

# Governance Charter

Wereldhave N.V.



# WERELDHAVE

# TABLE OF CONTENTS

Article 1 - Status and content of the charter .....	4
<b>Boards and Committees .....</b>	<b>5</b>
Article 2 - Board of Management .....	5
Article 3 - Supervisory Board .....	6
Article 4 - Audit Committee.....	7
Article 5 - Remuneration and Nomination Committee .....	9
<b>Board of Management .....</b>	<b>11</b>
Article 6 - Composition of the Board of Management .....	11
Article 7 - Duties of the Board of Management .....	111
Article 8 - Responsibilities of the CEO .....	13
Article 9 - Responsibilities of the CFO .....	14
Article 10 - Management Team .....	15
Article 11 - Group Sustainability Committee .....	16
Article 12 - Internal audit function.....	166
Article 13 - (Re-) appointment, term of office and resignation.....	18
Article 14 – Remuneration .....	188
<b>Supervisory Board and Committees .....</b>	<b>20</b>
Article 15 - Composition of the Supervisory Board .....	20
Article 16 - (Re)appointment, term of office and resignation.....	22
Article 17 - Chairman, Vice-Chairman and the Company Secretary .....	23
Article 18 - The Supervisory Board and committees .....	244
Article 19 - Remuneration of the Supervisory Board and its Committees .....	26
Article 20 - Introduction program and continuing training and education .....	27
Article 21 - Composition of the Audit Committee.....	277
Article 22 - Composition of the Remuneration and Nomination Committee.....	28
<b>Meetings and required prior approvals .....</b>	<b>29</b>
Article 23 - Meetings of the Board of Management.....	29
Article 24 - Decisions subject to prior approval of the Supervisory Board .....	30
Article 25 - Decisions subject to prior approval of the Supervisory Board and the General Meeting of Shareholders .....	31

Article 26 - Meetings of the Supervisory Board and Committees .....	32
Article 27 - Decisions by the Supervisory Board (quorum, votes, topics for discussion) .....	33
Article 28 - Meetings and powers of the Audit Committee .....	34
Article 29 - Meetings and powers of the Remuneration and nomination Committee .....	35
<b>Miscellaneous provisions .....</b>	<b>37</b>
Article 30 - Conflicts of interest Board of Management members.....	37
Article 31 - Conflict of Interest Supervisory Board members.....	38
Article 32 - Complaints, reporting irregularities .....	40
Article 33 - Information and relationship between the Boards .....	41
Article 34 - Relationship with the shareholders.....	43
Article 35 – Confidentiality.....	44
Article 36 - Code of Conduct.....	444
Article 37 - Incidental non-application, amendments .....	444
Article 38 - Applicable law and forum.....	444

Wereldhave N.V. has a two-tier board governance structure, with a Board of Management and a Supervisory Board. The latter has two standing preparatory committees, an Audit Committee and a Remuneration and Nomination Committee.

This charter aims to define the rules and regulations for the Boards and Committees. The Committees may only exercise such powers as are explicitly attributed or delegated to it by the Supervisory Board and may never exercise powers beyond those exercisable by the Supervisory Board as a whole.

This Charter was adopted by the Supervisory Board of Wereldhave (the “Company”) on 19 October 2017 and can be downloaded at the Company’s website [www.wereldhave.com](http://www.wereldhave.com).

## Article 1 - Status and content of the charter

1. This Charter was drawn up on the basis of Articles 18:2 and 21:7 of the Company’s Articles of Association.
2. When this Charter conflicts with the Company’s Articles of Association, the latter shall prevail. When this Charter is consistent with the Articles of Association, but conflicts with Dutch law or EUR rules and regulations, the latter shall prevail. In the event one or more provisions of this Charter is not or no longer valid, this will not affect the validity of the other provisions. The Supervisory Board will replace the invalid provisions by valid provisions and the effect of which, given the contents and purpose, reflects the invalid provisions as much as possible.
3. This Charter was drawn up with due observance of the Dutch Corporate Governance Code (the “Code”).
4. By unanimous decision adopted on 19 October 2017, the members of the Supervisory Board and the Board of Management stated:
  - a. that they will be bound by the obligations in this Charter;
  - b. that they will arrange for new members joining the respective boards to make a statement of acceptance of these obligations.

# Chapter 1

## Boards and Committees

### Article 2 - Board of Management

1. The Board of Management is responsible for the continuity of the company and its affiliated enterprise. The board focuses on long-term value creation for the company and its affiliated enterprise, and takes into account the stakeholder interests that are relevant in this context. The Supervisory Board monitors the Board of Management in this.
2. The members of the Board of Management are jointly responsible for the management of the Company. The duties of the Board of Management will be performed with due observance of the strategy, the periodic business plan (budget) and any other derived sub-plans that are drawn up by the Board of Management and approved by the Supervisory Board.
3. In discharging its role, the Board of Management shall be guided by the interests of the Company, and shall take into account and weigh the relevant interests of Company's stakeholders, also including the shareholders. The Board of Management is responsible for the quality of its performance.
4. The duties of the Board of Management include:
  - a. the development of a view on long-term value creation and formulate a strategy in line with this, with an accompanying risk profile;
  - b. the design of a policy to achieve the Company's objectives;
  - c. achievement of the Company's objectives; the general operations of the Company and the Company's results;
  - d. identifying and managing the risks associated with the company's strategy and business activities;
  - e. the creation of a culture in support of the strategy and set up of a plan for implementation and maintenance of these values;
  - f. the corporate social responsibilities that are relevant to the Company's business;
  - g. to identify and analyze the risks associated with the strategy and establishing the risk appetite and the measures that are put in place to counter the risks being taken;
  - h. based on the risk assessment, to design, implement and maintain adequate internal risk management and control systems to ensure a proper performance of internal risk management and control systems, which will be reported on in the management report;
  - i. monitoring the operation of the internal risk management and control systems and carry out a systematic assessment of their design and effectiveness at least once a year and make improvements where necessary;
  - j. preparing and monitoring the financial reporting process, which includes guaranteeing the quality and completeness of the financial information to be disclosed;

- k. compliance with legislation;
- l. compliance with the Code and upholding the Company's corporate governance structure;
- m. preparing the financial statements and drawing up the annual budget and capital investments plan by the Company;
- n. maintain regular contact with the external auditor and discuss the draft external audit plan with the external auditor and subsequently discuss it with the audit committee;
- o. the design and operation of the internal audit function;
- p. advising on the nomination of the Company's external auditor;
- q. conduct of an annual review to identify any aspects with regard to which the members of the Board of Management require training or education; and
- r. evaluate its own functioning as a whole and that of the individual board members at least once per year.

### Article 3 - Supervisory Board

1. The role of the Supervisory Board is to supervise the manner in which the Board of Management implements the Company's strategy (including corporate social responsibility), as well as to assist the Board of Management by providing advice. The Supervisory Board is charged with the supervision of the policies carried out by the Board of Management and the general affairs of the company and its affiliated enterprise and will maintain regular contact with the external auditor. In doing so, the Supervisory Board should also focus on the effectiveness of the Company's internal risk management and control systems and the integrity and quality of the financial reporting. In discharging its role, the Supervisory Board shall be guided by the interests of the Company, and to that end, shall weigh the relevant interests of the Company's stakeholders, also including the shareholders.
2. The Supervisory Board is responsible for the quality of its own performance.
3. The duties of the Supervisory Board include:
  - a. supervising, monitoring (possibly in advance) and advising the Board of Management with regard to the duties as described in article 2.4;
  - b. compliance with the Code and disclosing and upholding the Company's corporate governance structure;
  - c. co-signing the financial statements and approving the periodic business plan (budget) and major capital investments and divestments by the Company;
  - d. selecting and proposing to the Company's general meeting of shareholders (the "General Meeting") the nomination of the Company's external auditor, based on the preparatory work in this respect by the Audit Committee;
  - e. supervising the relations with shareholders;
  - f. making a proposal for the remuneration policy of the individual members of the Board of Management, prepared by the Remuneration and Nomination Committee, for adoption by the General Meeting;

- g. making a proposal for the nomination and remuneration of its own members, prepared by the Remuneration and Nomination Committee of the Board, to be adopted by the General Meeting;
- h. supervising the Board of Management in the implementation of a culture aimed at long-term value creation for the company;
- i. evaluating and assessing the performance of the Board of Management and the Supervisory Board and their individual members, prepared by the Remuneration and Nomination Committee;
- j. supervising the dynamics and relationship between the Board of Management and the Management Team;
- k. overseeing the internal audit function and maintaining regular contact with the person fulfilling this function;
- l. handling and deciding on reported potential and existing conflict of interests between the Company on the one hand, and members of the Board of Management, the Supervisory Board, the external auditor and the majority shareholder(s) on the other hand;
- m. monitoring the operation of the procedure for reporting actual or suspected misconduct or irregularities, appropriate and independent investigations into signs of misconduct or irregularities, and, if an instance of misconduct or irregularity has been discovered, an adequate follow-up of any recommendations for remedial actions; In order to safeguard the independency of the investigation in cases where the Board of Management itself is involved, the Supervisory Board has the power to initiate its own investigation into any irregularities that have been discovered and to coordinate this investigation; and
- n. conducting an annual review to identify any aspects with regard to which the members of the Supervisory Board require training or education.

## Article 4 - Audit Committee

1. The Audit Committee is a committee of the Supervisory Board that undertakes preparatory work for 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. Its duties within the Supervisory Board are, in particular, to focus on monitoring the Board of Management and report to the Supervisory Board with regard to:
  - a. the financial information provided by the Company;
  - b. the effectiveness of the design and operation of the internal risk management and control systems, including the supervision of the compliance with the relevant laws and regulations and the supervision of the effect of codes of conduct;
  - c. the scope and materiality of the work by and the engagement of external auditors, the external audit plan, compliance with recommendations and follow-up of observations made by the external auditors;
  - d. the Company's tax policy;
  - e. the functioning of, and the developments in the relationship with the external auditor, including in particular its independence, remuneration and any non-audit activities for the Company and to advise on the (re)appointment or dismissal of the external auditor;

- f. a proposal to the Supervisory Board for the external auditor's engagement to audit the financial statements. The Board of Management should play a facilitating role in this process. In formulating the terms of engagement, attention should be paid to the scope of the audit, the materiality to be used and remuneration for the audit. The Supervisory Board shall resolve on the engagement;
  - g. the annual discussion with the external auditor of the scope and materiality of the audit plan and the principal risks of the annual reporting identified by the external auditor in the audit plan and, based also on the documents from which the audit plan was developed, the findings and outcomes of the audit work on the financial statements and the management letter;
  - h. the relationship with the internal auditor, including its independence;
  - i. the compliance with recommendations and following up of comments by the internal and external auditors;
  - j. the funding of the Company;
  - k. the application of information and communication technology (ICT), including risks related to cyber security;
  - l. to advise on the appointment and dismissal of the internal auditor, the assessment of the internal audit function, the approval of the internal audit plan and the review of the audit results; and
  - m. the evaluation of investments by discussing the Board of Management's review of property acquisitions one year after transaction date against the initial investment proposal as approved by the Supervisory Board.
2. The Audit Committee shall report to the Supervisory Board on its deliberations and findings, including at least the methods used to assess the effectiveness of the design and operation of the internal risk management and control systems, the methods used to assess the effectiveness of the internal and external audit processes, material considerations regarding financial reporting and the way material risks and uncertainties have been analyzed and discussed, along with a description of the most important findings of the Audit Committee.
  3. The Audit Committee shall advice to the Supervisory Board about the nomination of the external auditor for appointment by the General Meeting.
  4. The Audit Committee shall make recommendations, if necessary, to the Supervisory Board with regard to the policy to be used in respect of the external auditor's independence and any (potential) conflicts of interests between the external auditor and the Company.
  5. The Audit Committee shall prepare the meeting of the Supervisory Board with the Board of Management, at which meeting the annual accounts and the management report will be discussed.
  6. The Audit Committee shall perform the function of first contact for the external auditor, if the latter detects any irregularities in the contents of the financial statements.
  7. The Audit Committee shall be charged with any other duties the Supervisory Board wishes to entrust to the Audit Committee.

The execution of these tasks by the Audit Committee does not discharge the Supervisory Board nor its members of any task or responsibility.

## Article 5 - Remuneration and Nomination Committee

1. The Remuneration and Nomination Committee is a committee of the Supervisory Board with the task to prepare the Supervisory Board's decision-making and to report to the Supervisory Board on its deliberations and findings. Its duties within the Supervisory Board are, in particular:
  - a. to draft selection criteria and appointment procedures for members of the Supervisory Board and members of the Board of Management, with due observance for diversity and the division of skills, including the drafting and reviewing of a skills matrix for the Supervisory Board and its members;
  - b. to assess periodically (at least once a year) the size and composition of the Board of Management and the Supervisory Board, and making a proposal for a composition profile of the Supervisory Board;
  - c. to assess periodically (at least once a year) outside the presence of the Board of Management, the functioning of individual members of the Supervisory Board and members of the Board of Management, and report findings to the Supervisory Board and to discuss the annual reviews to identify any aspects with regard to which the members of the Supervisory Board or members of the Board of Management require training or education;
  - d. to draft a sound plan for the succession of Board of Management members and Supervisory Board members, that is aimed at retaining the balance in the requisite expertise, experience and diversity, with due regard to the profile, while avoiding as much as possible Supervisory Board members retiring simultaneously;
  - e. to make proposals for (re)appointments of members of the Board of Management and Supervisory Board;
  - f. to make proposals for the remuneration of members of the Supervisory Board and Board of Management, to be put to the General Meeting by the Supervisory Board, which remuneration should promote an adequate performance of the role of members of the Board of Management, reflect the time spent and the responsibilities and must not be dependent on the results of the Company;
  - g. to supervise the policy of the Board of Management regarding the selection criteria and appointment procedures for the Management Team
  - h. to prepare decision-making process of the Supervisory Board on the acceptance by a member of the Board of Management or a member of the Management Team of a membership of the Supervisory Board or the position of non-executive director at another company;
  - i. to prepare decision-making process of the Supervisory Board concerning any conflicts of interest that may arise in the acceptance by members of the Supervisory Board of additional positions;
  - j. to review the cultural values to achieve a culture focused on long-term value creation and the plan for implementation and maintenance of these values;

- k. to evaluate the effectiveness of the targets of the diversity policy, the implementation and the results of the policy during the previous year and make proposals to amend the policy;
  - l. to draft clear and understandable proposals to the Supervisory Board for the remuneration policy to be pursued for members of the Board of Management, which policy, as well as any material changes thereto, shall be submitted to the General Meeting for adoption. The policy should not encourage members of the Board of Management to act in their own interest, nor to take risks that are not in keeping with the strategy formulated and the risk appetite that has been established; and
  - m. to prepare decision-making by the Supervisory Board on the remuneration levels of individual members of the Board of Management in line with the remuneration policy as approved by the General Meeting.
2. When drafting the proposal for the remuneration of members of the Board of Management, the Remuneration and Nomination Committee will take note of individual Board of Management members' views with regard to the amount and structure of their own remuneration.
  3. The Remuneration and Nomination Committee shall ensure to keep abreast of the policy for fixed and variable compensation of senior management directly reporting to the Board of Management and the total compensation of certain other specified employees defined in consultation with the Supervisory Board.
  4. If the Remuneration and Nomination Committee makes use of the services of a remuneration consultant in carrying out its duties, it shall verify that the consultant concerned does not provide advice to Board of Management or its members.
  5. At least once a year, the Supervisory Board will evaluate its own functioning, the functioning of the various committees of the Supervisory Board and that of the individual members and discuss the conclusions that are attached to the evaluation, outside the presence of the members of the Board of Management. In doing so, attention should be paid to substantive aspects, the mutual interaction and the interaction with the Board of Management, events that occurred in practice from which lessons may be learned. The annual evaluation of the Supervisory Board also includes an evaluation of the profile for the Supervisory Board, the skills matrix for members of the Board, a gap analysis and introduction, education and training programs; The Supervisory Board's evaluation is on elaborate questionnaires, of which the answers will be discussed plenary. The Supervisory Board intends to use external party assistance to the evaluations every three years, in line with international best practices.
  6. When exercising its duties regarding the composition of the Supervisory Board, the Remuneration and Nomination Committee shall observe the criteria on the composition of the Supervisory Board as laid down in the profile for members of the Board. This profile will be kept available at the Company's website.
  7. At least once per year, the Supervisory Board will evaluate the functioning of the Board of management as a whole and its individual members, outside the presence of the Board of management. The Supervisory Board will discuss the conclusions that must be attached to the evaluation, such also in the light of the succession of members of the Board of management.

## Chapter 2

### Board of Management

#### Article 6 - Composition of the Board of Management

1. The Board of Management is composed of a CEO, a CFO and/or such other Officers as may be appointed. The Board of Management will allocate the duties in mutual consultation, which allocation requires the prior approval of the Supervisory Board. The allocation of duties may not be contrary to the law, the Articles of Association and this Charter.
2. The allocation of duties between the CEO and CFO is outlined below. Any other assignment of areas of special attention will be recorded in writing in the minutes of the Board of Management meetings and discussed with the Supervisory Board as often as desired by the Supervisory Board, but at least once a year.
3. The Chairman of the Board of Management, and the vice-chairman, will be appointed by the Supervisory Board. He/she shall act as spokesman for the Board of Management and shall be the main contact for the Supervisory Board and its members.
4. If a member of the Board of Management is absent, his duties and powers will be entrusted to a member designated by the Board of Management and, in the event of a lengthy absence/an absence lasting longer than three weeks, the Supervisory Board must be notified.
5. The Board of Management and the Management Team in total (hereafter together also referred to as the Team) should have a diverse composition, not only in gender, but also in experience, background and nationality. The diversity targets for the Team are:
  - Cognitive diversity: at least 30% of the Team should have retail/real estate experience and 30% should have a financial background, with another 30% of the Team that has a different background;
  - Age diversity: at least 20% of the Team should be in the age category below 45;
  - Nationality diversity: The Team should consist of at least three different nationalities;
  - Irrespective of the above, the gender representation should be at least 30 percent of each gender represented in the Team.

#### Article 7 - Duties of the Board of Management

1. In the performance of its duties, the Board of Management is independent of instructions from third parties outside the Company.
2. Each member of the Board of Management is responsible for rendering account of the performance of his duties to the Board of Management and is also required to report to the Board

of Management on a regular basis, in such a way that proper insight is obtained into the performance of his duties, such in view of the Board of Management's collective responsibility.

3. Each member of the Board of Management is authorised to seek information from other members of the Board of Management and members of staff about matters and topics regarding which he/she believes information is useful or necessary within the scope of his collective responsibility to the Board of Management. He/she must consult with the other members of the Board of Management if the performance of his/her duties also pertains to the performance of the duties of said other members of the Board of Management or if the significance of the topic requires consultation with the other members of the Board of Management.
4. Insofar as this pertains to the boards of group companies, the Board of Management will ensure that instructions to those directors are based on a resolution by the General Meeting of Shareholders of those group companies.
5. Under the supervision of the Supervisory Board, the Board of Management shall be collectively responsible for establishing and maintaining internal procedures ensuring that the Board of Management is aware of all important financial information, so as to guarantee the promptness, completeness and accuracy of the external financial reporting. To that end, the Board of Management shall ensure that the financial information from group companies is reported directly to it and that the integrity of the information is not affected.
6. The Board of Management must ensure that the external auditor will receive all information that is necessary for the performance of his work in a timely fashion and give the external auditor the opportunity to respond to the information that has been provided.
7. Each year, the Board of Management shall include a management report on its activities with the financial statements. In any event, the management report contains the information required by law and the information required to be included in the management report by the Code.
8. The Board of Management is responsible for creating a culture aimed at long-term value creation for the Company and should adopt values in support of the strategy, and discuss these with the Supervisory Board. The Board of Management is responsible for the incorporation and the maintenance of the values within the Company and its affiliated enterprise. Attention must be paid, among other things, to the strategy and the business model, the environment in which the enterprise operates and the existing culture within the enterprise and whether it is desirable to implement any changes in this. The Board of Management encourages behaviour that is in keeping with these values and propagates these values through leading by example.
9. The Board of Management will include the following in the management report:
  - a. a detailed explanation of its view on long-term value creation and the strategy for its realisation, as well as describing which contributions were made to long-term value creation in the past financial year. The Board of management must report on both the short-term and long-term developments;

- b. the execution of the risk assessment, with a description of the principal risks facing the company in relation to its risk appetite. These risks may include strategic, operational, compliance and reporting risks;
  - c. a description of the effectiveness of the design and operation of the internal risk management and control systems for the main risks during the financial year;
  - d. a description of any major failings in the internal risk management and control systems which have been observed in the financial year, any significant changes made to these systems and any major improvements planned, along with a confirmation that these issues have been discussed with the Audit Committee and the Supervisory Board;
  - e. a report on the sensitivity of the Company's results to material changes in external factors and variables;
  - f. if applicable, an explanation of the choice to work with an executive committee, the role, duty and composition of the executive committee and how the contacts between the Supervisory Board and the executive committee have been given shape;
  - g. the values and the way in which they are incorporated in the company and its affiliate enterprise; and
  - h. the effectiveness of, and compliance with, the code of conduct.
10. The Board of Management will state in the management report, with clear substantiation, that:
- a. the report provides sufficient insights into any failings in the effectiveness of the internal risk management and control systems;
  - b. the aforementioned systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies;
  - c. based on the current state of affairs, it is justified that the financial reporting is prepared on a going concern basis; and
  - d. the report states those material risks and uncertainties that are relevant to the expectation of the company's continuity for the period of twelve months after the preparation of the report.

## Article 8 - Responsibilities of the CEO

Without prejudice to joint responsibility of the Board of Management as laid down in Chapter 1 of this Charter, the responsibilities of the CEO shall in any event include:

1. the proper performance of the Board;
2. formulating and communicating the Company's strategy;
3. ensuring that passed Board of Management resolutions comply with the strategy;
4. ensuring the proper performance of Board of Management duties and ensuring that the Board of Management makes decisions in accordance with this Charter;
5. managing the operations of the Company and its subsidiaries;

6. drafting the agenda of Board of Management meetings and chairing such meetings;
7. ensuring that passed resolutions, if necessary, are submitted to the Supervisory Board for approval;
8. submitting a proposed agenda and preparing meetings of the Supervisory Board, in consultation with the Chairman of the Supervisory Board;
9. ensuring that the Supervisory Board is provided with all information necessary for the proper performance of its duties, among others by:
  - a. regular meetings with the Chairman of the Supervisory Board,
  - b. participating in meetings with the audit committee and the CFO,
  - c. participating in meetings with the Remuneration- and Nomination Committee,
  - d. overseeing communications between the Board of Management and the Supervisory Board;
10. designating Board of Management members or Management Team members to consult with any committees or with particular members of the Supervisory Board on behalf of the Board of Management;
11. discussing on an ad-hoc basis with the Board of Management members their respective tasks;
12. Investments and divestments;
13. Investor relations and Corporate Development;
14. HR and compensation related policies;
15. Legal affairs;
16. Communications; and
17. Chair the Group Sustainability Committee.

## **Article 9 - Responsibilities of the CFO**

Without prejudice to joint responsibility of the Board of Management as laid down in Chapter 1 of this Charter, the responsibilities of the CFO shall in any event include:

1. formulating and communicating the Company's financial strategy;
2. overseeing and ensuring the integrity of the Company's accounts, including the choice of accounting policies, the application of financial reporting-related laws and regulation and the handling of estimates and forecasts;
3. reporting of the Company's financial results;

4. functioning of the internal business control systems;
5. financing the Company and finance-related strategies;
6. tax planning and taxation-related policies;
7. the external auditor's qualifications and independence, remuneration and non-audit work for the Company (without prejudice to the responsibilities of the Supervisory Board's responsibilities in this respect);
8. facilitating the execution of tasks by the external auditor;
9. if applicable, the implementation of the recommendations of the external auditor, as discussed with the Audit Committee;
10. the preparation of the internal audit, the internal auditor's independence, the drafting and implementation of the internal audit plan and the reporting of internal audit findings, to be submitted to the (Audit Committee of the) Supervisory Board;
11. the communication with the Supervisory Board and the audit committee to discuss these subjects; and
12. ICT.

## **Article 10 - Management Team**

1. The Board of Management is assisted by a Management Team, consisting of the Director Finance and Investments, the Director IR and Corporate Development, the Director HR and Sustainability, the Director Legal and Company Secretary and the retail country directors for the Netherlands, Belgium, France and Finland.
2. The members of the Management Team support the Board of Management.
3. The CEO will allocate duties to members of the Management Team.
4. If a member of the Management Team is absent, his duties and powers will be executed by a member designated by the Board of Management and, in the event of an absence lasting longer than two months, the Supervisory Board must be notified.
5. Each member of the Management Team is responsible for rendering an account of the performance of his duties to the Board of Management and is also required to report to the Board of Management on a regular basis, in such a way that proper insight is obtained into the performance of his duties, also in view of the Board of Management's collective responsibility.

6. Each member of the Management Team is authorised to seek information from members of staff about matters and topics which he believes information is useful or necessary within the scope of his responsibility to the Company's Board of Management. He must consult with the other members of the Management Team if the performance of his duties also pertains to the performance of the duties of said other members of the Team or if the significance of the topic requires consultation with the other members of the Management Team.

## **Article 11 - Group Sustainability Committee**

1. The Group Sustainability Committee consists of the CEO and the CFO, the Director HR and Sustainability, the Group Sustainability Manager and representatives of the four key focus items with respect to Corporate Social Responsibility as defined in the Sustainability framework: Bricks, HR, Partners and Society. The Board of Management may require other officers to join Group Sustainability Committee meetings.
2. The Group Sustainability Committee's key task is to support the Board of management in formulating and communicating the Company's strategy and define, discuss, assess and monitor sustainability strategic progress.
3. The members of the Group Sustainability Committee shall be appointed and may be replaced at any time by the Board of Management. The Committee is chaired by the CEO and in his absence, by the CFO.
4. The Group Sustainability Committee shall meet as often as necessary in order for it to function properly, in principle every quarter.
5. The CEO shall establish the agenda for the Group Sustainability Committee meetings in close consultation with the Director HR and Sustainability. Group Sustainability Committee meetings shall be called at least five days prior to the meeting and the documents for the meeting will be uploaded in the online boardroom at least two days before the meeting.

## **Article 12 - Internal audit function**

1. The Board of Management must install an internal audit function to assess the design and the operation of the internal risk management and control systems. The main objective of the internal audit function is the provision of assurance on the adequacy and effectiveness of risk management processes in reducing risk exposures down to acceptable levels.
2. The Board of Management both appoints and dismisses the internal auditor. In view of the size of the Company, this function may be outsourced by the Board of Management with the approval of the (Audit Committee of the) Supervisory Board.
3. Both the appointment and the dismissal of the internal auditor must be submitted to the Supervisory Board for approval, along with the recommendation issued by the Audit Committee.

4. The Board of Management must assess the way in which the internal audit function fulfils its responsibility annually, taking into account the Audit Committee's opinion.
5. The internal audit function must draw up an audit plan, involving the Board of Management, the Audit Committee and the external auditor in this process. The audit plan must be submitted to the Board of Management, and then to the Supervisory Board, for approval. In this internal audit plan, attention must be paid to the interaction with the external auditor.
6. The scope of internal auditing encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the organisation's governance, risk management and internal controls in carrying out assigned responsibilities to achieve the organisation's stated goals and objectives. This includes:
  - a. Evaluating and assessing the risk and control framework and procedures relating the achievement of the organisation's strategic objectives and specific topics.
  - b. Systematically assess the adequacy of the design and effectiveness of the system of risk management and internal controls operated within the organisation. Attention should be given to observed weaknesses, instances of misconduct and irregularities, indications from whistle-blowers and lessons learned.
  - c. Reporting significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by the Board of Management or the Audit Committee.
  - d. Evaluating, if applicable, specific operations at the request of the Board of Management and/or the Audit Committee, as appropriate.
7. The internal audit function must have sufficient resources to execute the internal audit plan and have access to information that is important for the performance of its work. The internal audit function must have direct access to the Audit Committee and the external auditor. Records must be kept of how the Audit Committee is informed by the internal audit function.
8. The internal audit has unrestricted access to all activities across the organisation (access to records, personnel and physical property). In case of highly sensitive or confidential information, the internal audit function will preserve security in respect of the confidentiality and see to it that the insider information records are updated, if applicable.
9. The internal audit provides objective and unbiased opinions and assurances. It is therefore independent and not subject to limitations or instructions, other than those issued by the Audit Committee. The internal auditor must at least annually confirm the independence of the internal audit to the Audit Committee.
10. The internal audit function must report its audit results to the Board of Management and – simultaneously - the essence of its audit results to the Audit Committee and must inform the external auditor. The research findings of the internal audit function must, at least, include the following:
  - a. any flaws in the effectiveness of the internal risk management and control systems;

- b. any findings and observations with a material impact on the risk profile of the Company and its affiliated enterprise; and
  - c. any failings in the follow-up of recommendations made by the internal audit function.
11. If any conflict or impairment arises or becomes known, the internal auditor will report this directly to the Chairman of the Audit Committee, without intervention or (threatened) retaliation by the Board of Management, to safeguard the independence of the internal audit function.

## **Article 13 - (Re-) appointment, term of office and resignation**

1. Members of the Board of Management are appointed in the manner as provided for in the Articles of Association.
2. Members of the Board of Management will be appointed for a maximum period of four years, on the understanding that unless a member resigns earlier, his appointment period ends at the end of the Annual General Meeting of Shareholders in the fourth year after the year in which he/she was appointed. A member of the Board of Management may be reappointed with due observance of the provisions in the previous sentence.
3. Managerial positions at group companies of the Company are positions derived from the position of member of the Company's Board of Management and are therefore subject to the provisions in this Charter.
4. Members of the Board of Management can only accept a nomination to ancillary positions at non-group companies with the prior consent of the Supervisory Board. These positions may not conflict with the Company's interests.
5. A member of the Board of Management may not be a supervisory director or non-executive director of more than two other corporate entities (other than group companies) as defined by law. A member of the Board of Management may not be the chairman of the supervisory board or one tier board of another listed company.
6. Members of the Board of Management shall resign in the interim in the event of inadequate functioning, structural incompatibility of interests, and in other instances in which this is deemed necessary by the Supervisory Board. In the event of the early retirement of a member of the Board of Management, the Company will issue a press release mentioning the reasons for the departure.

## **Article 14 – Remuneration**

1. The remuneration of the members of the Board of Management will be determined by the Supervisory Board in accordance with the Company's remuneration policy as adopted by the General Meeting.
2. A member of the Board of Management shall only hold shares in the capital of the Company for long-term investment. Board of Management members are bound by the "policy on inside

information and securities trading”, which is posted on the Company’s website [www.wereldhave.com](http://www.wereldhave.com), and shall comply with all Dutch and foreign statutory provisions and regulations applicable to the ownership of and trading in securities.

3. The Company may not grant its Board of Management members any personal loans, guarantees or the like unless in the normal course of business and on terms applicable to the personnel as a whole, and only after approval by the Supervisory Board. No remission of loans may be granted.
4. If a variable remuneration component conditionally awarded to a member of the Board of Management in a previous financial year would, in the opinion of the Supervisory Board, produce an unfair result due to extraordinary circumstances during the period in which the predetermined performance criteria have been or should have been achieved, the Supervisory Board has the power to adjust the value downwards or upwards.
5. The Supervisory Board is authorised to recover from a member of the Board of Management any variable remuneration awarded to such member on the basis of incorrect information.
6. The Supervisory Board will take into consideration when formulating the remuneration policy:
  - a. the strategic objectives;
  - b. the remuneration structure;
  - c. the amount of the fixed remuneration, shares and/or options to be granted and/or other variable remuneration components, pension rights, redundancy pay and other forms of compensation awarded, as well as the performance criteria and their application;
  - d. the scenario analyses carried out in advance;
  - e. the pay ratios within the company and its affiliated enterprise;
  - f. the development of the market price of the shares;
  - g. an appropriate ratio between the variable and fixed remuneration components. The variable remuneration component is linked to measurable performance criteria determined in advance, which are predominantly long-term in character;
  - h. if shares are being awarded, the terms and conditions governing this. Shares should be held for at least five years after they are awarded; and
  - i. if share options are being awarded, the terms and conditions governing this and the terms and conditions subject to which the share options can be exercised. Share options cannot be exercised during the first three years after they are awarded.

## Chapter 3

### Supervisory Board and Committees

#### Article 15 - Composition of the Supervisory Board

1. The Supervisory Board comprises of at least three members. The Supervisory Board shall draw up a profile regarding its size and composition, taking into account the nature of the business, its activities and the desired expertise, experience and independence of its Supervisory Board members. The Supervisory Board shall evaluate the profile each year.
2. Insofar as the actual profile of the Supervisory Board deviates from the written profile, the Supervisory Board shall account for this in its report and shall also indicate when the Supervisory Board believes it will be in a position to comply with the profile.
3. The composition of the Supervisory Board will be such that the members are able to operate independently and critically vis-à-vis one another, the Board of Management, and any particular interests involved.
4. The composition will reflect a combination of experience, expertise, diversity and independence of its members in line with the profile, which enables the Supervisory Board to comply with its various obligations vis-à-vis the Company and the Company's stakeholders, including the shareholders, in accordance with applicable laws and regulations, including the rules of any stock exchanges on which the Company's shares are listed.
5. The assignment of duties among the members of the Supervisory Board is such that members will focus on the areas of their specific expertise, as documented in the skills matrix for members of the Board.
6. The composition of the Supervisory Board must take the following requirements into account:
  - a. each member must be capable of assessing the broad outline of the overall policy of the Company and its business;
  - b. each of the members must comply with the profile and in the event of his/her (re)appointment to the Supervisory Board and thereafter, the Supervisory Board must be comprised as a whole in accordance with Article 15.3 and 15.4;
  - c. at least one of the members must have relevant competence in accounting and auditing;
  - d. with the exception of a maximum of one individual, each of the Supervisory Board's members must be independent as referred to in Article 15.7 sub a) up to and including e);
  - e. the total number of members to which the criteria in article 15.7 are applicable accounts for less than half of the total number of members of the Supervisory Board;

- f. for each shareholder, or group of affiliated shareholders, who directly or indirectly hold more than ten percent of the shares in the Company, there is at most one member of the Supervisory Board who can be considered to be affiliated with or representing them;
  - g. none of the members may be appointed after the third term of office or after having been in office for eight years, subject to the provisions in Article 16.5;
  - h. none of the members may hold more positions as a Supervisory Board member at more than five corporate entities as defined by law, including the Company, and the position of chairman of a Supervisory Board counts as two positions;
  - i. none of the current and former members may be a member of the board of a trust office that manages and administers the shares in the Company's capital.
7. A Supervisory Board member is not independent if they or their spouse, registered partner or life companion, foster child or relative by blood or marriage up to the second degree:
- a. has been an employee or member of the Board of Management of the Company (including associated companies as referred to in Section 5:48 of the Financial Supervision Act (Wet op het financieel toezicht/ Wft)) in the five years prior to the appointment;
  - b. receives personal financial compensation from the Company, or a company associated with it, 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 the appointment. This includes in any event the case where the Supervisory Board member, or the firm of which he is a shareholder, partner, associate or adviser, has acted as adviser to the Company (consultant, external auditor, civil notary or lawyer) and the case where the Supervisory Board member is a board of management member or an employee of a bank with which the company has a lasting and significant relationship;
  - d. is a member of the board of management of a company in which a member of the Board of Management of the company which he supervises is a supervisory board member;
  - e. has temporarily performed management duties during the previous twelve months in the absence or incapacity of Board of Management members;
  - f. has a shareholding in the Company of at least ten percent, taking into account the shareholding of natural persons or legal entities cooperating with him or her on the basis of an express or tacit, verbal or written agreement;
  - g. is a member of the board of management or supervisory board – or is a representative in some other way – of a legal entity which holds at least ten percent of the shares in the company, unless the entity is a group company.
8. The Supervisory Board may appoint a delegate Supervisory Board member. A delegated Supervisory Board member is a Supervisory Board member who has a special duty. The delegation may not extend beyond the duties that the Supervisory Board member has and may not include the management of the Company. It may entail more intensive supervision and advice and more regular consultation with the Board of Management. The delegation will be of a temporary nature only. The delegation may not detract from the role and powers of the Supervisory Board. The

delegated Supervisory Board member remains a member of the Supervisory Board.

9. Each member of the Supervisory Board is required to provide the Chairman of the Supervisory Board with the information required for determining and, if applicable, keeping a record of the information as described in article 18.6.b of this Charter.
10. A member of the Supervisory Board may not be impeded in the independent performance of his duties by any hierarchic subordination within Wereldhave companies or beyond, vis-à-vis persons whom he/she supervises in his role as a member of the Supervisory Board. Members of the Supervisory Board of Wereldhave N.V. shall not be members of the Supervisory Board of any companies associated with Wereldhave.

## **Article 16 - (Re)appointment, term of office and resignation**

1. The members of the Supervisory Board are appointed by the General Meeting upon nomination in accordance with the Articles of Association.
2. The recommendation or nomination for (re)appointment will be substantiated. In the case of reappointment, the manner in which the candidate performed his duties as Supervisory Board member, any conflict of interest in the previous term of office and the profile for members of the Board will be taken into account.
3. Well before the submission of a proposal for nomination or reappointment, the Chairman shall have a meeting with the member of the Supervisory Board concerned regarding his performance. A similar procedure will be followed for the reappointment of the Chairman, with the Vice-Chairman performing the role of Chairman.
4. Members of the Supervisory Board will be appointed for a maximum period of four years, on the understanding that unless a member of the Supervisory Board resigns earlier, his appointment period ends at the end of the Annual General Meeting in the fourth year after the year in which he/she was appointed. A member of the Supervisory Board may be reappointed with due observance of the provisions in the previous sentence.
5. An individual may be a member of the Supervisory Board for consecutive periods up to eight years. The Supervisory Board member may then – in view of extraordinary circumstances - only be reappointed for a period of two years, but such reappointment proposal needs to state the reasons for the exception to the general 8 year rule.
6. The Supervisory Board shall draw up a retirement schedule in order to avoid, as far as possible, that reappointments are made simultaneously. Without prejudice to the provisions in Article 15, members of the Supervisory Board shall resign in accordance with the retirement schedule.
7. Members of the Supervisory Board shall resign in the interim in the event of inadequate functioning, structural incompatibility of interests, and in other instances in which this is deemed necessary by the Supervisory Board. In the event of the early retirement of a member of the

Supervisory Board, the company will issue a press release mentioning the reasons for the departure.

8. Members of the Supervisory Board who temporarily take on the management of the Company, where the Board of Management members are absent or unable to fulfil their duties, shall resign from the Supervisory Board (temporarily) in order to take on the managerial role.

## **Article 17 - Chairman, Vice-Chairman and the Company Secretary**

1. The Supervisory Board shall appoint one of its members as Chairman with due observance of the provisions in Article 15.6.h and one of its members as Vice-Chairman. The Chairman shall ensure the proper performance of the Supervisory Board and its committees and shall act on behalf of the Supervisory Board as the main contact for the Board of Management and for shareholders regarding the performance of the members of the Board of Management and the Supervisory Board.
2. The Chairman of the Supervisory Board may not be a former member of the Board of Management and must be independent within the meaning of Article 15.7.
3. The Chairman determines the agenda, chairs the meetings of the Supervisory Board and the General Meeting and shall ensure that:
  - a. the Supervisory Board has proper contact with the Board of Management, the employee participation body (if any) and the general meeting;
  - b. the Supervisory Board elects a vice-chairman;
  - c. there is sufficient time for deliberation and decision-making by the Supervisory Board;
  - d. the Supervisory Board members 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 functioning of individual Board of Management members and Supervisory Board members is assessed at least annually;
  - g. the Supervisory Board members and Board of Management members follow their introduction program;
  - h. the Supervisory Board members and Board of Management members follow their education or training program;
  - i. the Board of Management performs activities in respect of the Company's culture;
  - j. the Supervisory Board recognizes signs from the enterprise affiliated with the company and ensures that any (suspicion of) material misconduct and irregularities are reported to the Supervisory Board without delay;
  - k. the General Meeting proceeds in an orderly and efficient manner and the proper conduct of business at meetings is ensured in order to promote a meaningful discussion at the meeting;
  - l. effective communication with shareholders is assured;
  - m. the Supervisory Board is involved closely, and at an early stage, in any merger or takeover processes;
  - n. decisions related to reports of potential conflicts of interest are taken; and

- o. decisions regarding reported perceived irregularities related to the performance of members of the Board of Management are taken.
- 4. The Vice-Chairman shall deputize for the Chairman when the occasion arises and shall act as contact for individual members of the Supervisory Board and the Board of Management concerning the performance of the Chairman.
- 5. The Chairman of the Supervisory Board shall act on behalf of the Supervisory Board as the main contact for the Board of Management, Supervisory Board members and shareholders regarding the functioning of Board of Management members and Supervisory Board members. The Vice-Chairman shall act as contact for individual Supervisory Board members and Board of Management members regarding the functioning of the Chairman.
- 6. The Supervisory Board will be supported by the Company Secretary. The Company Secretary:
  - a. must ensure that the proper procedures are followed and that the statutory obligations and obligations under the articles of association are complied with;
  - b. must facilitate the provision of information of the Board of Management and the Supervisory Board; and
  - c. must support the Chairman of the Supervisory Board in the organisation of the affairs of the Supervisory Board, including the provision of information, meeting agendas, evaluations and training programs.
- 7. The Company Secretary will be appointed and dismissed by the Board of Management, whether or not at the initiative of the Supervisory Board, after approval is obtained from the Supervisory Board.
- 8. If the Company Secretary also undertakes work for the Board of Management and notes that the interests of the Board of Management and the Supervisory Board are not aligned, as a result of which it is unclear which interests the Company Secretary should represent, the Company Secretary must report this to the Chairman.

## **Article 18 - The Supervisory Board and committees**

- 1. The Supervisory Board shall maintain the Audit Committee and the Remuneration and Nomination Committee as long as the Supervisory Board consists of more than four members. All members of aforesaid committees must be members of the Supervisory Board, on the understanding that more than half of the members shall be independent as referred to in Article 15.7 of this Charter. The entire Supervisory Board remains responsible for the committee's decisions, even if these have been prepared by one of the committees of the Supervisory Board.
- 2. The composition of the committees, the number of committee meetings and the main agenda items will be included in the report by the Supervisory Board. The composition of the committees will be posted on the Company's website.

3. If one or more of the standing preparatory committees of the Supervisory Board do no longer exist, the relevant principles and practices of this Charter apply to the Supervisory Board.
4. At least once a year, the Supervisory Board will receive a report from each of the committees regarding their consultations and findings, which will be included in the Supervisory Board's report to shareholders, to be published in the management report.
5. The minutes of committee meetings will be tabled for the next meeting of the full Supervisory Board.
6. The annual statements of the Company include a report by the Supervisory Board. In this report:
  - a. the Supervisory Board will render account of the supervision conducted in the past financial year, including its involvement in the establishment of the strategy, and the way in which it monitors its implementation;
  - b. the following information about each Supervisory Board member should be included:
    - i. gender;
    - ii. age;
    - iii. nationality;
    - iv. principal position;
    - v. other positions, in so far as they are relevant to the performance of the duties of the Supervisory Board member;
    - vi. date of initial appointment; and
    - vii. current term of office.
  - c. the Supervisory Board will state:
    - i. how the evaluation of the Supervisory Board, the various committees and the individual Supervisory Board members has been carried out;
    - ii. how the evaluation of the Board of Management and the individual Board of Management members has been carried out; and
    - iii. what has been or will be done with the conclusions from the evaluations.
  - d. based on the reports from the committees, the Supervisory Board will comment on how the duties of the committees were carried out in the financial year. The composition of the committees, the number of committee meetings and the main items discussed at the meetings must be mentioned.
  - e. the absenteeism rate from Supervisory Board and committee meetings of each Supervisory Board member.
  - f. the Supervisory Board must state that, in the opinion of the Supervisory Board, the independence criteria have been fulfilled and, if applicable, must also state which Supervisory Board member(s), if any, it does not consider to be independent.
  - g. If there is no separate department for the internal audit function, the Supervisory Board will assess annually whether adequate alternative measures have been taken, partly on the basis of a recommendation issued by the audit committee, and will consider whether it is necessary to establish an internal audit department. The Supervisory Board will include the conclusions, along with any resulting recommendations and alternative measures, in the report of the Supervisory Board.
  - h. In the event of a reappointment after an eight-year period, reasons should be given in the report of the Supervisory Board.

- i. In the corporate governance statement, the Supervisory Board will explain the diversity policy and the way that it is implemented in practice, addressing:
  - i. the policy objectives;
  - ii. how the policy has been implemented; and
  - iii. the results of the policy in the past financial year.
- j. If the composition of the Board of Management and the Supervisory Board diverges from the targets stipulated in the company's diversity policy and/or the statutory target for the male/female ratio, if and to the extent that this is provided under or pursuant to the law, the current state of affairs will be outlined in the corporate governance statement, along with an explanation as to which measures are being taken to attain the intended target, and by when this is likely to be achieved.
- k. All transactions that involved a potential conflict of interest with members of the Board of Management or the Supervisory Board will be reported.

## Article 19 - Remuneration of the Supervisory Board and its Committees

1. Periodically, the Supervisory Board shall submit a proposal to the General Meeting related to the remuneration of the Chairman, the Committee members and the other members of the Supervisory Board. The remuneration of the members of the Supervisory Board will be determined by the General Meeting and index-linked annually. The remuneration of the members of the Supervisory Board does not depend on the results of the Company. Should the Supervisory Board members be required to charge VAT on their remuneration, this will be paid by the Company.
2. The following requirements must be taken into account when determining the remuneration of the Supervisory Board:
  - a. no shares and/or options or similar rights to subscribe for shares in the capital of the Company will be granted to a Supervisory Board member by way of remuneration;
  - b. none of the members of the Supervisory Board shall possess securities as referred to in a. other than for long-term investment;
  - c. members of the Supervisory Board are subject to the company's 'policy on inside information and securities trading'.
3. The members of the Supervisory Board will be reimbursed for all costs reasonably incurred in connection with attending meetings. All other costs will only be eligible for compensation, in full or in part, if incurred with the prior consent of the Chairman. The Chairman shall inform the Supervisory Board of this each year.
4. The General Meeting shall determine the compensation, expenses and other agreed conditions, including the date on which the relevant compensation will be paid. In any event, the explanatory notes to the financial statements will include the information required by law related to the amount and structure of the remuneration of individual members of the Supervisory Board.

5. Members of the Supervisory Board shall be indemnified by the Company by separate agreement under the conditions laid down in the agreement against all costs, including attorney fees, fines, settlement amounts, etc., related to civil, criminal or administrative law proceedings in which they are involved because they are or were Supervisory Board members of the Company. The Company shall take out liability insurance for the members of the Supervisory Board to cover these costs as much as possible.

## **Article 20 - Introduction program and continuing training and education**

1. Following his/her appointment, each member of the Supervisory Board will follow an introduction program created and financed by the Company, which will focus on:
  - a. general financial, social and legal affairs;
  - b. the Company's financial reporting;
  - c. specific aspects unique to the Company and its operations;
  - d. the Company culture;
  - e. the relationship with the employee participation body; and
  - f. the responsibilities of a Supervisory Board member.
2. Each year, the Supervisory Board shall evaluate those aspects regarding which the members of the Supervisory Board require additional training or education during their appointment period.

## **Article 21 - Composition of the Audit Committee**

1. The Supervisory Board shall compose the Audit Committee from among its members. The Audit Committee shall consist of two members from the Supervisory Board. More than half of the members of the committee must be independent within the meaning of article 15.7. Upon request, the committee will be assisted by the Company Secretary.
2. At least one of the members of the Audit Committee shall have competence in accounting and auditing.
3. The members of the Audit Committee shall be appointed and may be replaced at any time by the Supervisory Board. The Supervisory Board shall appoint one of the members of the Audit Committee as Chairman of the Audit Committee.
4. The position of Chairman of the Audit Committee shall not be held by the Chairman of the Supervisory Board, nor by a former member of the Board of Management of the Company.
5. The Audit Committee meeting shall be planned as much as possible in advance and shall constitute part of the planning for the preparation of the annual accounts.

## Article 22 - Composition of the Remuneration and Nomination Committee

1. The Supervisory Board shall compose the Remuneration and Nomination Committee from among its members. The Remuneration and Nomination Committee shall consist of two members from the Supervisory Board. More than half of the members of the committee shall be independent within the meaning of article 15.7. Upon request, the committee will be assisted by the Company Secretary.
2. No more than one member of the Remuneration and Nomination Committee shall be a member of the Board of Management of another Dutch listed company.
3. The members of the Remuneration and Nomination Committee shall be appointed and may be replaced at any time by the Supervisory Board. The Supervisory Board shall appoint the Chairman of the Remuneration and Nomination Committee.
4. The Remuneration and Nomination Committee shall not be chaired by the Chairman of the Supervisory Board or by a former member of the Board of Management of the Company.

## Chapter 4

### Meetings and required prior approvals

#### Article 23 - Meetings of the Board of Management (agenda, conference call meetings, participation, minutes), decision making

1. The Board of Management shall meet in principle once a month and also as often as one or more of its members deem necessary. Generally, the meetings will be held at the Company's offices, but they may be held elsewhere.
2. The Chairman shall chair the meeting. The Board may decide to invite the members of the Management Team to attend the meetings.
3. Meetings will be convened by the Chairman in a timely fashion. Every other member of the Board of Management can ask the Chairman to convene a meeting.
4. The Chairman shall draw up the agenda for each meeting. Every other member of the Board of Management can submit items for the agenda to the Chairman of the Board of Management for discussion at the meeting. Items that were not submitted in time or which are insufficiently supported by documents will not be included in the agenda. The agenda will be drawn up according to a model adopted by the Board of Management.
5. At the request of any member of the Board of Management and with the consent of the majority of the other members of the Board of Management, urgent matters can be discussed immediately or dealt with in an extra meeting.
6. Members of the Board of Management are in principle required to attend the meetings of the Board of Management. To the extent the members of the Board of Management are unable to attend, and with the consent of the majority of the other members of the Board of Management, they can participate by phone. The average annual minimum attendance rate per person is set at 80%. Insofar as the minutes require an explanation, the Chairman of the meeting shall inform them of the decisions taken in the relevant meeting and the discussions held.
7. The Board of Management can only adopt valid resolutions if at least the majority of the members participate in the meeting. If a majority is not obtained once again in a subsequent meeting, the Chairman may, if he believes that a decision is desirable, consult with the absent members of the Board of Management by telephone, web cast, e-mail or by fax.
8. Resolutions can also be adopted outside a meeting if all members of the Board of Management have spoken in favour of the proposal in writing (including e-mail).

9. Where possible, resolutions will be adopted by unanimous vote. If this is not possible, the resolution will be held and discussed once again at the next meeting of the Board of Management. If opinions remain divided after a second meeting, the proposal will be deemed to have been rejected.

If no agreement can be reached by the Board of Management about important decisions, the items concerned will be raised by the Board of Management at the meeting with the Supervisory Board.

10. The Company Secretary shall attend the Board of Management meetings and be responsible for preparing the agenda and making minutes of the decisions during the meetings.
11. The minutes of the Board of Management meetings will be adopted in the next meeting. Adopted minutes serve as proof of the business conducted.

## **Article 24 - Decisions subject to prior approval of the Supervisory Board**

1. The Board of Management shall submit for approval of the Supervisory Board:
  - a. the operational and financial objectives of the Company;
  - b. the strategy designed to achieve the Company's objectives;
  - c. the parameters to be applied in relation to the strategy, for example in respect of the financial ratios; and
  - d. corporate social responsibility issues that are relevant to the enterprise.

The main elements of the matters referred to above under a through d will also be included in the management report. The Board of Management should engage the Supervisory Board early on in formulating the strategy. The Board of Management renders account to the Supervisory Board of the strategy and the explanatory notes to that strategy.

2. Without prejudice to the provisions of the law or the Company's Articles of Association, Board of Management decisions regarding entering into the following transactions are subject to the prior approval of the Supervisory Board:
  - a. the issue and acquisition of debt instruments to the debit of the Company;
  - b. a request for listing or cancellation of the listing of shares in and debt instruments to the debit of the company on any stock exchange;
  - c. long-term direct or indirect collaboration with another company or legal entity, along with terminating such collaboration, if this collaboration or cancellation is significant;
  - d. the adoption of the periodic business plan (budget), as defined in article 18 of the articles of association. The business plan will also include the main financing aspects;
  - e. the appointment of proxy-holders to whom general powers of representation accrues, possibly together with other individuals;
  - f. petition for bankruptcy and suspension of payment;

- g. the termination of the employment of a significant number of employees simultaneously or within a short time frame;
- h. making a proposal for a legal merger as referred to in Title 7, Book 2 of the Dutch Civil Code.
- i. Issuing, buying and disposing of preference shares;
- j. Issuing ordinary shares and the restriction or exclusion of pre-emptive rights. A decision to issue ordinary shares and the restriction or exclusion of pre-emptive rights does not require approval if a decision is taken to issue no more than 3% of the issued capital in the form of ordinary shares at a price per share that is not lower than the most recently established intrinsic value, within the mandate as provided by the Meeting of Shareholders. The issue price may be lower than described above if company developments of an extraordinary nature, which have not (yet) been reflected by the most recent intrinsic value, give cause to do so;
- k. Buying ordinary shares. A decision to buy ordinary shares does not require approval if a decision is taken to purchase no more than 5% of the issued capital in the form of ordinary shares at a price per share that is not higher than the most recently established intrinsic value, within the mandate as provided by the Meeting of Shareholders;
- l. Disposing of ordinary shares. A decision to dispose of ordinary shares does not require approval if a decision is taken to dispose no more than 5% of the issued capital in the form of ordinary shares at a price per share that is not lower than 10% of the average acquisition price per share, within the mandate as provided by the Meeting of Shareholders;
- m. If the cumulated transactions threaten to exceed the aforementioned percentages, the Board of Management shall report this to the Chairman of the Supervisory Board;
- n. Investment and divestment decisions that exceed € 50 million per project will be submitted in advance to the Supervisory Board for its approval;
- o. Request for a rating.

In order to obtain approval for the decisions, the Board of Management shall submit a request to the Supervisory Board. Information will be provided with such requests insofar as this is relevant for the assessment of the approval to be granted.

## **Article 25 - Decisions subject to prior approval of the Supervisory Board and the General Meeting of Shareholders**

Resolutions by the Board of Management related to a significant change in the identity or character of the Company or its business will be subject to the approval of both the Supervisory Board and the General Meeting, which will include, in any event:

- a. transfer of the business or virtually the entire business to a third party;
- b. entering into or terminating long-lasting cooperation between the Company or a subsidiary and another legal entity or company or as a fully liable partner in a limited partnership or general partnership, if this cooperation or termination is of major importance to the company;
- c. acquiring or divesting part of a stake by the Company or a subsidiary in the capital of a company, amounting to at least one-third of the amount of the assets according to the consolidated balance sheet with explanatory notes according to the most recently adopted financial statements of the Company, by the Company itself or a subsidiary.

## Article 26 - Meetings of the Supervisory Board and Committees (agenda, conference calls, participation, minutes)

1. The Supervisory Board shall meet at least four times a year and also as often as one or more of its members deem necessary. Generally, the meetings will be held at the Company's offices, but they may be held elsewhere. Meetings can also be held using telephone or video conferencing, provided all participating members participate at the same time. The schedule of meetings will be determined for the entire calendar year not later than at the end of the third quarter of the preceding calendar year.
2. Supervisory Board members should attend Supervisory Board meetings and the meetings of the committees of which they are a part. In the event the average annual attendance rate of one of the members drops below 80%, the Chairman will speak to the relevant individual and ask for an explanation. The report of the Supervisory Board will state the individual attendance rate of the members of the Supervisory Board during the year under review.
3. Unless the Supervisory Board decides otherwise, the meetings of the Supervisory Board will be attended by one or more members of the Board of Management, with the exception of meetings held for the purpose of:
  - a. the evaluation of the performance of the Board of Management and its individual members and the conclusions to be attached to that;
  - b. the evaluation of the performance of the Supervisory Board and its members, along with the separate committees of the Supervisory Board, and the conclusions to be attached to that;
  - c. the desired profile, composition and competency of the Supervisory Board;
  - d. existing or potential conflicts of interests of members of the Board of Management.
4. The Company's external auditor shall participate in each meeting of the Supervisory Board at which the report by the external auditor on the audit of the financial statements will be discussed, along with the financial statements. The external auditor will receive the financial information that forms the basis for the determination of the quarterly updates and/or half-yearly figures and the other interim notices, and will be given an opportunity to respond to all information.
5. Meetings will be convened by the Company Secretary on behalf of the Supervisory Board member requesting the meeting. To the extent practically feasible, the convening notice and the agenda of the business to be conducted will be sent to the members of the Supervisory Board and, if invited, to the members of the Board of Management, four days before the meeting.
6. The Company Secretary will take the minutes of the meeting. Generally, these will be adopted during the next meeting. If all members of the Supervisory Board agree to the contents of the minutes, however, the minutes can also be adopted before the next meeting. The minutes will be signed by the Chairman. Extracts from the adopted minutes can be signed and forwarded by the Company Secretary.

7. The Supervisory Board shall have an unofficial meeting with one or more of Wereldhave's heads of department or country managers at least once a year.
8. At least once a year, the strategy will be discussed and reviewed in a meeting of the Supervisory Board and the Board of Management, including the strategy's implementation and feasibility, the business model and the market in which the Company operates, opportunities and risks for the Company associated with the strategy, the operational and financial goals and their impact on its future position in its markets, the interests of stakeholders and all other aspects that are relevant to the Company, such as the environment, social and employee-related matters, the chain within which the enterprise operates, respect for human rights, and fighting corruption and bribery.

## **Article 27 - Decisions by the Supervisory Board (quorum, votes, topics for discussion)**

1. The Supervisory Board can only adopt valid resolutions at a meeting if the majority of the members are present or represented. The Supervisory Board can also adopt resolutions outside a meeting, provided all members of the Supervisory Board have been given an opportunity to give their opinion in writing (including all common means of communication that can be received in writing) and none of them have objected to this manner of decision making. A resolution that has been adopted in this manner will be recorded in writing and signed by the Chairman and the Company Secretary.
2. The Supervisory Board shall aim for consensus in its decision making. The Supervisory Board can adopt valid resolutions in or outside a meeting by unanimous vote. In the event of a tie or if no majority is obtained, the proposal will be stayed and discussed again at the next meeting. This meeting will be held within 30 days after the date on which the voting was done.
3. All members of the Supervisory Board shall have one vote. Blank votes and abstentions will be deemed not to have been cast when counting the number of votes.
4. Recurring agenda items include, in any event, the Company's financial results, major decisions to which the Supervisory Board must react, the Company's strategy and any changes to that strategy and reports from the separate committees of the Supervisory Board.
5. At least once a year, the Supervisory Board shall discuss:
  - a. the topics referred to in Article 26.3.a-d and 26.8;
  - b. the introduction, training and education programs;
  - c. the strategy and the main risks of the business, the result of the assessment by the Board of Management of the design and effectiveness of the internal risk management and control systems, as well as any significant changes thereto.

Prior to the meeting for the discussion of the topics referred to in Article 26.3.a-d and 26.8, the Chairman of the Supervisory Board shall ask the Board of Management for its opinion on the

interaction between the Board of Management and the Supervisory Board. The report by the Supervisory Board will state how the evaluation was performed.

6. If it emerges from the meeting that the performance of the Supervisory Board needs to be improved in certain areas, the Supervisory Board may draw up an action plan for the coming period. This action plan will subsequently form the basis for the following evaluation of its performance.
7. The financial statements and the management report for the past financial year will be discussed in a joint meeting with the Board of Management in February. Prior to this meeting, the financial statements will be discussed by the (Audit Committee of the) Supervisory Board in the presence of the external auditor. The external auditor will in any event attend the meeting at which the report of the external auditor on the audit of the financial statements is discussed. The financial statements will be signed by the members of the Supervisory Board. If the signature of one of them is missing, this will be reported stating the reasons. The Supervisory Board shall issue a preliminary report on the financial statements to the General Meeting.

## **Article 28 - Meetings and powers of the Audit Committee**

1. The Audit Committee shall meet as often as necessary, at least twice a year.
2. The Audit Committee shall meet at least once a year with the external auditor and without the presence of the Board of Management. The Audit Committee may be assisted by the Company Secretary in the performance of its duties. The CFO, the internal auditor and the external auditor shall attend the Audit Committee meetings, unless the committee decides otherwise. The Audit Committee shall determine whether and when the Chairman of the Board of Management will attend its meetings.
3. The Chairman of the Audit Committee shall establish the agenda for the Audit Committee meetings and report to the Supervisory Board. Except in urgent circumstances, Audit Committee meetings shall be called at least five days prior to the meeting.
4. The Audit Committee meeting shall be planned as much as possible in advance and the meeting shall be included in the planning for the preparation of the annual accounts.
5. Each member of the Supervisory Board shall have access to the books, data and offices of the Company and be authorised to conduct interviews with managers and employees, insofar as this is necessary, or may be useful, for the proper performance of his duties. An Audit Committee member shall exercise this right in consultation with the chairman of the Audit Committee and the Company Secretary.
6. In the performance of its duties, the Audit Committee may also be assisted or advised by one or more experts to be appointed by the Audit Committee, at a fee to be charged to the Company.

7. Although the Audit Committee is entrusted with the duties and powers laid down in this Charter, it is not the Audit Committee's duty to plan or perform the audits, or to establish whether the Company's financial reports and publications are complete and drafted in accordance with the applicable laws and regulations.
8. The Audit Committee can only exercise the powers that the Supervisory Board has explicitly awarded or delegated, and cannot exercise any powers that extend beyond the powers of the Supervisory Board.
9. The Audit Committee shall determine whether, and if so, how the external auditor will be involved in the contents and publication of financial reports other than the annual statements.
10. The Board of Management shall report its dealings with the external auditor to the Supervisory Board on an annual basis, including his independence in particular (including, for example, the desirability of rotating the responsible partners of an external audit firm that provides audit services and the performance of non-audit activities performed for the Company by the same firm). The Audit Committee shall submit an advice to the Supervisory Board on this report. The Audit Committee must give due consideration to the considerations of the Board of Management and also on this basis, the Supervisory Board should decide its nomination for the appointment of an external auditor, which nomination shall be submitted to the General Meeting.
11. At least once every four years, the Board of Management and the Audit Committee shall conduct a thorough assessment of the performance of the external auditor within the various entities and in the different capacities in which the external auditor acts. The main conclusions of this assessment shall be communicated to the General Meeting for the purposes of assessing the nomination for the appointment of the external auditor.
12. The Supervisory Board must give the external auditor a general idea of the content of the reports relating to their functioning.
13. As the occasion arises, the chairman of the Audit Committee can also request the external auditor to attend an Audit Committee meeting. Each member of the Supervisory Board may attend meetings of the Audit Committee.
14. The Company will publish a press release in the event of the early termination of the relationship with the external audit firm, to announce and explain the reasons for this early termination.
15. The secretary of the Audit Committee or any other person designated for such purpose by the chairman of the meeting shall draw up minutes of the meeting.

## **Article 29 - Meetings and powers of the Remuneration and nomination Committee**

1. The Remuneration and Nomination Committee shall meet as often as required for a proper functioning of the Remuneration and Nomination Committee, at least twice a year.

2. The meetings are as much as possible scheduled annually in advance. The Remuneration and Nomination Committee shall meet earlier if this is deemed necessary by the chairman of the Remuneration and Nomination Committee.
3. The chairman of the Remuneration and Nomination Committee shall establish the agenda for the Remuneration and Nomination Committee meetings and report to the Supervisory Board.
4. Save in urgent cases, to be determined by the chairman of the Remuneration and Nomination Committee, the agenda for the meeting shall be sent at least five working days before the meeting to all members of the Remuneration and Nomination Committee. To the extent possible, written explanations and/or other related documents will be enclosed for each item on the agenda.
5. The chairman of the Remuneration and Nomination Committee shall set the agenda and chair the meeting of the Remuneration and Nomination Committee and shall also ensure and actively promote the proper functioning of the Remuneration and Nomination Committee.
6. The Remuneration and Nomination Committee shall decide if and when the Chief Executive Officer of the Board of Management should attend its meetings. The Chief Executive Officer of the Board of Management shall not attend meetings of the Remuneration and Nomination Committee where his own remuneration is discussed. In addition, the head of the HR department of the Company and/or independent experts may be invited to attend meetings of the Remuneration and Nomination Committee. Each member of the Supervisory Board may attend meetings of the Remuneration and Nomination Committee.
7. The Company Secretary or any other person designated for such purpose by the chairman of the meeting shall draw up minutes of the meeting.
8. The Remuneration and Nomination Committee shall exercise utmost discretion when making written records of its deliberations and recommendations.
9. Each member of the Supervisory Board shall be authorised to conduct interviews with managers and employees, insofar as this is necessary, or may be useful, for the proper performance of his duties. A Remuneration and Nomination Committee member shall exercise this right in consultation with the chairman of the Committee and the Company Secretary.
10. In the performance of its duties, the Remuneration and Nomination Committee may also be assisted or advised by one or more experts to be appointed by the Remuneration and Nomination Committee, at a fee to be charged to the Company.

## Chapter 5

### Miscellaneous provisions

#### Article 30 - Conflicts of interest Board of Management members

1. Any form of conflict of interest between the Company and the members of the Board of Management should be prevented. To avoid conflicts of interest, adequate measures should be taken. The Supervisory Board is responsible for the decision-making on dealing with conflicts of interest regarding members of the Board of Management in relation to the Company.
2. A member of the Board of Management shall not participate in the discussion or vote regarding a topic or transaction in which he/she has a direct or indirect personal interest that conflicts with the interest of the Company. Such a transaction may only be entered into under at least the conditions customary in the sector, and requires the approval of the Supervisory Board. If, as a result of the provisions above, the Board of Management is unable to take a decision, the decision will be taken by the Supervisory Board.
3. Board of Management members are alert to conflicts of interest and should in any case refrain from the following:
  - a. competing with the company;
  - b. demanding or accepting 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. providing unjustified advantages to third parties at the company's expense;
  - d. taking advantage of business opportunities to which the company is entitled 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.
4. A conflicting interest with regard to a member of the Board of Management may exist if:
  - a. the Company intends to enter into a transaction with a legal entity in which the member of the Board of Management personally holds a substantial financial stake;
  - b. the Company intends to enter into a transaction with a legal entity in which a member of the Board of Management is the spouse, registered partner or other life partner, foster child or relative by blood or marriage up to the second degree as defined under Dutch law of the member of the Board of Management;
  - c. the Company intends to enter into a transaction with a legal entity in which the member of the Board of Management holds a managerial or supervisory position;
  - d. under the applicable laws, including the rules of any stock exchanges on which the shares in the Company are listed, there is a conflicting interest or a perceived conflicting interest;

- e. if the Chairman of the Supervisory Board is of the opinion that a conflicting interest exists and has communicated this.
5. Each member of the Board of Management shall report existing and potential conflicting interests immediately to the Chairman of the Supervisory Board and the other members of the Board of Management. Each member of the Board of Management that has a (potential) conflicting interest shall provide the Chairman of the Supervisory Board and the other members of the Board of Management with all relevant information, including the information related to his/her spouse, registered partner or other life partner, foster child and relatives by blood or marriage up to the second degree as defined under Dutch law. In all instances the Chairman of the Supervisory Board will determine whether a reported (potential) conflicting interest is a conflicting interest.
6. The Chairman of the Supervisory Board shall ensure that these topics or transactions are published in the management report by the Board of Management, referring to the conflicting interest, along with the statement that Articles 30.2 and 30.5 have been complied with.

## **Article 31 - Conflict of Interest Supervisory Board members**

1. Any form of conflict of interest between the company and the members of its Supervisory Board should be prevented. To avoid conflicts of interest, adequate measures should be taken. The Supervisory Board is responsible for the decision-making on dealing with conflicts of interest regarding Supervisory Board members and majority shareholders in relation to the company.
2. A Supervisory Board member shall not participate in the discussion or decision making regarding a topic or transaction in which he/she has a direct or indirect personal interest that conflicts with the interest of the Company. Transactions involving conflict of interests require the approval of the Supervisory Board. Such transactions may only be entered into under at least the conditions customary in the sector concerned. Decisions to enter into such transactions require the approval of the Supervisory Board.

The Chairman of the Supervisory Board shall ensure that all transactions that involved conflict of interests are published in the management report, together with a statement of the conflict of interest and a declaration that Article 31.2 and 31.5 have been complied with.

3. Supervisory Board members are alert to conflicts of interest and should in any case refrain from the following:
  - a. competing with the company;
  - b. demanding or accepting 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. providing unjustified advantages to third parties at the company's expense; and

- d. taking advantage of business opportunities to which the company is entitled 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.
4. A conflict of interest with regard to a Supervisory Director may exist if:
  - a. the Company intends to enter into a transaction with a legal entity in which a supervisory director personally has a material financial interest;
  - b. the Company intends to enter into a transaction with a legal entity in which a member of the Board of Management or Supervisory Board is the spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree as defined under Dutch law of the supervisory director;
  - c. the Company intends to enter into a transaction with a legal entity in which a supervisory director has a management or supervisory position;
  - d. under the applicable laws, including the rules of any stock exchanges on which the (depository receipts for) shares in the Company are listed, there is a conflict of interest or a perceived conflict of interest; and
  - e. the Supervisory Board is of the opinion that a conflict of interest exists and has communicated this.
5. Each member of the Supervisory Board, apart from the Chairman, shall report every (potential) conflict of interest to the Chairman of the Supervisory Board immediately. Each member of the Supervisory Board that has a (potential) conflict of interest shall provide the Chairman of the Supervisory Board with all relevant information, including information concerning individuals with whom he/she has a relationship according to family law, his/her spouse, registered partner or other life companion, foster child and relatives by blood and marriage up to the second degree as defined under Dutch law. In all instances, the Supervisory Board will determine whether a reported (potential) conflict of interest is a conflict of interest.

If the Chairman of the Supervisory Board has a conflict of interest or potential conflict of interest, he shall report this immediately to the Vice-Chairman of the Supervisory Board. The Chairman shall provide the Vice-Chairman of the Supervisory Board with all relevant information, including the information related to individuals with whom he/she has a relationship according to family law, his/her spouse, registered partner or other life companion, foster child and relatives by blood and marriage up to the second degree as defined under Dutch law. In all instances, the Supervisory Board will determine whether a reported (potential) conflict of interest is a conflict of interest. The Chairman will not participate or be present in these discussions.
6. All transactions between the Company and legal or natural persons who hold at least ten percent of the shares in the company should be agreed on terms that are customary in the market. Decisions to enter into transactions with such persons that are of material significance to the Company and/or to such persons require the approval of the Supervisory Board. Such transactions must be published in the management report, together with a declaration that this provision has been complied with.
7. In any event, a conflict of interest with regard to the Company's external auditor exists:

- a. in the situations referred to in Sections 23 and 24 of the Dutch Audit Firms Supervision Act;
  - b. if the external auditor's non-audit activities (other than those referred to under a.) for the Company (including in any event, marketing, advice in the field of (management) consultancy or information technology) lead to questions regarding the independence of the external auditor with regard to (the audit of) the financial reporting;
  - c. if, under the applicable laws, including the rules of any stock exchanges on which the shares in the Company are listed, there is a conflict of interest or a perceived conflict of interest; and
  - d. if the Supervisory Board has found that a conflict of interest exists or is believed to exist and has communicated this.
8. The external auditor, along with each member of the Board of Management and the Supervisory Board, shall report every potential conflict of interest related to the external auditor to the Chairman of the Supervisory Board immediately. The external auditor, along with every member of the Board of Management and the Supervisory Board, shall provide all information relevant in this respect to the Chairman of the Supervisory Board. In all instances, the Supervisory Board will determine whether a reported (potential) conflict of interest is a conflict of interest, as a result of which the engagement of the external auditor must be reconsidered or other measures taken to resolve the conflict of interest.

The Chairman of the Supervisory Board shall ensure that these measures are reported in the annual report, referring to the conflict of interest, along with the statement that this Article 31.8 has been complied with.

## **Article 32 - Complaints, reporting irregularities**

1. The Board of Management is responsible for the receipt, recording and handling of complaints received by the Company regarding the financial reporting, the internal risk management and control systems and the audit.
2. The Board of Management shall ensure that employees of the Company have the opportunity of reporting perceived irregularities within the Company and/or its affiliated enterprise of a general, operational or financial nature to the Chairman of the Board of Management or an official designated by him, or, if it pertains to the performance of members of the Board of Management, to the Chairman of the Supervisory Board, without fear for their legal status.
3. The external auditor must inform the chairman of the Audit Committee without delay if, during the performance of his duties, he discovers or suspect an instance of misconduct or irregularity. If the actual or suspected misconduct or irregularity pertains to the functioning of a Board of Management member, the external auditor must report this directly to the Chairman of the Supervisory Board.
4. The Board of Management will inform the Chairman of the Supervisory Board without delay of any signs of actual or suspected material misconduct or irregularities within the Company and its

affiliated enterprise. If the actual or suspected misconduct or irregularity pertains to the functioning of a Board of Management member, employees can report this directly to the Chairman of the Supervisory Board.

## **Article 33 - Information and relationship between the Boards**

1. The Board of Management must ensure that internal procedures are established and maintained which safeguard that all relevant information is known to the Board of Management and the Supervisory Board in a timely fashion.
2. The Supervisory Board will supervise the establishment and implementation of these procedures.
3. The Board of Management and the Supervisory Board are each responsible for stimulating openness and accountability within the corporate body of which they form part, and between the different corporate bodies within the company.
4. If the Supervisory Board considers it necessary, it may obtain information from officers and external advisers of the Company. The Company should provide the necessary means to this end. The Supervisory Board may require that certain officers and external advisers attend its meetings.
5. The Supervisory Board and its individual members each have their own responsibility for obtaining all information from the Board of Management and the external auditor that the Supervisory Board needs in order to carry out its duties properly as a supervisory body. If the Supervisory Board considers it necessary, it may obtain information from officers and external advisers of the Company, the internal and external auditors and the employee participation body. Individual members of the Supervisory Board shall only obtain information from officers of the Company directly with the consent of the Chairman of the Supervisory Board. The Board of Management shall provide the necessary means for this purpose. The Supervisory Board may require that certain officers and external advisers of the Company attend its meetings.
6. If a member of the Supervisory Board obtains information (from a source other than the Board of Management or the Supervisory Board) that is useful to the Supervisory Board for the proper performance of its duties, said member shall make this information available to the Chairman of the Supervisory Board as soon as possible. The Chairman shall then inform the entire Supervisory Board.
7. When a takeover bid for the Company's shares is being prepared, in the event of a private bid for a business unit or a participating interest, where the value of the bid exceeds the threshold referred to in Section 2:107a(1)(c) of the Dutch Civil Code, and/or in the event of other substantial changes in the structure of the organisation, the Board of Management will ensure that the Supervisory Board is involved in the takeover process and/or the change in the structure closely and in a timely fashion.
8. If a takeover bid has been announced for the shares in the Company, and the Board of Management receives a request from a competing bidder to inspect the Company's records, the

Board of Management will discuss this request with the Supervisory Board without delay.

9. If a private bid for a business unit or a participating interest has been made public, where the value of the bid exceeds the threshold referred to in Section 2:107a(1)(c) of the Dutch Civil Code, the Board of Management must as soon as possible make public its position on the bid and the reasons for this position, after having discussed this with the Supervisory Board.
10. The Board of Management shall send a report to the Supervisory Board four times a year, drawn up in a form to be determined from time to time, and containing detailed information on, among other things, financial affairs, investments and divestments, organisation and sustainability. Said information includes an analysis of recent and expected market developments in the countries and markets where Wereldhave operates, the expected development of results, financing, currency, interest and cash flow, and a proposal related to the policy to be pursued with regard to investments and divestments.
11. Without the explicit prior consent of the Supervisory Board, the auditor, his organisation or associated companies will not be given any assignments for advisory or consultancy services in order to safeguard the independent performance of the audit activities assigned.
12. Without prejudice to the foregoing, the Board of Management shall provide the Supervisory Board with a forecast for the coming year, an (update of the) business plan with the long-term plans, the main aspects of the strategic policy, a specification of the general and financial risks, and the Company's management and control systems each year. In addition, the Board of Management shall make a statement each year stating that it has provided the Supervisory Board with all relevant information required for the proper performance of its duties. These documents will be provided in a timely fashion to allow the Supervisory Board to approve them no later than in December of the current year.
13. Among other things, the reporting on the management of financial risks pertains to:
  - a. the reliability of financial information and in connection with that, the performance of the systems aimed at providing reasonable certainty that the financial information is reliable;
  - b. the effectiveness and efficiency of the Company's internal processes;
  - c. compliance with relevant primary and secondary legislation related to financial information.
14. If possible, material press releases will be sent to the members of the Supervisory Board for approval prior to release.
15. Each year, in February, the Board of Management shall provide the Supervisory Board with Wereldhave's financial statements for the financial year ended and the accompanying draft management report. These documents will be submitted to the Supervisory Board with the auditor's report and possibly a management letter from the auditor. The Supervisory Board is permitted to examine the most important points of discussion arising between the external auditor and the Board of Management based on the draft management letter or the draft audit report.

16. The Supervisory Board may invite members of the Management Team to attend meetings of the Board. The members of the Management Team shall, upon request of the Board of Management, report on facts and developments related to the performance of their duties.
17. In principle, the Supervisory Board will visit a country organisation once a year, to meet local management teams and discuss market developments, operations, results and any other management topics that the Board may deem fit.
18. The Chairman of the Supervisory Board and/or the Chairman of the Remuneration- and Nomination Committee will annually attend a meeting of the employee representative body to discuss the conduct and culture in the company with the Board of Management and the employee representative body.

## **Article 34 - Relationship with the shareholders**

1. The Board of Management and the Supervisory Board must ensure that the General Meeting is adequately provided with information. If the Board of Management and the Supervisory Board decide not to provide the General Meeting with all information desired with the invocation of an overriding interest on the part of the company, they must give reasons for this.
2. In accordance with the Company's Articles of Association, general meetings of shareholders will be held at the request of the Supervisory Board or the Board of Management. The corporate body convening the meeting shall ensure that the meeting is held in a timely fashion and that the shareholders are informed of all relevant facts and circumstances related to agenda items by means of explanatory notes to the agenda. These explanatory notes will be posted on the Company's website. The corporate body convening the meeting shall also ensure that the agenda states which items are for discussion and which need to be voted on.
3. The members of the Board of Management and the Supervisory Board shall attend the general meetings of shareholders except when they are unable to do so due to serious reasons. In accordance with the Company's Articles of Association, the Chairman of the Supervisory Board generally chairs the general meeting of shareholders and decides on the substance of the resolutions. The Chairman of the general meeting of shareholders is also responsible for the proper conduct of the meeting in order to facilitate a useful discussion at the meeting. Without prejudice to the provisions in Book 2, Article 13 of the Dutch Civil Code, the results of a vote as established and pronounced by the Chairman will be decisive.
4. The Board of Management and the Supervisory Board shall provide the General Meeting of Shareholders with all information requested, unless major interests of the Company or a statutory rule or stipulation of law opposes this. If the Board of Management and the Supervisory Board relies on such a major interest, this will be explained with reasons.

5. The Board of Management and the Supervisory Board shall treat all shareholders who find themselves in similar circumstances in a similar manner when providing information.
6. The Board of Management and the Supervisory Board are responsible for the corporate governance structure of the Company and shall render an account in that respect to the General Meeting and provide sound reasons for any non-application of the provisions. The broad outline of the corporate governance structure will be explained in a separate chapter of the management report every year. That chapter will also state to what extent the Company applies the best practice provisions of the Code and, if it does not do so, why and to what extent it does not apply them.

Compliance with the Code will be accounted for as part of the management report. Each substantial change in the corporate governance structure of the Company and in the compliance with the Code will be submitted to the General Meeting for discussion under a separate agenda item.

## **Article 35 – Confidentiality**

Each member of the Board of Management or the Supervisory Board is required to observe the necessary discretion and integrity regarding all information and documentation received within the scope of his/her membership and, where confidential information is concerned, observe confidentiality. Members and former members of the Board of Management or the Supervisory Board shall not disclose confidential information to the public outside the Board of Management or the Supervisory Board or otherwise make it available to third parties, unless the Company has disclosed this information or if it has been established that the information is already in the public domain or is required by law or regulations to do so.

## **Article 36 - Code of Conduct**

The Board of Management, the Supervisory Board and their members will comply with the Company's Code of Conduct, as published on the Company's website.

## **Article 37 - Incidental non-application, amendments**

The Supervisory Board may decide to amend this charter or not to apply certain provisions. Amendments to the Charter will be published on the Company's website.

## **Article 38 - Applicable law and forum**

1. This Charter is governed by and must be interpreted through the application of Dutch law.
2. The Amsterdam Court has exclusive jurisdiction to examine any and all disputes related to this Charter, including disputes related to the existence, the validity and rescission of the Charter.