

**CONSECUTIVE WORDING OF THE ARTICLES OF ASSOCIATION OF VATTENFALL N.V.
DATED 5 MARCH 2019**

ARTICLES OF ASSOCIATION:

CHAPTER 1

Article 1. Definitions and Construction.

In these Articles of Association, the following terms shall have the following meanings:

Share means a share in the capital of the Company.

Shareholder means a holder of one or more Shares.

Dependent Company means:

- a. a legal entity to which the Company or one or more Dependent Companies, solely or jointly and for its or their own account, contribute at least one half of the issued capital;
- b. a partnership having a business which is registered in the Commercial Register and for which the Company or a Dependent Company is fully liable as a partner towards third parties for all debts.

General Meeting or General Meeting of Shareholders means the body of the Company consisting of the Shareholders or (as the case may be) a meeting of Shareholders (or their representatives) and other persons entitled to attend such meetings.

Managing Director means a member of the Management Board.

Supervisory Director means a member of the Supervisory Board. **Subsidiary** means a subsidiary of the Company as referred to in Section 2:24a of the Dutch Civil Code.

Works Council has the meaning referred to in Article 0 or Article 0, as it appears from the context.

Management Board means the management board of the Company.

Supervisory Board means the supervisory board of the Company.

Distributable Equity means the part of the Company's equity which exceeds the aggregate of the issued capital and the reserves which must be maintained pursuant to the law.

Vattenfall means Vattenfall AB, a public company incorporated under the laws of Sweden, having its statutory seat in Stockholm, Sweden and its principal offices at Evenemangsgatan 13C, SE-169 56 Solna, Sweden, registered in the Swedish Companies Register under number 556036-2138.

Company means the company the internal organisation of which is governed by these Articles of Association.

Meeting Rights means the right to attend General Meetings of Shareholders and to speak at such meetings, as a Shareholder or as a person to whom these rights have been attributed in accordance with Article 14.

A message **in writing** means a message transmitted by letter, by telecopier, by e-mail or by any other means of electronic communication provided the relevant message or document is legible and reproducible, and the term **written** shall be construed accordingly.

The Management Board, the Supervisory Board and the General Meeting shall each constitute a distinct body of the Company.

References to **Articles** refer to articles which are part of these Articles of Association, except where expressly indicated otherwise.

CHAPTER 2. NAME, OFFICIAL SEAT AND OBJECTS.

Article 2. Name, Official Seat and Large Company Regime.

- 2.1 The Company's name is:
Vattenfall N.V.
- 2.2 The official seat of the Company is in Amsterdam, the Netherlands.
- 2.3 The Company is subject to the large company regime as referred to in Sections 2:152 up to and including 2:161a and Section 2:164 of the Dutch Civil Code and as incorporated in the Articles.

Article 3. Objects.

- 3.1 The objects of the Company are to establish or co-establish, to cooperate with, to participate in, to conduct or to co-conduct the management of, to have supervision of and to take over and finance other enterprises, provided that it in some form pertains to what is described in Article 0.
- 3.2 The objects of the Company are also to offer energy solutions, such as to purchase, to sell, to develop, to manage, and to exploit energy production facilities and to purchase, to store, to trade, to distribute and to supply energy, energy sources and energy carriers and related rights, to build and exploit heat and cold networks, to develop, to manage and to exploit electric transport and related infrastructure, as well as to do everything related or conducive to the above objects, in the broadest sense.
- 3.3 The Company is authorised to conduct all acts that could be beneficial to the attainment of its objects, including to provide guarantees, to bind the company and to encumber assets of the company in favour of enterprises or companies with which the company is affiliated in a group and in favour of third parties, to lend, to borrow and to raise money including to issue bonds, debt instruments or other negotiable papers, as well as to enter into related agreements, to acquire, to manage, to exploit and to alienate registered property and asset values in general, including to invest in asset

values, to exploit and to trade in patents, trademark rights, licences, know how, copyrights, databanks and other intellectual property rights, to furnish advice and to provide services to enterprises and companies with which the company is affiliated in a group and to third parties as well as to do everything related or conducive to the above objects, in the broadest sense.

- 3.4 The Company is part of the group of Vattenfall. In the conduct of its business the Company will also observe the interests of legal entities and companies connected with the Vattenfall group.

CHAPTER 3. AUTHORISED CAPITAL; REGISTER OF SHAREHOLDERS.

Article 4. Authorised Capital.

- 4.1 The authorised capital of the Company is one billion five hundred million euro (EUR 1,500,000,000).
- 4.2 The authorised capital of the Company is divided into three hundred million (300,000,000) Shares with a nominal value of five euro (EUR 5) each.
- 4.3 All Shares shall be registered. No share certificates shall be issued.

Article 5. Register of Shareholders.

- 5.1 The Management Board shall keep a register of Shareholders in which the names and addresses of all Shareholders are recorded, showing the date on which the Shares were acquired, the date of acknowledgement by or serving upon the Company and the nominal value paid-in on each Share.
- 5.2 Section 2:85 of the Dutch Civil Code applies to the register of Shareholders.

CHAPTER 4. ISSUANCE OF SHARES.

Article 6. Resolution to Issue and Notarial Deed.

- 6.1 Shares may be issued pursuant to a resolution of the General Meeting or of another body of the Company designated for that purpose by a resolution of the General Meeting for a fixed period, not exceeding five years. On such designation the number of Shares which may be issued must be specified. The designation may be extended, from time to time, for a period not exceeding five years. Unless the designation provides otherwise, it may not be withdrawn.
- 6.2 A resolution to issue Shares shall stipulate the issue price and the other conditions of issue.
- 6.3 The provisions of Articles 0 and 0 shall apply by analogy to the granting of rights to subscribe for Shares, but do not apply to the issuance of Shares to a person exercising a right to subscribe for Shares previously granted.
- 6.4 The issue of a Share shall furthermore require a notarial deed, to be executed for that purpose before a civil law notary registered in the Netherlands, to which deed those involved in the issuance shall be parties.

Article 7. Rights of Pre-emption.

- 7.1 Upon issuance of Shares, each Shareholder shall have a right of pre-emption in proportion to the aggregate nominal value of his Shares, with due observance of Section 2:96a of the Dutch Civil Code. Shareholders shall also have a right of pre-emption if rights are granted to subscribe for Shares.
- 7.2 Prior to each single issuance of Shares, the right of pre-emption may be limited or excluded by a resolution of the General Meeting. The right of pre-emption may also be limited or excluded by the body of the Company designated pursuant to Article 0 hereof, if, by a resolution of the General Meeting, it was designated and authorised for a fixed period, not exceeding five years, to limit or exclude such right of pre-emption. The designation may be extended, from time to time, for a period not exceeding five years. Unless the designation provides otherwise, it may not be withdrawn.
- 7.3 Shareholders shall have no right of pre-emption in respect of Shares which are issued to a person exercising a right to subscribe for Shares previously granted.
- 7.4 A right of pre-emption cannot be transferred separately.

Article 8. Payment for Shares.

- 8.1 Upon subscription of each Share, the full nominal value thereof must be paid up, and, in addition, if the Share is issued at a higher amount, the difference between such amounts.
- 8.2 Payment for a Share must be made in cash insofar as no non-cash contribution has been agreed upon. Payment in foreign currency may only be made with the approval of the Company and with due observance of the provisions of Section 2:93a of the Dutch Civil Code.

CHAPTER 5. OWN SHARES; REDUCTION OF THE ISSUED CAPITAL.

Article 9. Own Shares.

- 9.1 When issuing Shares, the Company may not subscribe for its own Shares.
- 9.2 The Company may acquire fully paid-in Shares or depositary receipts thereof, with due observance of the limitations prescribed by law.
- 9.3 The Management Board shall require an authorisation from the General Meeting in order for the Company to acquire own Shares for consideration. Such authorisation shall be valid for not more than five years. The General Meeting must specify in the authorisation the number of Shares which may be acquired, the manner in which they may be acquired and the limits within which the price must be set.
- 9.4 Shares or depositary receipts thereof held by the Company may be transferred pursuant to a resolution of the Management Board which must have been approved by the General Meeting. A resolution to transfer such Shares or depositary receipts thereof shall stipulate the conditions of

transfer. The transfer of Shares held by the Company shall furthermore be subject to the provisions governing the pre-emption rights on an issue of Shares as contained in Article 7. The provisions of Article 13 shall not apply to a transfer of own Shares.

9.5 In the General Meeting, no voting rights may be exercised for any Share held by the Company or a Subsidiary, nor for any Share for which the Company or a Subsidiary holds the depositary receipts.

9.6 Shares held by the Company shall not be counted when calculating distributions on Shares.

Article 10. Financial Assistance.

10.1 The Company may not give security, guarantee the price, or in any other way answer to or bind itself either severally or jointly for or on behalf of third parties, with a view to a subscription for or an acquisition of Shares or depositary receipts thereof by others. This prohibition also applies to Subsidiaries. Financial assistance shall furthermore be subject to the provisions of Section 2:98c of the Dutch Civil Code.

10.2 The prohibition of Article 0 shall not apply to Shares or depositary receipts thereof subscribed or acquired by or for employees of the Company or of a group company as defined in Section 2:24b of the Dutch Civil Code.

Article 11. Reduction of the Issued Capital.

11.1 The General Meeting may resolve to reduce the Company's issued capital.

11.2 A reduction of the Company's issued capital may be effected:

- (a.) by cancellation of Shares held by the Company; or
- (b.) by reducing the nominal value of Shares, to be effected by an amendment of these Articles of Association.

11.3 The notice convening a General Meeting of Shareholders at which a resolution to reduce the Company's issued capital will be proposed, shall state the purpose of the capital reduction and the manner in which it is to be achieved. The provisions in these Articles of Association relevant to a proposal to amend the Articles of Association shall apply by analogy.

11.4 A reduction of the Company's issued capital shall furthermore be subject to the provisions of Sections 2:99 and 2:100 of the Dutch Civil Code.

CHAPTER 6. TRANSFER OF SHARES.

Article 12. Transfer of Shares; Notarial Deed.

1.21 The transfer of a Share shall require a notarial deed, to be executed for that purpose before a civil law notary registered in the Netherlands, to which deed those involved in the transfer shall be parties.

12.2 Unless the Company itself is party to the legal act, the rights attributable to the Share can only be exercised after the Company has acknowledged said transfer or said deed has been served upon it in accordance with the relevant provisions of the law.

Article 13. Share Transfer Restrictions.

- 13.1 The following provisions of this Article 13 are applicable to a transfer of one or more Shares, unless (i) all Shareholders have granted permission for the intended transfer in writing, which permission will then be valid for a period of three months, or (ii) the Shareholder concerned is obliged by law to transfer his Shares to a former Shareholder.
- 13.2 A transfer of one or more Shares can only be effected after the Shares have been offered for sale to the co-Shareholders first. The relevant Shareholder (the **Offeror**) must make the offer by means of a written notification to the Management Board, stating the number of Shares he wishes to transfer and the person or persons to whom he wishes to transfer the Shares. The Management Board must give notice of the offer to the co-Shareholders. Co-Shareholders interested in purchasing one or more of the offered Shares (the **Interested Parties**) must notify the Management Board of their interest. If the Company itself is a co-Shareholder, it will only be entitled to act as an Interested Party with the consent of the Offeror.
- 13.3 The price for which the offered Shares can be purchased by the Interested Parties will be set by the Offeror and the Interested Parties in joint consultation or by one or more experts designated by them. If an agreement on the price or on the expert or experts, as the case may be, is not reached, the price will be set by one or more independent experts to be nominated, at the request of one or more of the parties concerned, by the chairperson of the Dutch Professional Organisation of Accountants.
- 13.4 Within one month of the set price having been notified to them, the Interested Parties must give notice to the Management Board of the number of the offered Shares they wish to purchase. Once the notice mentioned in the preceding sentence has been given, an Interested Party can only withdraw with the consent of the other Interested Parties.
- 13.5 If the Interested Parties together wish to purchase more Shares than have been offered the offered Shares will be distributed among them. The Interested Parties will decide together upon the distribution. If an agreement on the distribution is not reached, the Management Board will determine the distribution, as far as possible in proportion to the total nominal value of the Shares held by each Interested Party at the time of the distribution. The number of offered Shares allocated to an Interested Party cannot exceed the number of Shares he wishes to purchase.
- 13.6 The Offeror may withdraw his offer up to one month from the day on which he is informed of the Interested Party or Parties to whom he can sell all offered Shares and at what price.

- 13.7 If it becomes apparent that none of the co-Shareholders is an Interested Party or that not all offered Shares will be purchased against payment in cash by one or more Interested Parties, the Offeror may, within a period of three months, freely transfer all the offered Shares, but not part thereof, to the person or persons listed in the offer.

CHAPTER 7. PLEDGING OF SHARES AND USUFRUCT IN SHARES; DEPOSITARY RECEIPTS FOR SHARES.

Article 14. Pledging of Shares and Usufruct in Shares.

- 14.1 The provisions of Articles 0 and 0 apply by analogy to the pledging of Shares.
- 14.2 The voting rights attached to pledged Shares accrue to the Shareholder. However, pursuant to a written agreement between the Shareholder and the pledgee, the voting rights may accrue to the pledgee if such transfer of voting rights has been approved by the General Meeting. The Meeting Rights accrue to the Shareholder, whether holding voting rights or not, and to the pledgee holding voting rights, but will not accrue to the pledgee not holding voting rights.
- 14.3 The provisions of Articles 0 and 0 apply by analogy to the creation or transfer of a right of usufruct in Shares. The voting rights attached to Shares encumbered by a right of usufruct accrue to the Shareholder. The Meeting Rights will not accrue to the holder of a right of usufruct.

Article 15. Depositary Receipts for Shares.

The Company will not cooperate in the issuance of depositary receipts for Shares and will not grant Meeting Rights to holders of depositary receipts issued for Shares.

CHAPTER 8. THE MANAGEMENT BOARD.

Article 16. Managing Directors; Remuneration.

- 16.1 The Management Board shall consist of at least two Managing Directors. Subject to the provisions of the first sentence, the number of Managing Directors shall be determined by the General Meeting.
- 16.2 Managing Directors are appointed by the General Meeting. The General Meeting shall appoint one of the Managing Directors chairperson of the Management Board (CEO) and one of the Managing Directors chief financial officer of the Management Board (CFO), unless the General Meeting appoints one Managing Director who holds both positions of CEO and CFO.
- 16.3 A Managing Director may be suspended or removed by the General Meeting at any time. A Managing Director may also be suspended by the Supervisory Board. A suspension by the Supervisory Board may be discontinued at any time by the General Meeting. Any suspension may be extended one or more times, but may not last longer than three months in

- the aggregate. If, at the end of that period, no decision has been taken on termination of the suspension or on removal, the suspension shall end.
- 16.4 The Company has a policy on the remuneration of the Management Board. The policy shall be adopted by the General Meeting. The policy on remuneration shall in any case include the subjects referred to in Sections 2:383c up to and including 2:383e of the Dutch Civil Code, insofar as these relate to the Management Board.
- 16.5 The authority to establish remuneration and other conditions of employment for Managing Directors is vested, with due observance of the policy referred to in Article 0, in the General Meeting.

Article 17. Duties, Decision-making Process and Allocation of Duties.

- 17.1 The Management Board shall be entrusted with the management of the Company.
- 17.2 The Management Board shall adopt a set of rules regarding its decision-making process and working methods. In this context, the Management Board may also determine the duties which each Managing Director shall be particularly responsible for. This set of rules and allocation of duties and any amendment thereto shall require the approval of the Supervisory Board.

Article 18. Representation; Conflicts of Interest.

- 18.1 The Company shall be represented by the Management Board. Each Managing Director shall also be authorised to represent the Company.
- 18.2 The Management Board may appoint officers with general or limited power to represent the Company. Each officer shall be competent to represent the Company, subject to the restrictions imposed on him. The Management Board shall determine each officer's title. The authority of an officer thus appointed may not extend to any transaction where the Company has a conflict of interest with the officer concerned or with one or more Managing Directors.
- 18.3 A Managing Director may not participate in deliberating and decision-making within the Management Board if, with respect to the matter concerned, he has a direct or indirect personal interest that conflicts with the interests of the Company and the business connected with it. If, for this reason, no Management Board resolution can be adopted this resolution will be adopted by the Supervisory Board. The Managing Director who in connection with a conflict of interest as referred to in this Article does not exercise certain duties and powers will insofar be regarded as a Managing Director who is unable to perform his duties (*belet*).
- 18.4 In the event of a conflict of interest (as referred to in Article 0) between the Company and one or more Managing Directors, the provisions of

Article 0 shall continue to apply unimpaired. A resolution of the Management Board with respect to a matter involving a direct or indirect personal conflict of interest with one or more Managing Directors shall be subject to the approval of the Supervisory Board, but the absence of such approval shall not affect the authority of the Management Board or the Managing Directors to represent the Company.

Article 19. Approval of Management Board Resolutions.

- 19.1 Resolutions of the Management Board entailing a significant change in the identity or character of the Company or its business are subject to the approval of the General Meeting, including in any case:
- (a) the transfer of (nearly) the entire business of the Company to a third party;
 - (b) entering into or breaking off long-term cooperations of the Company or a Subsidiary with an other legal entity or company or as fully liable partner in a limited partnership or general partnership, if this cooperation or termination is of major significance for the Company;
 - (c) acquiring or disposing of participating interests in the capital of a company if the value of such participation is at least one third of the sum of the assets of the Company as shown on its balance sheet plus explanatory notes or, if the Company prepares a consolidated balance sheet, its consolidated balance sheet plus explanatory notes according to the last adopted annual accounts of the Company, by the Company or a Subsidiary, or radically increase or reduce any such interest.
- 19.2 The General Meeting is entitled to require resolutions of the Management Board to be subject to its approval. Such resolutions must be clearly specified and notified to the Management Board in writing.
- 19.3 Without prejudice to any other applicable provisions of the law or these Articles of Association, Management Board resolutions with respect to any one or more of the following matters shall be subject to the approval of the Supervisory Board:
- (a) to issue and acquire shares in and debt instruments issued by the Company, or of debt instruments issued by any limited partnership or general partnership in which the Company is a fully liable partner;
 - (b) an application for admission to trading of the instruments referred to in Article 0 0 on a regulated market or a multilateral trading facility as referred to in Section 1:1 of the Financial Supervision Act (*Wet op het financieel toezicht*) or a system comparable to a regulated market or multilateral trading facility from a state which is not a member state or an application for withdrawal of such admission;
 - (c) to enter into or cancel any long-term co-operative relationship between the Company or a Dependent Company and another legal

- entity or company, or in its capacity as a fully liable partner in a limited partnership or general partnership, if such cooperation or cancellation has a substantial impact on the Company;
- (d) to have the Company or a Dependent Company take or dispose of any interest in the share capital of another company worth no less than fifty million euro (EUR 50,000,000), or such other amount as the Supervisory Board may (annually) adopt and communicate in writing to the Management Board, subject to a minimum of fifty million euro (EUR 50,000,000) - or if lower, at least equal to one-fourth of the issued capital with reserves of the Company according to its balance sheet with explanatory notes -, or radically increase or reduce any such interest;
 - (e) to make divestments in the Benelux involving an amount of at least fifty million euro (EUR 50,000,000) or if lower, at least equal to one-fourth of the issued capital with reserves of the Company according to its balance sheet with explanatory notes, and to make investments involving an amount of at least equal to one-fourth of the issued capital with reserves of the Company according to its balance sheet with explanatory notes;
 - (f) agreeing to the creation of any mortgage, charge, debenture, pledge, lien or other encumbrance or security interest over any of the assets, property, undertaking or uncalled capital of the Company which involves or might involve an amount (including related costs) in excess of fifty million euro (EUR 50,000,000);
 - (g) to report bankruptcy or apply for a suspension of payments;
 - (h) to propose a reduction in the issued capital;
 - (i) to acquire own Shares by the Company;
 - (j) to annually adopt or amend an industrial plan and any subsequent industrial plan;
 - (k) to change the nature of the business of the Company as set out in the industrial plan;
 - (l) the contribution of assets other than as described in the industrial plan;
 - (m) to enter into any transaction in excess of fifty million euro (EUR 50,000,000) outside the ordinary course of business which is not at arm's length basis or on market conforming conditions;
 - (n) related party transactions with an entity within the group of Vattenfall in excess of fifty million euro (EUR 50,000,000), except in the ordinary course of the trading and sourcing business;
 - (o) to close down material operations of the Company;

- (p) to terminate the employment contracts of a substantial number of employees of the Company or a Dependent Company at the same time or within a short period of time;
 - (q) to implement radical changes in the working conditions of a substantial number of employees of the Company or a Dependent Company;
 - (r) to submit a proposal to amend the Articles of Association;
 - (s) to submit a proposal to dissolve the Company;
 - (t) to submit a proposal for a merger or demerger as defined in Title 7, Book 2 of the Dutch Civil Code.
- 19.4 For the application of the provisions of Article 0, except for the provisions of Article 0 under 0, 0, 0, 0 and 0 (the latter only with respect to mergers or demergers involving an amount of less than fifty million euro (EUR 50,000,000)), a resolution of the Management Board approving a resolution of any body of a company in which the Company participates shall be treated as a resolution of the Management Board to enter into a transaction, if the resolution to be approved would be subject to the prior express approval provided for in Article 0 if it were a resolution of the Management Board.
- 19.5 The absence of approval by the General Meeting of a resolution as referred to in Articles 0 and 0, or of the Supervisory Board of a resolution as referred to in Articles 0 and 0, shall not affect the authority of the Management Board or the Managing Directors to represent the Company.

Article 20. Vacancy or Inability to Act.

If a seat on the Management Board is vacant (*ontstentenis*) or a Managing Director is unable to perform his duties (*belet*), the remaining Managing Directors or Managing Director shall be temporarily entrusted with the management of the Company. If all seats on the Management Board are vacant or all Managing Directors or the sole Managing Director, as the case may be, are unable to perform their duties, the management of the Company shall be temporarily entrusted to the Supervisory Board, with the authority to temporarily entrust the management of the Company to one or more Supervisory Directors and/or one or more other persons.

CHAPTER 9. THE SUPERVISORY BOARD.

Article 21. Supervisory Directors.

- 21.1 The Company has a Supervisory Board consisting of three Supervisory Directors. If the number of Supervisory Directors is less than three, the Supervisory Board shall forthwith take measures to supplement the number of Supervisory Directors.
- 21.2 Only individuals may be Supervisory Directors.

- 21.3 The Supervisory Board shall adopt a profile on its size and composition, taking into account the character of the business, its activities and the desired expertise and background of the Supervisory Directors. The Supervisory Board shall discuss the profile in the General Meeting of Shareholders and with the Works Council, for the first time at the occasion of adoption and subsequently at each amendment thereof.
- 21.4 Supervisory Directors cannot be:
- (a) persons in the service of the Company;
 - (b) persons in the service of a Dependent Company;
 - (c) officials or persons in the service of a trade union which is usually involved in determining the terms of employment of the persons referred to under 0 and 0.

Article 22. Appointment of Supervisory Directors.

- 22.1 Notwithstanding the provision of Article 0, Supervisory Directors are appointed by the General Meeting on a nomination of the Supervisory Board. The Supervisory Board shall simultaneously inform the General Meeting and the Works Council of the nomination. The nomination will state the reasons on which it is based.
- 22.2 The General Meeting and the Works Council may recommend candidates to the Supervisory Board to be nominated as Supervisory Director. The Supervisory Board shall inform them in time, when and why and in accordance with what profile a vacancy has to be filled in its midst. If the special right of recommendation referred to in Article 0 applies, the Supervisory Board shall announce that as well.
- 22.3 A nomination or a recommendation as referred to in this Article 22 shall state the candidate's age, his profession, the number of the Shares he holds and the positions he holds or has held, in so far as these are relevant for the performance of the duties of a Supervisory Director. Furthermore, the names of the legal entities of which he is already a Supervisory Director shall be indicated; if those include legal entities which belong to a group, reference of that group will be sufficient. The recommendation and the nomination for appointment or re-appointment must be accounted for by giving reasons for it. In case of re-appointment, the performance in the past period of the candidate as a Supervisory Director shall be taken into account.
- 22.4 With regard to one third of the total number of Supervisory Directors, the Supervisory Board shall put a person recommended by the Works Council on the nomination, unless the Supervisory Board objects to the recommendation on the basis of the expectation that the recommended person shall be unqualified for the exercise of the duties of a Supervisory

Director or that the Supervisory Board shall not be composed properly in case of appointment in accordance with the recommendation.

22.5 If the Supervisory Board objects to a recommendation as referred to in Article 0, it shall inform the Works Council of its objection stating its reasons. The Supervisory Board shall forthwith engage in consultation with the Works Council in order to reach agreement on the recommendation. If the Supervisory Board establishes that no agreement can be reached, a representative of the Supervisory Board designated for that purpose shall request the Commercial Division of the Amsterdam Court of Appeal to declare the objection well-founded. The request shall not be filed before the lapse of four weeks after the consultation with the Works Council started. The Supervisory Board shall put the recommended person on the nomination if the Commercial Division of the Amsterdam Court of Appeal declares the objection unfounded. If the Commercial Division of the Amsterdam Court of Appeal declares the objection well-founded, the Works Council can make a new recommendation in accordance with the provision of Article 0.

22.6 The General Meeting can reject the nomination by an absolute majority of the votes cast, representing at least one third of the issued capital. If the General Meeting resolves by a simple majority of the votes cast to reject the nomination but this majority does not represent at least one third of the issued capital, a new meeting can be convened where the nomination can be rejected by a simple majority of the votes cast. The Supervisory Board shall then prepare a new nomination. The Articles 0 through 0 shall apply. If the General Meeting does not appoint the person nominated by the Supervisory Board and does not resolve to reject the nomination, the Supervisory Board shall appoint the person nominated.

Article 23. Decision-making Process regarding Appointment of Supervisory Directors in the General Meeting of Shareholders.

23.1 The making of a recommendation as referred to in Article 0 as well as the resolution to appoint or object, can be discussed in one and the same General Meeting of Shareholders, provided that the following provisions of this Article 23 are observed.

23.2 The agenda for the meeting shall at least contain the following points for discussion:

- (a) notice of the date and the reasons why the vacancy has arisen or will arise, the reason why and in accordance with which profile a vacancy is to be filled;
- (b) opportunity for the General Meeting to make a recommendation;
- (c) under the condition precedent that no recommendation of another person shall be made by the General Meeting: the announcement by

the Supervisory Board of the name of the person it intends to nominate;

- (d) under the condition precedent that no recommendation of another person shall be made by the General Meeting: the proposal to appoint the person nominated.

- 23.3 The name of the person whom the Supervisory Board intends to nominate and the information referred to in Article 0 must be provided in the notice of the General Meeting of Shareholders or in the agenda deposited at the Company's office, in which case the notice shall refer to the agenda.

Article 24. Retirement of Supervisory Directors.

- 24.1 A Supervisory Director shall retire not later than the day on which the first General Meeting of Shareholders is held after four years have elapsed since his appointment.
- 24.2. The Supervisory Directors shall retire periodically in accordance with a rotation plan to be drawn up by the Supervisory Board. Any alteration to the rotation plan cannot require a Supervisory Director to resign against his will before the term of his appointment has lapsed.

Article 25. All Seats on the Supervisory Board Vacant.

- 25.1 If all seats on the Supervisory Board are vacant, other than pursuant to Article 0, the appointment shall be made by the General Meeting.
- 25.2 The Works Council may recommend candidates for appointment to the Supervisory Board. The persons convening the General Meeting of Shareholders, shall notify the Works Council for that purpose in time that the appointment of a Supervisory Director shall form part of the business at the General Meeting of Shareholders, stating whether the appointment of a Supervisory Director shall take place in accordance with the right of recommendation of the Works Council pursuant to Article 0.
- 25.3 Articles 0 and 0 shall apply by analogy.

Article 26. Removal and Suspension of Supervisory Directors.

- 26.1 The Commercial Division of the Amsterdam Court of Appeal may upon a request to that effect remove a Supervisory Director for neglecting his duties, for other important reasons or for a fundamental change of circumstances on the basis of which in all reasonableness the Company cannot be required to keep him on as a Supervisory Director. A petition can be submitted by the Company, herein represented by the Supervisory Board, as well as by a representative of the General Meeting or of the Works Council, designated for that purpose. Section 2:158, subsection 10, of the Dutch Civil Code shall apply by analogy.
- 26.2 A Supervisory Director can be suspended by the Supervisory Board; the suspension shall lapse by law, if the Company has not submitted a petition

- as referred to in Article 0 to the Commercial Division within one month after commencement of the suspension.
- 26.3 The General Meeting can resolve to abandon its trust (*het vertrouwen opzeggen*) in the entire Supervisory Board. Reasons for the resolution must be stated. The resolution cannot regard Supervisory Directors appointed by the Commercial Division of the Amsterdam Court of Appeal in accordance with Article 0.
- 26.4 A resolution as referred to in Article 0 shall not be passed until after the Management Board has notified the Works Council of the proposed resolution and the reasons therefore. The notification shall be made at least thirty days before the General Meeting where the proposal is discussed, is held. If the Works Council defines a position on the proposal, the Management Board shall inform the Supervisory Board and the General Meeting thereof. The Works Council can have its position explained in the General Meeting.
- 26.5 The resolution referred to in Article 0 shall result in the immediate resignation of the Supervisory Board. In that case the Management Board shall forthwith request the Commercial Division of the Amsterdam Court of Appeal to temporarily appoint one or more Supervisory Directors. The Commercial Division of the Amsterdam Court of Appeal shall regulate the consequences of the appointment.
- 26.6 The Supervisory Board shall take action to the effect that, within the term stated by the Commercial Division of the Amsterdam Court of Appeal, a new Supervisory Board is composed in accordance with the provisions of Article 22.

Article 27. Remuneration.

The General Meeting shall establish the remuneration for each Supervisory Director.

Article 28. Duties and Powers.

- 28.1 It shall be the duty of the Supervisory Board to supervise the management of the Management Board and the general course of affairs of the Company and the business connected with it. The Supervisory Board shall assist the Management Board by giving advice. In performing their duties, the Supervisory Directors shall act in accordance with the interests of the Company and the business connected with it.
- 28.2 The Management Board shall supply the Supervisory Board in due time with the information required for the performance of its duties.
- 28.3 At least once a year, the Management Board shall inform the Supervisory Board in writing of the main aspects of the strategic policy, the general and financial risks and the Company's management and auditing systems.

- 28.4 The Supervisory Board may request assistance from experts. The costs of such assistance shall be for the account of the Company.
- 28.5 The Supervisory Board may decide that one or more Supervisory Directors and/or experts shall have access to the office and the other buildings and premises of the Company and that such persons shall be authorised to inspect the books and records of the Company.
- 28.6 The Supervisory Board shall establish rules regarding its decision-making process and working methods, in addition to the relevant provisions of these Articles of Association.
- 28.7 The Supervisory Board may, without prejudice to its responsibilities, designate an audit committee and a remuneration committee from among its members, who shall be entrusted with the tasks specified by the Supervisory Board.
- 28.8 The composition of any such committee shall be determined by the Supervisory Board.
- 28.9 The General Meeting may additionally remunerate the members of the committee(s) for their services.
- 28.10 The Supervisory Board shall draw up rules for each committee concerning the working methods and the method of decisions-making.

Article 29. Chairperson and Secretary.

- 29.1 The Supervisory Board shall appoint one of the Supervisory Directors as chairperson of the Supervisory Board (the **Chairperson**). The Supervisory Board may also appoint a vice-chairperson from among its members (the **Vice-Chairperson**), who shall take over the duties and powers of the Chairperson in the latter's absence.
- 29.2 The Supervisory Board shall also appoint a secretary of the Supervisory Board, from among its members or not, and make arrangements for his substitution in case of absence.

Article 30. Meetings.

- 30.1 The Supervisory Board shall meet whenever a Supervisory Director or the Management Board deems necessary, notwithstanding the rules as referred to in Article 0.
- 30.2 A Supervisory Director may be represented at a meeting by another Supervisory Director authorised in writing.
- 30.3 The meetings of the Supervisory Board shall be presided over by its Chairperson or the Vice-Chairperson. In their absence, the chairperson of the meeting shall be appointed by a majority of the votes cast by the Supervisory Directors present at the meeting.
- 30.4 The chairperson of the meeting shall appoint a secretary for the meeting.
- 30.5 The secretary of a meeting of the Supervisory Board shall keep minutes of the proceedings at the meeting. The minutes shall be adopted by the

Supervisory Board, in the same meeting or the next. Evidencing their adoption, the minutes shall be signed by the chairperson and the secretary of the meeting in which the minutes are adopted.

- 30.6 The Supervisory Board shall meet with the Management Board as often as the Supervisory Board or the Management Board deems necessary.

Article 31. Decision-making Process.

- 31.1 When making Supervisory Board resolutions, each Supervisory Director may cast one vote.
- 31.2 Resolutions of the Supervisory Board shall be adopted by a simple majority of the votes cast. If there is a tie in votes, the Chairperson of the Supervisory Board shall have a casting vote.
- 31.3 The Supervisory Board may only pass valid resolutions if the majority of the Supervisory Directors then in office are present or represented. If no such quorum is present, a second meeting shall be called at which resolutions may be adopted about the issues listed on the first meeting, regardless the number of Supervisory Directors present.
- 31.4 A Supervisory Director may not participate in deliberating and decision-making within the Supervisory Board if, with respect to the matter concerned, he has a direct or indirect personal interest that conflicts with the interests of the Company and the business connected with it. If, for this reason, no Supervisory Board resolution can be adopted this resolution will be adopted by the General Meeting. The Supervisory Director who in connection with a conflict of interest as referred to in this Article does not exercise certain duties and powers will insofar be regarded as a Supervisory Director who is unable to perform his duties (*belet*).

CHAPTER 10. THE WORKS COUNCIL.

Article 32. Position adopted and Right to Explain.

- 32.1 Notwithstanding the provisions of Article 0, the following proposals and nomination will not be put to the General Meeting of Shareholders unless the Works Council has been given the opportunity to, timely prior to such general meeting, adopt a certain position:
- (a) a proposal to adopt or amend the remuneration policy as referred to in Article 0;
 - (b) a proposal to appoint, suspend or remove a Managing Director as referred to in Article 0;
 - (c) a proposal to approve a resolution as referred to Article 0;
a nomination for appointment of a Supervisory Director as referred to in Article 0.
- 32.2 The Chairman or a member of the Works Council designated thereto by him, may explain the position of the Works Council as referred to in Article

0 at the General Meeting of Shareholders. The absence of such position does not affect the decision-making regarding the proposal.

- 32.3 For the purposes of Article 32.1 **Works Council** means the Central Works Council (*Centrale Ondernemingsraad*), in so far as the law does not provide otherwise.
- 32.4 The powers of the Works Council referred to in Article 0 apply insofar as and to the extent prescribed by Sections 2:107a, 2:134a, 2:135 and 2:158 subsection 4 of the Dutch Civil Code.

Article 33. Works Council and Large Company Regime.

- 33.1 Notice of the meeting convoked as referred to in Article 23 may not be given unless it is certain:
 - (a) that the Works Council has either made a recommendation as referred to in Article 0, or - if applicable - Article 0, or has given notice that it does not wish to do so, or that a reasonable period of time, to be determined by the Supervisory Board, has lapsed in which to make a recommendation; and
 - (b) if the Works Council has made a recommendation as referred to in Article 0, the Supervisory Board nominated the person recommended.
- 33.2 After preparation of the annual accounts referred to in Article 0, the Management Board must send these to the Works Council.
- 33.3 An amendment of the Articles of Association following which, in accordance with Section 2:158 subsection 12 of the Dutch Civil Code, the Articles of Association deviate from the statutory provisions regarding appointment of Supervisory Directors, is subject to approval of the Works Council.
- 33.4 In relation to Articles Article 22, 0 and 0 **Works Council** means the Central Works Council (*Centrale Ondernemingsraad*), in so far as the law does not provide otherwise.

CHAPTER 11. FINANCIAL YEAR AND ANNUAL ACCOUNTS; PROFITS AND DISTRIBUTIONS.

Article 34. Financial Year and Annual Accounts.

- 34.1 The Company's financial year shall be the calendar year.
- 34.2 Annually, not later than five months after the end of the financial year, save where this period is extended by the General Meeting by not more than five months by reason of special circumstances, the Management Board shall prepare annual accounts, and shall deposit the same for inspection by the Shareholders at the Company's office.
- 34.3 Within the same period, the Management Board shall also deposit the annual report for inspection by the Shareholders.

- 34.4 The annual accounts shall be signed by the Managing Directors and the Supervisory Directors. If the signature of one or more of them is missing, this shall be stated and reasons for this omission shall be given.
- 34.5 The Company shall appoint an accountant to audit the annual accounts. Such appointment shall be made by the General Meeting.
- 34.6 The Company shall ensure that the annual accounts and, insofar as required, the annual report and the information to be added by virtue of the law are kept at its office as from the day on which notice of the annual General Meeting of Shareholders is given. Shareholders may inspect the documents at that place and obtain a copy free of charge.
- 34.7 The annual accounts, the annual report, the information to be added by virtue of the law and the audit by an accountant, as well as deposition of documents at the Commercial Register, shall furthermore be subject to the provisions of Book 2, Title 9, of the Dutch Civil Code.

Article 35. Adoption of the Annual Accounts and Release from Liability.

- 35.1 The General Meeting shall adopt the annual accounts.
- 35.2 At the General Meeting of Shareholders at which it is resolved to adopt the annual accounts, a proposal concerning release of the Managing Directors from liability for the management pursued and a proposal concerning release of the Supervisory Directors from liability for the supervision, insofar as the exercise of their duties is reflected in the annual accounts or otherwise disclosed to the General Meeting prior to the adoption of the annual accounts, shall be brought up separately for discussion.

Article 36. Profits and Distributions.

- 36.1 The authority to decide over the allocation of profits determined by the adoption of the annual accounts and to make distributions is vested in the General Meeting, with due observance of the limitations prescribed by law.
- 36.2 Distributions may be made only up to an amount which does not exceed the amount of the Distributable Equity and, if it concerns an interim distribution, the compliance with this requirement is evidenced by an interim statement of assets and liabilities as referred to in Section 2:105, subsection 4, of the Dutch Civil Code. The Company must deposit the statement of assets and liabilities at the office of the Commercial Register within eight days after the day on which the resolution to make the distribution is published.
- 36.3 The General Meeting may resolve to make interim distributions and/or to make distributions at the expense of any reserve of the Company.
- 36.4 A claim of a Shareholder for payment of a distribution shall be barred after five years have elapsed.

CHAPTER 12. THE GENERAL MEETING.

Article 37. Annual General Meeting of Shareholders.

- 37.1 The annual General Meeting of Shareholders shall be held within six months after the end of the financial year.
- 37.2 The agenda for this annual General Meeting of Shareholders shall at least contain the following matters of business to be discussed:
 - (a) discussion of the annual report;
 - (b) discussion and adoption of the annual accounts;
 - (c) release from liability of Managing Directors;
 - (d) release from liability of Supervisory Directors;
 - (e) allocation of profits; and
 - (f) other business presented for discussion by the Management Board, the Supervisory Board or by Shareholders taking into account these Articles of Association and announced with due observance of Article 39.

Article 38. Other General Meetings of Shareholders.

- 38.1 Other General Meetings of Shareholders shall be held as often as the Management Board or the Supervisory Board deems such necessary, without prejudice to the provisions of this Article 39.
- 38.2 Shareholders representing in the aggregate at least one-tenth of the Company's issued capital may request the Management Board or the Supervisory Board to convene a General Meeting of Shareholders, stating specifically the business to be discussed. If the Management Board or the Supervisory Board has not given proper notice of a General Meeting of Shareholders within four weeks following receipt of such request such that the meeting can be held within six weeks after receipt of the request, the applicants shall be authorised to convene a meeting themselves.
- 38.3 Within three months of it becoming apparent to the Management Board that the equity of the Company has decreased to an amount equal to or lower than half of the paid-up part of the capital, a General Meeting of Shareholders shall be held to discuss any requisite measures.

Article 39. Notice, Agenda and Venue of Meetings.

- 39.1 Notice of General Meetings of Shareholders shall be given by the Management Board or the Supervisory Board, without prejudice to the provisions of Article 0.
- 39.2 Notice of the meeting shall be given no later than on the fifteenth day prior to the day of the meeting.
- 39.3 The notice of the meeting shall specify the business to be discussed. Other business not specified in such notice may be announced at a later date, with due observance of the term referred to in Article 0.
- 39.4 Items, for which a written request has been filed to discuss them, by one or more holders of Shares, alone or jointly representing at least one hundredth of the issued capital, shall be included in the notice or

- announced in the same manner, provided that the Company received the request no later than on the sixtieth day before the date of the meeting.
- 39.5 The notice of the meeting shall be sent to the addresses of the Shareholders shown in the register of Shareholders. However if a Shareholder has provided the Company with another address for the purpose of receiving such notice, the notice may alternatively be sent to such other address.
- 39.6 General Meetings of Shareholders are held in the municipality in which, according to these Articles of Association, the Company has its official seat. General Meetings of Shareholders may also be held elsewhere, in which case valid resolutions of the General Meeting may only be adopted if all of the Company's issued capital is represented.

Article 40. Admittance and Rights at Meetings.

- 40.1 Each Shareholder shall be entitled to attend the General Meetings of Shareholders, to address the meeting and, to the extent he is entitled to do so, to exercise his voting rights. Shareholders may be represented in a meeting by a proxy authorised in writing.
- 40.2 Shareholders may attend and address the meeting, and exercise their voting rights therein, using any appropriate means of electronic communication, if that possibility is expressly provided in the notice of the meeting or accepted by the chairman of the meeting. The means of electronic communication used must be such that the Shareholder can be identified through it to the satisfaction of the chairman of the meeting. The notice of the meeting may contain further details and the chairman of the meeting may give further requirements with respect to the permitted means of electronic communication and its use.
- 40.3 At a meeting, each person present with voting rights must sign the attendance list. The chairperson of the meeting may decide that the attendance list must also be signed by other persons present at the meeting.
- 40.4 The Managing Directors and the Supervisory Directors shall, as such, have the right to give advice in the General Meetings of Shareholders.
- 40.5 The chairperson of the meeting shall decide on the admittance of other persons to the meeting.

Article 41. Chairperson and Secretary of the Meeting.

- 41.1 The General Meetings of Shareholders shall be presided over by the Chairperson of the Supervisory Board or, in his absence, by the Vice-Chairperson of the Supervisory Board. The Supervisory Board may appoint a different chairperson for a General Meeting of Shareholders.
- 41.2 If the chairmanship of a meeting is not provided in accordance with Article 0, the chairperson of the meeting shall be appointed by a majority of the

votes cast by the persons with voting rights present at the meeting. Until such appointment is made, a Managing Director shall act as chairperson, or, if no Managing Director is present at the meeting, the eldest person at the meeting shall act as chairperson.

41.3 The chairperson of the meeting shall appoint a secretary for the meeting.

Article 42. Minutes; Recording of Shareholders' Resolutions.

42.1 The secretary of a General Meeting of Shareholders shall keep minutes of the proceedings at the meeting. The minutes shall be adopted by the chairperson and the secretary of the meeting and as evidence thereof shall be signed by them.

42.2 The chairperson of the meeting or those who convened the meeting may determine that a notarial report must be prepared of the proceedings at the meeting. The notarial report shall be co signed by the chairperson of the meeting.

42.3 The Management Board shall keep record of all resolutions adopted by the General Meeting. If the Management Board is not represented at a meeting, the chairperson of the meeting shall ensure that the Management Board is provided with a transcript of the resolutions adopted, as soon as possible after the meeting. The records shall be deposited at the Company's office for inspection by the Shareholders. On application, each of them shall be provided with a copy of or an extract from the records at not more than cost price.

Article 43. Adoption of Resolutions in a Meeting.

43.1 Each Share confers the right to cast one vote.

43.2 To the extent that the law or these Articles of Association do not provide otherwise, all resolutions of the General Meeting will be adopted by a simple majority of the votes cast, without a quorum being required.

43.3 If there is a tie in voting, the proposal shall be deemed to have been rejected.

43.4 If the formalities for convening and holding of General Meetings of Shareholders, as prescribed by law or these Articles of Association, have not been complied with, valid resolutions of the General Meeting may only be adopted in a meeting, if in such meeting all of the Company's issued capital is represented and such resolution is carried by unanimous vote.

43.5 When determining how many votes are cast by Shareholders, how many Shareholders are present or represented, or what portion of the Company's issued capital is represented, no account shall be taken of Shares for which no vote can be cast pursuant to the law or these Articles of Association.

Article 44. Voting.

- 44.1 All voting shall take place orally. The chairperson is, however, entitled to decide that votes be cast by a secret ballot. If it concerns the holding of a vote on persons, anyone present at the meeting with voting rights may demand a vote by a secret ballot. Votes by secret ballot shall be cast by means of secret, unsigned ballot papers.
- 44.2 Blank and invalid votes shall not be counted as votes.
- 44.3 Resolutions may be adopted by acclamation if none of the persons with voting rights present at the meeting objects.
- 44.4 The chairperson's decision at the meeting on the result of a vote shall be final and conclusive. The same shall apply to the contents of an adopted resolution if a vote is taken on an unwritten proposal. However, if the correctness of such decision is challenged immediately after it is pronounced, a new vote shall be taken if either the majority of the persons with voting rights present at the meeting or, where the original vote was not taken by roll call or in writing, any person with voting rights present at the meeting, so demands. The legal consequences of the original vote shall be made null and void by the new vote.

Article 45. Adoption of Resolutions without holding Meetings.

- 45.1 Shareholders may adopt resolutions of the General Meeting in writing without holding a meeting, provided they are adopted by the unanimous vote of all Shareholders entitled to vote. The provisions of Article 0 shall apply by analogy.
- 45.2 Each Shareholder must ensure that the Management Board is informed of the resolutions thus adopted as soon as possible in writing. The Management Board shall keep record of the resolutions adopted and it shall add such records to those referred to in Article 0.

CHAPTER 13. AMENDMENT OF THE ARTICLES OF ASSOCIATION; CHANGE OF CORPORATE FORM; STATUTORY MERGER AND STATUTORY DEMERGER; DISSOLUTION AND LIQUIDATION.

Article 46. Amendment of the Articles of Association; Change of Corporate Form.

- 46.1 The General Meeting may resolve to amend these Articles of Association without prejudice to the provisions of Section 2:158 subsection 12 of the Dutch Civil Code.
- 46.2 When a proposal to amend these Articles of Association is to be made to the General Meeting, the notice convening the General Meeting must state so and a copy of the proposal, including the verbatim text thereof, shall be deposited and kept available at the Company's office for inspection by the Shareholders, until the conclusion of the meeting. From the day of deposit until the day of the meeting, a Shareholder shall, on application, be provided with a copy of the proposal free of charge. An

amendment of these Articles of Association shall be laid down in a notarial deed.

- 46.3 The Company may change its corporate form into a different legal form. A change of the corporate form shall require a resolution to change the corporate form adopted by the General Meeting, and a resolution to amend these Articles of Association. A change of the corporate form shall furthermore be subject to the relevant provisions of Book 2 of the Dutch Civil Code. A change of the corporate form shall not terminate the existence of the legal entity.

Article 47. Statutory Merger and Statutory Demerger.

- 47.1 The Company may enter into a statutory merger with one or more other legal entities. A merger resolution may only be adopted on the basis of a merger proposal prepared by the management boards of the merging legal entities. A merger proposal shall be subject to approval of the Supervisory Board. Within the Company, the merger resolution shall be adopted by the General Meeting.
- 47.2 The Company may be a party in a statutory demerger. The term demerger shall include both split-up and spin-off. A demerger resolution may only be adopted on the basis of a demerger proposal to be prepared by the management boards of the parties to the demerger. A demerger proposal shall be subject to approval of the Supervisory Board. Within the Company, the demerger resolution shall be adopted by the General Meeting.
- 47.3 Resolutions to a statutory merger or demerger shall require a resolution of the General Meeting, regardless of whether the Company is the acquiring party.
- 47.4 Statutory mergers and statutory demergers shall furthermore be subject to the relevant provisions of Book 2, Title 7, of the Dutch Civil Code.

Article 48. Dissolution and Liquidation.

- 48.1 The Company may be dissolved pursuant to a resolution to that effect by the General Meeting.
- 48.2 If the Company is dissolved pursuant to a resolution of the General Meeting, the Managing Directors shall become liquidators of the dissolved Company's property, unless the General Meeting resolves to appoint one or more other persons as liquidator.
- 48.3 During liquidation, the provisions of these Articles of Association shall remain in force to the extent possible.
- 48.4 The balance remaining after payment of the debts of the dissolved Company must be transferred to the Shareholders in proportion to the aggregate nominal value of the Shares held by each.
- 48.5 In addition, the liquidation shall be subject to the relevant provisions of Book 2, Title 1, of the Dutch Civil Code.