this shall not affect the validity of the remaining provisions. The Supervisory Board shall replace the invalid provisions by those which are valid and the effect of which, given the contents and purpose of these rules is, to the greatest extent possible, similar to that of the invalid provisions.
- 1.3. These following annexes are attached to, and form an integral part of, these rules:
 - Annex A: the profile of the Supervisory Board's scope and composition.
 - Annex B: the resignation rota for members of the Supervisory Board.
 - Annex C: the rules governing the audit committee of the Supervisory Board.
 - Annex D: the rules governing the remuneration committee of the Supervisory Board.
 - Annex E: the rules governing the selection and appointment committee of the Supervisory Board.
 - Annex F: the list of the Management Board resolutions, subject to prior ap-



proval of the Supervisory Board;

- Annex G: the schedule of authority

- 1.4. These rules have been based on the Dutch Corporate Governance Code as adopted by the Corporate Governance Committee on 9 December 2003 (the ‘Code’) and legislation amending Book 2 of the Civil Code in connection with the adjustment of the structure regime of 9 July 2004 as enacted on 1 October 2004. The Code formulates certain best practices applicable to the Supervisory Board and its committees.
- 1.5. In its resolution adopted on [*], all members of the Supervisory Board of the Company (‘**Supervisory Board**’) unanimously declared that:
- a. the Supervisory Board and its members will comply with, and be bound by the obligations arising from, these rules to the extent that they apply to it and its members;
 - b. on appointment of new members the Supervisory Board will cause such members to issue a declaration as referred to in a. above.
- 1.6. These rules are published on the Company’s website and can be downloaded by selecting www.rsdb.com - organisation - Supervisory Board.

Responsibilities of the Supervisory Board

Article 2.

- 2.1. The Supervisory Board shall be responsible for supervising the Company’s management and the Company’s general affairs and the business connected with it, and for advising the Management Board. In discharging its duties, the Supervisory Board shall be guided by the interests of the Company and its business; it shall take into account the relevant interests of all those involved in the Company (including the Company’s shareholders). The Supervisory Board is responsible for the quality of its own performance.
- 2.2. The responsibilities of the Supervisory Board shall include:
- a. supervising and monitoring, and advising the Management Board on: (i) the Company’s performance, (ii) the Company’s strategy and risks inherent to its business activities, (iii) the structure and management of the internal risk man-



- agement and control systems, (iv) the financial reporting process and (v) compliance with legislation and regulations;
- b. disclosing, complying with and enforcing the Company's corporate governance structure;
 - c. approving the annual accounts and the Company's annual budgets and major capital expenditures;
 - d. selecting and recommending the appointment of, the Company's external auditor;
 - e. selecting, and appointing the members of the Management Board, proposing the remuneration policy for members of the Management Board (such policy to be adopted by the general meeting of shareholders of the Company (the 'general meeting'), fixing the remuneration (in accordance with the said remuneration policy) and contractual terms and conditions of employment of members of the Management Board;
 - f. selecting and recommending the appointment of the members of the Supervisory Board and proposing the remuneration of its members;
 - g. evaluating and assessing the functioning of the Management Board, the Supervisory Board, and their individual members (including the evaluation of the Supervisory Board's profile and the induction, education and training programme (see articles 3.1. and 8));
 - h. handling, and deciding on, reported potential conflicts of interests within the meaning of article 11 between the Company on the one side and members of the Management Board, the external auditor and the major shareholder(s) on the other side;
 - i. handling, and deciding on, reported alleged irregularities that relate to the functioning of the Management Board within the meaning of article 9 of the rules governing the Managements Board's principles and best practices.
- 2.3. The Supervisory Board shall prepare and publish a report on its functioning and activities during the preceding financial year. The report shall at least include the information referred to in articles 3.4, 3.6, 5.3, 10.9, 17.1 and 17.2.



Composition, expertise and independence of the Supervisory Board

Article 3.

- 3.1. The Supervisory Board consists of five members, which members will be appointed in accordance with article 6 and the applicable provisions in the articles of association of the Company.
- 3.2. The Supervisory Board shall prepare a profile of its scope and composition, taking into account the nature of the business, its activities, and the desired expertise, experience and independence of its members. The Supervisory Board shall evaluate the profile annually. The present profile of the Supervisory Board is attached as Annex A.
- 3.3. The composition of the Supervisory Board shall be such that the combined experience, expertise and independence of its members meet the profile attached as Annex A and enables the Supervisory Board to best carry out the variety of its responsibilities and duties to the company and all others involved in the Company (including its shareholders), consistent with applicable law and regulations (including the rules of any exchange on which the Company's shares (or depositary receipts thereof) may be listed). The division of duties among the members of the Supervisory Board follows from the profile attached as Annex A.
- 3.4. In composing the Supervisory Board, the following requirements must be observed:
 - a. each of its members must be capable of assessing the broad outline of the overall policy of the Company and its business;
 - b. each of its members must match the profile attached as Annex A and, by way of a member's respective participation in the Supervisory Board, the Supervisory Board as a whole must be composed in accordance with article 3.1;
 - c. at least one of the members of the Supervisory Board must have relevant expertise in financial administration and accounting for listed companies or other large companies;
 - d. each of its members must be independent within the meaning of article 3.5;
 - e. none of its members may be appointed after his/her third 4-year term, or



his/her twelfth year in office;

- f. none of its members may maintain more than five memberships of Supervisory Boards in Dutch listed companies (including the Company); in this connection, a chairmanship counts twice;
- g. the chairman of the Supervisory Board may not be a former member of the managing board.

3.5. Members of the Supervisory Board will not be considered independent within the meaning of article 3.4 (and will accordingly be considered independent if none of the below apply to him/her) if he/she or his/her spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree:

- a. has been an employee or member of the Company's Management Board (or of any affiliated issuing authority as referred to in article 5:48 paragraph 2 Act on the Financial Supervision) in the five years prior to his/her appointment;
- b. receives personal financial compensation from the Company or a company affiliated with the Company other than the compensation received for the work performed as a Supervisory Board member and in so far as this is not in keeping with the normal course of business;
- c. has had an important business relationship with the Company or a company associated with it in the year prior to his/her appointment. This will in any event include the situation where a Supervisory Board member, or the firm of which he/she is a shareholder, partner, associate or advisor, has acted as advisor to the Company (consultant, external auditor, civil notary and lawyer) and the situation where a Supervisory Board member is a Management Board member or an employee of any bank with which the Company has a lasting and significant relationship;
- d. is a member of the Management Board of a company, of which a member of the Company's Management Board (that he/she supervises) is a Supervisory Board member (cross-ties);
- e. holds at least ten percent of the shares in the Company (including the shares



held by natural persons or legal entities that co-operate with him/her under a legal, tacit, oral or written agreement);

- f. is a member of the managing or Supervisory Board - or is a representative in some other way - of a legal entity that holds at least ten percent of the shares in the Company, unless such entity is a member of the same group as the Company and of which the Company is a shareholder;
- g. has temporarily managed the Company during the preceding twelve months while members of the Management Board were absent or unable to discharge their duties.

In the Supervisory Board's report, the Supervisory Board shall declare that in its view article 3.4 sub d. has been fulfilled. It shall also indicate which Supervisory Board members it considers to be not independent (if any).

- 3.6. The Supervisory Board may appoint one or more members as 'delegated' Supervisory Board members. Delegated Supervisory Board members are Supervisory Board members with a special task. The delegated authority may not exceed the duties of the Supervisory Board member him/herself and does therefore not include managing the Company; it entails more intensive supervision and advice and more frequent consultation with the Management Board. The delegation shall be of a temporary nature only. The delegation may not detract from the function and power of the Supervisory Board. Delegated Supervisory Board members remain members of the Supervisory Board.
- 3.7. Each member of the Supervisory Board shall be required to submit to the board's chairman such information as is necessary to record or update, as the case may be, his/her:
 - a. gender;
 - b. age;
 - c. profession;
 - d. principal position;
 - e. nationality;
 - f. other positions; as far as relevant to the duties as a member of the Supervisory



Board;

- g. date of initial appointment;
- h. current term in office.

The chairman shall procure that such information is published in the Supervisory Board's report.

Chairman, vice-chairman and Company secretary

Article 4.

4.1. The Supervisory Board shall appoint one of its members as chairman and, subject to article 6.3 and 6.4, one of its members as vice-chairman. In the absence of the chairman the vice-chairman will act as chairman. The agenda for the meetings of the Supervisory Board will be determined by the chairman and the vice-chairman. The chairman chairs the meetings of the Supervisory Board, monitors the proper functioning of the Supervisory Board and its committees, arranges for the adequate submission of information to the members of the Supervisory Board, ensure that there is sufficient time for decision taking, arranges for the induction and training programme for members of the Supervisory Board, acts on behalf of the Supervisory Board as main contact for the Management Board, initiates the evaluation of the functioning of the Supervisory Board and of the Management Board, and as chairman ensures the orderly and efficient conduct of the general meeting. The chairman of the Supervisory Board ensures:

- a. the co-ordination of the Supervisory Board's decision-taking process;
- b. the adequate and timely submission of information to the members of the Supervisory Board as necessary for the proper performance of their duties;
- c. that there is ample time for consultation, consideration and decision-taking by the Supervisory Board;
- d. the steering, and procuring the adequate performance of, the committees of the Supervisory Board;
- e. the annual evaluation and assessment of the functioning of the members of the Management Board and the Supervisory Board;
- f. that the contact with the Management Board and the (central) works council is



productive and that the results thereof are timely and prudently communicated to the other members of the Supervisory Board;

g. receiving, and deciding on, reported alleged irregularities relating to the functioning of the members of the Management Board within the meaning of article 9 of the rules governing the Managements Board's principles and best practices.

4.2. In view the size of the management structure of the Company it was decided to transfer support tasks for the Supervisory Board to the secretary of the Management Board who will be in charge of the supervision on the correct following of procedures and on the acting in accordance with the statutory obligations and obligations under the Articles of Association.

Supervisory Board committees

Article 5.

- 5.1. As the Supervisory Board consists of five members, it shall have at least three standing committees, i.e., the audit committee, the remuneration committee and the selection and appointment committee, to be appointed by the Supervisory Board from its own members in accordance with the rules of each committee. The Supervisory Board remains responsible for the decision of the committees.
- 5.2. The Supervisory Board shall prepare rules governing the respective committee's practices and principles (responsibilities, composition, meetings, etc.). The present rules of the respective committees are attached as Annexes C, D and E.
- 5.3. The composition of the committees, the number of committee meetings and the main items to be discussed therein shall be recorded in the Supervisory Board's report. The rules governing the respective committee's practices and principles and the composition of its respective members shall be placed on the Company's website as referred to in article 1.6.
- 5.4. The Supervisory Board shall draw up on an annual basis a report of its deliberations and findings.



(Re)appointment, term and resignation

Article 6.

- 6.1. The members of the Supervisory Board shall be appointed in the manner as provided in the Company's articles of association on the recommendation or nomination of the Supervisory Board. The recommendation or nomination for (re)appointment shall state the reasons for it. On reappointment, the manner in which the candidate fulfilled his/her duties as member of the Supervisory Board shall be taken into account. Members of the Supervisory Board shall hold office for a maximum period of four years and shall thereafter be eligible for re-appointment, provided that no member shall hold office for more than three 4-year terms or twelve years, as the case may be. A Member of the Supervisory Board will resign not later than the day of the first general meeting held four years after his last appointment have expired. Resignation by rotation will take place at the moment of the closure of the annual general meeting.
- 6.2. A Supervisory Director retiring by rotation is eligible for reappointment immediately. If an interim vacancy occurs on the Supervisory Board, the Supervisory Board will be regarded as fully constituted; definitive arrangements to fill the vacancy will, however, be made as soon as possible. The person appointed to fill an interim vacancy will be a member of the Supervisory Board for a period identical to the unexpired term of office of his predecessor.
- 6.3. As long as Quebecor World Inc. ('**QWI**') holds at least 22.5% of the Company's total ordinary share capital in issue from time to time, the Supervisory Board shall have two members who are appointed at the proposal of QWI and one of which will be the vice-chairman of the Supervisory Board (together, the '**QWI Nominees**'). During such period, the Supervisory Board will appoint one QWI Nominee to each Board Committee, in respect of the selection and appointment committee, such QWI Nominee will be appointed as chairman. The Supervisory Board shall resolve to, and, nominate the QWI Nominees proposed by QWI, each time that there is a vacancy for a QWI Nominee to be filled for appointment to the annual general meeting in accordance with the articles of association of the Company. In



the event that a QWI Nominee is rejected by the general meeting, QWI shall be entitled to propose another person as QWI Nominee who shall be nominated by the Supervisory Board for appointment to the general meeting. This procedure shall be applied as long as and until a QWI Nominee shall have been appointed.

- 6.4. In the event that QWI ceases to hold at least 22.49% of RSDB's total ordinary share capital in issue for a period commencing on the business day immediately following the date upon which QWI ceases to hold at least 22.49% of RSDB's total ordinary share capital in issue and ending on the day prior to the second annual general meeting following the drop in QWI's shareholding to below 22.49% (provided there is a period of at least 12 months between the first and second general meeting) (a '**Transitional Period**'), but continues to hold at least 12.5% of RSDB's total ordinary share capital in issue from time to time, QWI's rights under paragraph 6.3 shall be varied such that QWI shall take such steps as RSDB may reasonably require to procure the removal of one of the QWI Nominees from the Supervisory Board with effect from the first annual general meeting held after the expiry of such Transitional Period. Notwithstanding this, under this paragraph 6.4, QWI shall remain entitled to nominate one member for appointment to the Supervisory Board (the '**QWI Nominee**') and the Supervisory Board shall resolve to, and, nominate such QWI Nominee for appointment to the general meeting in accordance with article 6.3 that applies accordingly.

In the event that QWI's shareholding in RSDB is greater than 22.49% at any point during the Transitional Period, the Transitional Period shall be deemed to have lapsed. Should QWI subsequently cease to hold 22.49% of RSDB's total ordinary share capital in issue, an additional consecutive period commencing on the date that QWI ceased to hold at least 22.49% of RSDB's total ordinary share capital and ending on the day prior to the second annual general meeting (provided there is a period of at least twelve months between the first and second annual general meeting), as required pursuant to paragraph 6.4 shall be deemed to have commenced on the business day immediately following the date upon which QWI's shareholding in RSDB falls below 22.49%.



If QWI nominates a member for appointment to the Supervisory Board in accordance with this paragraph 6.4:

- A. the composition of the Supervisory Board will be amended so as to consist of four members of the Supervisory Board that are independent of QWI (one of whom shall be the member deemed to have been nominated by the Central Works Council) and the QWI Nominee; and
- B. the QWI Nominee will be elected to be vice-chairman of the Supervisory Board, will be entitled to be appointed by the Supervisory Board to each Board Committee and will be appointed by the Supervisory Board as chairman of the nomination committee.

6.5. In the event that QWI ceases to hold at least 12.49% of RSDB's total ordinary share capital in issue, QWI's rights in paragraph 6.3 or 6.4, as applicable, shall terminate and cease to be of effect and QWI shall take such steps as RSDB may reasonably require to procure the removal of the QWI Nominees or QWI Nominee, as applicable, from the Supervisory Board with effect from the first annual general meeting following the business day upon which QWI's shareholding falls below that level. If there are less than three months between the date that QWI's shareholding falls below such level and the date of such annual general meeting and provided the reduction in QWI's shareholding is solely caused by reasons other than the sale of RSDB shares by QWI, then the relevant QWI Nominee, or QWI Nominees, as the case may be, shall resign with effect of the date of the second annual general meeting thereafter (the period between the date that QWI's shareholding falls below 12.49% and the first annual general meeting or the second annual general meeting, as applicable hereafter referred to as the '**12.49% Transitional Period**').

6.6. In the event that QWI's shareholding in RSDB is greater than 12.49% at any time during the 12.49% Transitional Period, the 12.49% Transitional Period shall be deemed to have lapsed. Should QWI subsequently ceases to hold 12.49% of RSDB's total ordinary share capital in issue an additional consecutive period shall be deemed to have commenced on the date that QWI ceased to hold at least



12.49% of RSDB's total ordinary share capital and ending on the day prior to the next annual general meeting, provided that paragraph 6.5 shall apply accordingly in circumstances where there are less than three months between the date that QWI's shareholding falls below such level and the date of the next annual general meeting.

- 6.7. The Supervisory Board shall prepare a resignation rota to prevent, to the greatest extent possible, re-appointments occurring simultaneously. The present resignation rota of the Supervisory Board is attached as Annex B. Subject to articles 6.4, 6.5 and 6.6 members of the Supervisory Board shall resign in accordance with the resignation rota.
- 6.8. Members of the Supervisory Board shall retire early in the event of inadequate performance, structural incompatibility of interests, and other instances where retirement is deemed necessary at the discretion of the Supervisory Board.
- 6.9. Members of the Supervisory Board, who take on the management of the Company temporarily, where the Management Board members are absent or unable to discharge their duties, shall (temporarily) resign from the Supervisory Board in order to do so.

Remuneration

Article 7.

- 7.1. The Supervisory Board shall from time to time submit proposals to the general meeting in respect of the remuneration to be paid to the chairman and other members of the Supervisory Board. The remuneration of a Supervisory Board member may not be made dependent on the Company's results. If the members of the Supervisory Board are required to charge VAT on their fees, the Company shall pay the amount of VAT.
- 7.2. In fixing the remuneration of the Supervisory Board, the following requirements must be observed:
 - a. none of its members may receive shares and/or options or similar rights to acquire shares in the Company's capital as part of their remuneration;
 - b. none of its members may hold securities as meant in sub a. other than for



long-term investment;

- c. none of its members may hold other securities than as mentioned in sub a. other than in accordance with the regulations as described below, unless he or she holds such securities for investment in listed investment funds, or, in case of investment in other funds, only if he/she has entrusted an independent third party with the management of his/her securities portfolio pursuant to a written (agency) agreement;
- d. none of its members may accept personal loans, guarantees, et cetera, from the Company, other than in the normal course of business and with the approval of the Supervisory Board. No remission of loans may be granted.

In view of the size of the Company the Supervisory Board believes it is not necessary to determine a set of regulations for securities holdings and transactions in other companies than the Company. However, there is an agreement that acquiring a (potential) conflict of interest in another company shall be avoided and in case of doubt, will be discussed beforehand with the members of the Supervisory Board.

- 7.3. The remuneration, reimbursement of expenses and other agreed terms and conditions, including the date as of which such payments shall be made, shall be determined by the general meeting and be agreed in writing between the Company and each individual member of the Supervisory Board. The notes to the annual accounts shall in any event contain the information prescribed by law as to the size and structure of the remuneration of individual members of the Supervisory Board.
- 7.4. The Company will, subject to the terms and conditions of an indemnity agreement to that effect, indemnify members of the Supervisory Board against all costs (including lawyers fees, fines, settlement amounts, etc.) incurred by them in connection with any civil, criminal or administrative proceedings in which they are involved on account of their (former) membership of the Supervisory Board. The Company shall take out a liability insurance for the benefit of the members of the Supervisory Board to cover these costs (where possible).



Introduction programme and ongoing training and education

Article 8.

- 8.1. Once appointed, each member of the Supervisory Board shall follow an induction programme, addressing:
- a. general financial and legal affairs;
 - b. financial reporting by the Company;
 - c. specific aspects unique to the Company and its business activities;
 - d. responsibilities of members of the Supervisory Board.
- 8.2. The Supervisory Board shall evaluate the induction programme annually to identify any other specific aspects in respect of which further training and education is required.

Supervisory Board meetings (agenda, teleconferencing, attendance, minutes)

Article 9.

- 9.1. The Supervisory Board shall hold at least 4 meetings per year and whenever one or more of its members have requested a meeting. Supervisory Board meetings are generally held at the offices of the Company, but may also take place elsewhere. In addition, meetings may be held by telephone or videoconference provided that all participants can hear each other simultaneously.
- 9.2. Members of the Supervisory Board who are frequently absent during meetings of the Supervisory Board shall be asked by the chairman to explain their absence. Frequent absences shall be reported in the Supervisory Board's report.
- 9.3. Unless the Supervisory Board decides otherwise, meetings of the Supervisory Board shall be attended by one or more members of the Management Board, save for meetings concerning:
- a. the evaluation of the functioning of the Management Board and its individual members, and the conclusions to be drawn from that evaluation;
 - b. the evaluation of the functioning of the Supervisory Board and its individual members, and the conclusions to be drawn from that evaluation;
 - c. the desired profile, scope and composition of the Supervisory Board;
 - d. the potential conflicts of interests of members of the Management Board



within the meaning of article 11.

- 9.4. The external accountant of the Company shall attend each Supervisory Board meeting at which the examination, adoption and, if applicable, approval of the annual accounts are discussed. The external accountant shall receive the financial information underlying the adoption of the quarterly or half yearly accounts and other interim financial reports and shall be given the opportunity to respond to all information.
- 9.5. Meetings shall be convened by the Company secretary on behalf of the member(s) requesting the meeting. Where this is practically possible, notices convening a meeting and the agenda of items to be considered and discussed therein shall be dispatched seven working days before the meeting and sent to each member of the Supervisory Board and the Management Board.
- 9.6. Minutes of the meeting shall be prepared by the secretary of the meeting. They shall generally be adopted in the next meeting. If all members of the Supervisory Board agree on the contents of the minutes, they may be adopted earlier. The minutes shall be signed for adoption by the chairman and shall be dispatched to all members of the Supervisory Board as soon as practically possible. The Company secretary may issue and sign extracts of the adopted minutes.

Supervisory Board resolutions (quorum, votes, items to be considered)

Article 10.

- 10.1. Unless the articles of association or these rules prescribe another majority, resolutions of the Supervisory Board will be adopted with a simple majority of the votes cast. The Supervisory Board may only adopt valid resolutions if all supervisory directors holding office, minus one, are present or represented. If less than the number of supervisory directors required pursuant to the previous sentence are present or represented at the meeting, a new meeting may be called to be held within one week after the first meeting, at which meeting resolutions may be validly adopted irrespective of the number of supervisory directors present or represented at such new meeting, provided that the resolutions set out in paragraph 10.4 may only be adopted if all supervisory directors in office minus one, have voted in favour of



such resolution and provided further that at least one of the votes in favour shall be of a QWI Nominee.

A Supervisory Board director having a conflict of interest as meant in article 11 shall for the purposes of this article 10.1 be deemed not to be holding office.

- 10.2. Notwithstanding the provisions in paragraph 1 of this article resolutions with respect to the entering into agreements with a shareholder who holds more than 25% of the issued capital of the Company, or a company which is affiliated in a group of such company, or Managing Directors or Supervisory Board Directors of such companies (**'Related Party Transactions'**), can be adopted with a majority of the votes cast by the supervisory directors attending the meeting.
- 10.3. In addition to the provisions in the articles of association the resolutions of the Management Board set out in Annex F and certain resolutions set out in Annex G shall require the approval of the Supervisory Board.
- 10.4. Notwithstanding the provisions in paragraph 1 of this article, the resolutions of the Supervisory Board with respect to the approval of the resolutions of the Management Board as referred to in (i) article 26 of the articles of association of the Company and (ii) the attached Annex F, may only be adopted by all Supervisory Board directors in office minus one, voting in favour of such resolution, provided that at least one of the votes in favour should be of a QWI Nominee. The provisions in this article will no longer apply after [Insert date being four years after the Closing Date], unless the Supervisory Board decides otherwise by a simple majority.
- 10.5. With due observance of the provisions set out in paragraph 1, 2, 3 and 4, the Supervisory Board may also adopt resolutions outside a meeting, provided that the motion in question has been submitted to all of its members, none of them has objected to this form of decision-taking and each of them participated, provided that the Supervisory Board member as meant in article 11 shall not participate. The chairman shall prepare and sign a report of the resolution adopted in this manner, enclosing any written replies received. The adoption of resolutions outside a meeting must be reported at the next meeting.
- 10.6. In the event of a tie of votes, the chairman shall have the casting vote provided that



there are more than two members of the Supervisory Board present or represented.

- 10.7. If the chairman of the Supervisory Board has a conflict of interest as referred to in article 11 with respect to a resolution relating to an issue or transaction, the meeting of the Supervisory Board shall be presided by a supervisory director who does not have a conflict of interest.
- 10.8. The ongoing items to be considered and discussed at Supervisory Board meetings include reviewing the Company's budget and financial results, approving major decisions requiring Supervisory Board action, discussing and approving corporate strategy (and changes thereto) with the Management Board (e.g. long-term strategy, capital expenditures in excess of the Company's budget, long-term capital structures, new lines of business, major acquisitions and divestments) and receiving reports from the Supervisory Board's committees.
- 10.9. At least once a year, the Supervisory Board shall discuss:
- a. the functioning of the Supervisory Board and its individual members, and the conclusions to be drawn on the basis thereof;
 - b. the desired profile, composition and competence of the Supervisory Board;
 - c. the functioning of the Management Board and its individual members and the conclusions to be drawn on the basis thereof;
 - d. the evaluation of the introduction, education and training programme as referred to in article 8;
 - e. the corporate strategy, the risks of the business and the result of the evaluation by the Management Board of the structure and operation of the internal risk management and control systems, as well as any significant changes thereto.
- The report of the Supervisory Board will refer to the fact that the meeting(s) was/were held.

Conflict of interests

Article 11.

- 11.1. A transaction in relation to which a Supervisory Director has a conflict of interest with the Company within the meaning of article 11.2, must be concluded on terms at least customary in the sector concerned.



Resolutions to enter into such transaction must be approved by the Supervisory Board. Notwithstanding the foregoing, a supervisory director with a conflict of interest shall upon request thereto by the Supervisory Board be entitled to express his or her views on or provide information with regard to such transaction. The chairman of the Supervisory Board shall procure that transactions in respect of which Supervisory Board members have a conflict of interest will be referred to in the Company's annual report with reference to the conflict of interests and a declaration that articles 11.1 and 11.2 were complied with.

- 11.2. A member of the Supervisory Board shall in any event have a conflict of interests of significant interest to the Company and/or the relevant member of the Supervisory Board ('conflict of interests') with the Company if:
- a. he/she personally has a material financial interest in a company with which the Company intends to enter into a transaction;
 - b. he/she has a family law relationship (*familierechtelijke verhouding*) with, or his/her spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree is, a member of the managing or Supervisory Board of a company with which the Company intends to enter into a transaction;
 - c. he/she is a member of the managing or Supervisory Board of, or holds similar office with, a company with which the Company intends to enter into a transaction;
 - d. under applicable law, including the rules of any exchange on which the Company's shares (or depositary receipts thereof) are listed, such conflict of interests exists or is deemed to exist;
 - e. the Supervisory Board has ruled that such conflict of interests exists or is deemed to exist.
- 11.3. Each Supervisory Board member (other than the chairman of the Supervisory Board) shall immediately report any potential conflict of interest concerning a Supervisory Board member to the chairman of the Supervisory Board. The Supervisory Board member with such (potential) conflict of interests must provide the



chairman of the Supervisory Board with all information relevant to the conflict of interests, including information relating to the persons with whom he/she has a relationship under family law (*familierechtelijke verhouding*) / his/her spouse, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree. In all circumstances other than the ones listed in article 11.2 under d. and e., the chairman of the Supervisory Board will determine whether a reported (potential) conflict of interests qualifies as a conflict of interests to which article 11.1 applies.

In case the chairman of the Supervisory Board has a (potential) conflict of interest he shall immediately report such potential conflict to the vice-chairman of the Supervisory Board. The chairman of the Supervisory Board must provide the vice-chairman of the Supervisory Board with all information relevant to the conflict of interests, including information relating to the persons with whom he/she has a relationship under family law (*familierechtelijke verhouding*) / his/her spouse, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree. In all circumstances other than the ones listed in article 11.2 under d. and e., the Supervisory Board will determine whether a reported (potential) conflict of interests qualifies as a conflict of interests to which article 11.1 applies.

- 11.4. The external auditor shall in any event have a conflict of interests with the Company, if:
- a. the independence of the external auditor with respect to its supervision of financial reporting is compromised by the non-audit activities for the Company including inter alia marketing, advice on (management) consultancy or information technology;
 - b. the responsible partner in the external auditors firm has been in charge of the audit activities for the Company during a continuous period of seven years without rotation;
 - c. under applicable law, including the rules of any exchange on which the Company's shares (or depositary receipts thereof) are listed, such conflict of inter-



ests exists or is deemed to exist;

- d. the Supervisory Board at his/her sole discretion has ruled that such conflict of interests exists or is deemed to exist,

provided that the sole fact that an auditor is also the auditor of QWI shall not be deemed to constitute a conflict of interest. The external auditor of the Company, as well as each member of the managing and Supervisory Board shall immediately report any potential conflict concerning the external auditor to the chairman of the Supervisory Board. The external auditor of the Company, as well as each member of the managing and Supervisory Board must provide all information relevant to the conflict of interests to the chairman of the Supervisory Board. In all circumstances other than the ones listed under c. and d. above the Supervisory Board will determine whether a reported (potential) conflict of interests qualifies as a conflict of interests pursuant to which the appointment of the external auditor will have to be reconsidered or other measures must be taken to resolve it. The chairman of the Supervisory Board shall procure that those measures will be mentioned in the Company's annual report with reference to the conflict of interests and a declaration that this article 11.4 was complied with.

Complaints, whistle-blowers

Article 12.

- 12.1. The Management Board will ensure that employees have the opportunity, without jeopardising their legal position, to report alleged irregularities of a general, operational and financial nature within the Company to the chairman of the Management Board or to an officer designated for such purpose by him.
- 12.2. Alleged irregularities that relate to the functioning of the members of the Management Board shall be reported to the chairman of the Supervisory Board. The Supervisory Board shall ensure that complaints received in relation to the matters referred to in 12.2 are recorded and dealt with.
- 12.3. The arrangements for whistleblowers will be placed on the Company's website as referred to in article 1.6.



Information, relationship with the Management Board

Article 13.

- 13.1. The Supervisory Board, and its individual members, have their own responsibility for obtaining all information from the Management Board and the external auditor that the Supervisory Board requires for the due performance of its duties. If the Supervisory Board deems necessary, it may obtain information from officers and external advisors of the Company. The Management Board shall provide the necessary means for this purpose. The Supervisory Board may require that certain officers and external advisors attend its meetings.
- 13.2. The Management Board shall timely provide the Supervisory Board with information (if possible, in writing) on all facts and developments concerning the Company which the Supervisory Board may need to function as required and to properly carry out its duties.
- 13.3. The Management Board shall monthly/quarterly provide the Supervisory Board with a report prepared in a format as agreed from time to time and setting out detailed information on inter alia finance, marketing, investments and staff. This periodic report shall be accompanied by a letter from the Management Board containing an explanation of, and comments on, the above as well as information concerning its policies.
- 13.4. Each year, without prejudice to the above, the Management Board shall provide the Supervisory Board with a budget for the following year, an up-to-date version of its long-term plans, the main features of the strategic policy, the general and financial risks, the management and control systems of the Company and the compliance with all relevant laws and regulations. In addition, the Management Board shall issue an annual declaration that it has provided the Supervisory Board with all relevant information required for the due performance of its duties. These documents will be provided in time so as to enable the Supervisory Board to give its approval by December of the then current year.
- 13.5. If a member of the Supervisory Board should receive information or indications relevant to the Supervisory Board in the proper performance of its supervisory and



advisory tasks (from a source other than the managing or Supervisory Board), he shall make this information available to the chairman as soon as possible. The chairman of the Supervisory Board shall subsequently inform the entire Supervisory Board.

Relationship with the shareholders

Article 14.

- 14.1. In accordance with the Company's articles of association, general meetings may be convened at the request of the Supervisory Board. The Supervisory Board shall ensure that it is held in due time and that the shareholders are informed by means of explanatory notes to the agenda or a shareholders circular as the case may be in view of IV.3.7 of the Corporate Governance Code, of all facts and circumstances relevant to the item(s) on the agenda. In the event that shareholders' approval is to be requested for a decision as meant in article 2:107a of the Civil Code a shareholders circular shall be prepared. The shareholders circular will be placed on the website of the Company, referred to in article 1.6.
- 14.2. The members of the Company's managing and Supervisory Board shall participate in general meetings, unless they are prevented from attending on serious grounds. In conformity with the articles of association of the Company, the chairman shall, as a general rule, chair the general meetings, and shall decide on the contents of resolutions. The ruling pronounced by the Chairman in respect of the outcome of a vote in a general meeting shall be decisive subject to the provisions of article 2:13 Dutch Civil Code.
- 14.3. The Supervisory Board shall provide the general meeting with any information it may require concerning an item on the agenda, unless important interests (*zwaarwegende belangen*) of the Company or any law, rules or regulations applicable to the Company prevent it from doing so. The Supervisory Board shall specify the reasons for invoking such important interests.
- 14.4. The Management Board and the Supervisory Board are responsible for the corporate governance structure of the Company and must give account to the general meeting in relation to such structure. Each year the broad outline of the Company's



corporate governance structure shall be set forth in a separate chapter of the annual report. In this chapter where the best practices of the Code were followed and if not, the reason for not doing so, and to which extent the Company deviates from these best practices. Each significant change in the Company's corporate governance structure and the compliance of the Code shall be addressed in a separate item on the agenda for consideration by the general meeting.

Relationship with the works council

Article 15.

- 15.1. The Supervisory Board shall annually fix a schedule for attendance by one or more of its members of the consultative meetings with the central works council, to the extent that the law or an agreement with the central works council requires members to be present. Attendance is required by law at meetings as referred to in section 24, paragraph 1 of the Works Councils Act (*Wet op de ondernemingsraden*) where the general course of affairs of the Company or proposals as referred to in section 25, paragraph 1 of the Works Councils Act are discussed. In addition, the Supervisory Board may schedule other meetings with the Central works council.
- 15.2. The Supervisory Board shall annually draw up a list of members of the Supervisory Board who are available to attend meetings of the central works council where the law does not require such attendance.
- 15.3. The chairman of the Supervisory Board is primarily responsible for maintaining and co-ordinating contacts with the central works council. If a member of the Supervisory Board is invited to attend a meeting of the central works council, he shall accept the invitation only after consultation with the chairman.
- 15.4. Proposals of the Management Board requiring prior approval or authorisation by the Supervisory Board and in respect of which the (central) works council has an advisory right must first be approved by the Supervisory Board. If granted, this approval shall be given subject to a positive or neutral advice by the (central) works council.



Confidentiality

Article 16.

Members of the Supervisory Board shall treat all information and documentation acquired within the framework of their membership with the necessary discretion and, in the case of classified information, with the appropriate secrecy. Classified information shall not be disclosed outside the Supervisory or Management Board, made public or otherwise made available to third parties, even after resignation from the Supervisory Board, unless:

- (i) it has been made public by the Company; or
- (ii) it has been established that the information is already in the public domain. (otherwise than as a result of improper disclosure and the (ex) member of the Supervisory Board was or could have reasonably been aware that such disclosure was unlawful); or
- (iii) the information is to be made available in the course of any legal proceedings; or
- (iv) the information is to be made available to a governmental or regulatory authority pursuant to its request or under applicable law.

Non-compliance, amendment

Article 17.

- 17.1. Without prejudice to the provisions of article 14.4, the Supervisory Board may occasionally decide at its sole discretion not to comply with and adhere to these rules pursuant to a Supervisory Board resolution to that effect. Until [Insert date being four years after the Closing Date] such resolution may only be adopted by all Supervisory Board directors in office, minus one, voting in favour of such resolution provided that at least one vote in favour shall be from a QWI Nominee. After such date such resolution may be adopted with a simple majority of the votes cast, unless the Supervisory Board decides otherwise by simple majority. Such resolutions shall be referred to in the Supervisory Board's report.
- 17.2. Without prejudice to the provisions of articles 1.2 and 14.4, these rules may be amended by a resolution of the Supervisory Board to that effect. Such resolutions shall be referred to in the Supervisory Board's report.
- 17.3. Until [Insert date being four years after the Closing Date] the resolutions as set out in this article 17 paragraphs 1 and 2 may only be adopted by all Supervisory Board



directors in office, minus one, voting in favour of such resolution provided that at least one of the votes in favour shall be from a QWI Nominee. After such date such resolutions, with the exception of article 6 paragraphs 3, 4, 5 and 6 that are incapable of being amended or set aside on an incidental or regular basis, may be adopted with a simple majority of the votes cast unless the Supervisory Board decides otherwise by simple majority. Such resolutions shall be referred to in the Supervisory Board's report.

Specific Provision

Article 18.

- 18.1. As an exception to article 6 paragraph 1 two out of five supervisory board directors have been appointed upon recommendation of QWI.
- 18.2. As an exception to article 3 paragraph 4 under d, it is recognised and accepted that the Supervisory Board directors appointed in accordance with article 18 paragraph 1 or that will be appointed in accordance with article 6, paragraphs 3 and 4 cannot be considered as independent.

Profile of the supervisory board's scope and composition

Annex A.

This profile was prepared on [*] on the basis of article 3.1 of the rules of the Supervisory Board. Taking into account the nature of the Company's business and its activities, the Supervisory Board's scope and composition (and division of duties) is as follows.



Resignation rota

Annex B.

This resignation rota was prepared on [*] 2007 on the basis of article 6.2 of the rules of the supervisory board.

Name	Date of initial appointment	End of (4-year) term(s)	Date of reappointment(s)	Ultimate date of resignation
Roto Smeets Quebecor N.V.				
D.J. Montgomery	2006	2010		2018
A.P. Lugt	2000	2004	2008	2012
H.C.P. Noten	2005	2009		2017
J. Mallette	2007	2011		2019
W. Lucas	2007	2011		2019

* to prevent simultaneous reappointment



Rules governing the supervisory board's audit committee

Annex C.

These rules were prepared on [*]2007, on the basis of article 5.2 of the rules of the Supervisory Board.

Responsibilities

Article 1.

- 1.1. Without prejudice to article 5.1 of the Supervisory Board's rules, the audit committee advises the Supervisory Board in relation to its responsibilities and shall prepare resolutions of the Supervisory Board in relation thereto.
- 1.2. The responsibilities of the audit committee shall include:
 - a. supervising and monitoring, and advising the Management Board on, the effect of internal risk management and control systems, including supervision of the enforcement of the relevant legislation and regulations, and supervising the effect of codes of conduct;
 - b. supervising the submission of financial information by the Company (choice of accounting policies, application and assessment of the effects of new legislation in this area, information on the treatment of estimated entries (*schattingsposten*) in the annual accounts, forecasts, etc.);
 - c. supervising the compliance of recommendations and observations of internal and external auditors;
 - d. supervising the financing of the Company;
 - e. supervising the application of information and communication technology (ICT);
 - f. maintaining frequent contact and supervising the relationship with the external auditor, including in particular (i) assessing the external auditor's independence, remuneration and any non-auditing work for the Company, (ii) determining the involvement of the external auditor in respect of the contents and publication of financial reporting by the Company other than the annual accounts, and (iii) taking note of irregularities in respect of the content of the financial reporting as may be reported by the external auditor;



- g. recommending the appointment of an external auditor by the Company's general meeting of shareholders;
 - h. approval of the annual accounts and approving the annual budget and major capital expenditures of the Company.
- 1.3. The audit committee shall prepare and publish on an annual basis a report of its deliberations and findings.
- 1.4. At least once a year the audit committee, shall, together with the Management Board, report to the Supervisory Board on the developments concerning the relationship with the external auditor, in particular his independence. The report shall address, inter alia, the desirability of rotation of partners within a firm of external auditors that is responsible for the Company's audit, and the desirability of any non-auditing work for the Company by the external auditor.
- 1.5. At least every four years, the Management Board, shall, together with the audit committee, thoroughly assess the functioning of the external auditor in the various entities and capacities in which the external auditors operates. The main conclusions of the assessment shall be notified to the general meeting for the purpose of considering the recommendation for the appointment of external auditor of the Company.
- 1.6. The external accountant shall receive the financial information underlying the adoption of the quarterly or half yearly accounts and other interim financial reports and shall be given the opportunity to respond to all information.

Composition, expertise and independence of the audit committee

Article 2.

The audit committee shall consist of three members of the Supervisory Board, one of which shall be a Supervisory Board director, who shall be a QWI Nominee. Neither the chairman of the Supervisory Board nor any of the Company's (former) members of the Management Board may (simultaneously) be the chairman of the audit committee.

Chairman

Article 3.

Subject to article 2 of these rules, the Supervisory Board shall appoint one of the committee



members as chairman. The chairman shall be primarily responsible for the proper functioning of the audit committee. He/she shall act as the spokesman of the audit committee and shall be the main contact for the Supervisory Board.

Audit committee meetings (agenda, attendance, minutes)

Article 4.

- 4.1. The audit committee will hold at least 1 meeting per year and whenever one or more of its members have requested a meeting. Audit committee meetings are generally held at the offices of the Company, but may also take place elsewhere.
- 4.2. The external auditor of the Company may ask the chairman of the audit committee to be present at audit committee meetings. The audit committee will at least once a year hold a meeting with the external auditor of the Company without any of the Company's Management Board members or internal auditors being present. Subject to the preceding sentence, the audit committee shall decide if and when the chairman of the Management Board, the chief financial officer and the external auditor of the Company will be present at its meetings.
- 4.3. Audit committee meetings shall be convened by the member(s) requesting the meeting. Where this is practically possible, notices convening a meeting and the agenda of items to be considered and discussed therein shall be dispatched seven working days before the meeting and sent to each member of the audit committee.
- 4.4. Minutes of the meeting shall be prepared. They shall generally be adopted in the next meeting. If all members of the committee agree on the contents of the minutes they may be adopted earlier. The minutes shall be signed for adoption by the chairman and shall be dispatched to all members of the Supervisory Board as soon as practically possible.

Rules of the rules of the Supervisory Board applicable

Article 5.

Articles 1.1, 1.2, 10.1, 10.5, 10.6, 17 and 18 of the rules of the Supervisory Board shall apply mutatis mutandis to these rules.



Rules governing the supervisory board's remuneration committee

Annex D.

These rules were prepared on [*] 2007 on the basis of article 5.2 of the rules of the Supervisory Board.

Responsibilities

Article 1.

- 1.1. Notwithstanding article 5.1 of the rules of the Supervisory Board, the remuneration committee advises the Supervisory Board in relation to its responsibilities and shall prepare resolutions of the Supervisory Board in relation thereto.
- 1.2. The responsibilities of the remuneration committee shall include:
 - a. preparing a proposal for the Supervisory Board concerning the remuneration policies for the Management Board to be adopted by the general meeting;
 - b. preparing a proposal concerning the individual remuneration of members of the Management Board to be adopted by the Supervisory Board, which proposal will in any event include: (i) the remuneration structure and (ii) the amount of the fixed remuneration, the shares and/or options and/or other variable remuneration components, pension rights, severance pay and other forms of compensation to be awarded, as well as the performance criteria and the application thereof;
 - c. preparing the Supervisory Board's remuneration report on the remuneration policies for the Management Board to be adopted by the Supervisory Board. The remuneration report comprises a report on the way in which the remuneration policy was implemented in the most recent financial year and comprises an outline of the remuneration policy that will be implemented in the next forthcoming financial year and the years following such year; the outline at least contains the information as referred to in II.2.10 of the Code. The remuneration policy will be placed on the Company's website as referred to in article 1.6.
- 1.3. The remuneration committee shall prepare and publish on an annual basis a report of its deliberations and findings.



Composition, expertise and independence of the remuneration committee

Article 2.

- 2.1. The remuneration committee shall consist of three members of the Supervisory Board, one of which shall be a Supervisory Board director, who shall be a QWI Nominee.
- 2.2. Neither the chairman of the Supervisory Board, nor any of the Company's former members of the Management Board, nor any member of the Management Board of any other listed company, may simultaneously be the chairman of the remuneration committee.
- 2.3. None of its members, with the exception of no more than one person, may simultaneously be a member of the Management Board of any other listed Dutch company.

Chairman

Article 3.

With due observance of article 2 of these rules, the Supervisory Board shall appoint one of the committee members as chairman. The chairman shall be primarily responsible for the proper functioning of the remuneration committee. He/she shall act as the spokesman of the remuneration committee and shall be the main contact for the Supervisory Board.

Remuneration committee meetings (agenda, attendance, minutes)

Article 4.

- 4.1. The remuneration committee will hold at least one meeting per year and whenever one or more of its members request a meeting. Remuneration committee meetings are generally held at the offices of the Company, but may also take place elsewhere.
- 4.2. Members of the Management Board shall not be invited to participate in the meetings of the remuneration committee, unless the remuneration committee determines otherwise.
- 4.3. Remuneration committee meetings shall be convened by the member(s) requesting the meeting. Where this is practically possible, notices convening a meeting and the agenda of items to be considered and discussed therein shall be dispatched



seven working days before the meeting and sent to each member of the remuneration committee.

- 4.4. Minutes of the meeting shall be prepared. These minutes shall generally be adopted by in the next meeting of the remuneration committee. If all members of the committee agree on the contents of the minutes they may be adopted earlier. The minutes shall be signed for adoption by the chairman and shall be dispatched to all members of the Supervisory Board as soon as practically possible.

Rules of the rules of the Supervisory Board applicable

Article 5.

Articles 1.1, 1.2, 10.1, 10.5, 10.6, 17 and 18 of the rules of the Supervisory Board shall apply mutatis mutandis to these rules.



Rules governing the supervisory board's selection and appointment committee

Annex E.

These rules were prepared on [*] 2007 on the basis of article 5.2 of the rules of the Supervisory Board.

Responsibilities

Article 1.

- 1.1. Notwithstanding article 5.1 of the Supervisory Board's rules, the selection and appointment committee shall advise the Supervisory Board in relation to its responsibilities and shall prepare resolutions of the Supervisory Board in relation thereto.
- 1.2. The responsibilities of the selection and appointment committee shall include:
 - a. preparing the selection criteria and appointment procedures for members of the Company's Supervisory Board and the Management Board;
 - b. periodically evaluating the scope and composition of the Management Board and Supervisory Board, and proposing the profile of the Supervisory Board in relation thereto;
 - c. periodically evaluating the functioning of individual members of the Management Board and Supervisory Board and reporting the results thereof to the Supervisory Board;
 - d. proposing the (re-)appointments of members of the Company's Management Board and Supervisory Board;
 - e. supervising the policy of the Management Board in relation to the selection and appointment criteria for senior management.
- 1.3. The selection and appointment committee shall prepare and publish on an annual basis a report of its deliberations and findings.

Composition, expertise and independence of the selection and appointment committee

Article 2.

- 2.1. The selection and appointment committee shall consist of three members of the Supervisory Board, one of which shall be a QWI Nominee
- 2.2. Neither the chairman of the Supervisory Board, nor any of the former members of the Supervisory Board may simultaneously be chairman of the remuneration com-



mittee.

- 2.3. None of its members, with the exception of no more than one person, may simultaneously be a member of the Management Board of any other listed Dutch company

Chairman

Article 3.

Subject to article 2 of these rules, the Supervisory Board shall appoint the committee member who is a QWI Nominee as chairman. The chairman shall be primarily responsible for the proper functioning of the selection and appointment committee. He/she shall act as the spokesman of the selection and appointment committee and shall be the main contact for the Supervisory Board.

Selection and appointment committee meetings (agenda, attendance, minutes)

Article 4.

- 4.1. The selection and appointment committee will hold at least one meeting per year and whenever one or more of its members have requested a meeting. Selection and appointment committee meetings are generally held at the offices of the Company, but may also take place elsewhere.
- 4.2. Members of the Management Board shall not be invited to participate in the meetings of the selection and appointment committee, unless the selection and appointment committee determines otherwise.
- 4.3. Selection and appointment committee meetings shall be convened by the member(s) requesting the meeting. Where this is practically possible, notices convening a meeting and the agenda of items to be considered and discussed therein shall be dispatched seven working days before the meeting and sent to each member of the selection and appointment committee.
- 4.4. Minutes of the meeting shall be prepared. They shall generally be adopted in the next meeting of the selection and appointment committee. If all members of the committee agree on the contents of the minutes they may be adopted earlier. The minutes shall be signed for adoption by the chairman and shall be dispatched to all members of the Supervisory Board as soon as practically possible.



Rules of the rules of the Supervisory Board applicable

Article 5.

Articles 1.1, 1.2, 10.1, 10.5, 10.6, 17 and 18 of the rules of the Supervisory Board shall apply mutatis mutandis to these rules.

Annex F

Resolutions of the Management Board subject to the approval by the Supervisory Board

- a. the acquisition or transferring of shares in the capital of the Company or depositary receipts for such shares held by the Company and the sale, transfer of, or granting of any rights to treasury shares or depositary receipts thereof;
- b. resolutions amending the Management Board regulations;
- c. a resolution to alter the dividend policy of the Company or to make an extraordinary or interim distribution to the shareholders, except for distributions after adoption and approval of the annual accounts;
- d. entering into transactions for certain amounts as per the Annex G;
- e. entering into sale, lease, exchange or other disposition of any material assets other than in the ordinary course of business;
- f. entering into transactions with parties who are not dealing at arm's length and related parties transactions;
- g. entering into any transaction pursuant to which the Company will merge or amalgamate with or into another legal entity;
- h. entering into an agreement for the payment of the Company's debts with creditors of the Company;
- i. purchasing agreements for a term over four years;
- j. significant changes to the accounting policies of the Company;
- k. directly or indirectly entering into long term cooperation agreement;
- l. participating directly or indirectly in projects, in combination with other entities by way of joint-ventures;
- m. major changes to and deviation from the business plan of the company;
- n. making investments in deviation from the amounts set out in the policy plans or budgets;



- o. a resolution to approve a resolution of any corporate body of a company in which the Company has a controlling interest, provided last-mentioned resolution is subject to approval pursuant to the provisions a to n inclusive of this Annex F, if the resolution would concern the Company itself.



Annex G

Schedule of Authority

Effective date:

- If there are a series of inter-related actions or events within a given transaction, the scope of the overall transaction determines the signing official required for authorization.
- Only the highest level of authority hereby required must approve a transaction.

k= thousands, mm= millions in Euros

Type of transaction Article 6.	Board	CEO	EVP-CFO	
Real Estate Leases	>10mm	1mm - 10mm	0 - 1mm	
Sale Agreements with Customers		>10mm	< 10mm	➤
Client Incentives other than Signing Bonuses		>500k	0 - 500	➤
Signing Bonuses	>3mm	500k - 3mm	0 - 500k	➤
Capital Expenditures	>5mm	1mm - 5mm	0 - 1mm	➤
Commitments to Third Parties (other than Sales Agreements and	>5mm	1mm - 5mm	0 - 1mm	➤



Purchasing Agreements) 16.2.				
Restructuring Activities	>5mm	1mm - 5mm	0 - 1mm	➤
Environmental Remediation Costs	>3mm	1mm - 3mm	0 - 1mm	➤
Capitalization, Recapitalization, Recapitalization	>3mm	1mm - 3mm	0 - 1mm	➤
Taxation Matters	>5mm	1mm - 5mm	0 - 1mm	➤
Material contracts or expenditures	>5mm	1mm - 5mm	0 - 1mm	➤
Acquisitions and divestitures	>5mm	1mm - 5mm	0 - 1mm	➤

Board: Supervisory Board

CEO: Chief Executive Officer

EVP - CFO: Executive Vice-President and Chief Financial Officer