

## **MANAGEMENT BOARD RULES RONSON EUROPE N.V.**

**ADOPTED BY THE MANAGEMENT BOARD ON 24 OCTOBER 2007**

### **1. Composition of the Management Board**

- 1.1. The management board of Ronson Europe N.V. (the “**Management Board**” and the “**Company**”, respectively) shall consist of one or more Management Board members A and may, in addition, consist of one or more Management Board members B. The supervisory board of the Company (the “**Supervisory Board**”) shall determine the precise number of members of the Management Board and the precise number of members of a specific class. Management Board Members shall be appointed by the general meeting of shareholders (the “**General Meeting**”) following a nomination by the Supervisory Board, in accordance with the Company’s articles of association (the “**Articles of Association**”).
- 1.2. A member of the Management Board may hold a maximum of two supervisory board memberships in listed companies. A member of the Management Board may not act as chairman of a supervisory board of another listed company. A member of the Management Board shall not accept a supervisory board membership of another listed company without the prior approval of the Supervisory Board. A member of the Management Board shall report all other important directorships and positions to the Supervisory Board.

### **2. Responsibilities of the Management Board**

- 2.1. The Management Board shall be entrusted with the management of the Company and shall for such purpose have all powers within the limits of the law that are not granted by the Articles of Association to others.
- 2.2. The Management Board is responsible for achieving the Company’s aims, strategy and policy, and results. The Management Board is accountable for this to the Supervisory Board and to the General Meeting. In discharging its role, the Management Board shall be guided by the interests of the Company and its affiliated enterprise, taking into consideration the interests of the Company’s stakeholders.
- 2.3. The Management Board may make a division of duties, specifying the individual duties of every member. Such division of duties shall require the approval of the Supervisory Board.

- 2.4. The Management Board is responsible for complying with all relevant legislation and regulations, for managing the risks associated with the Company activities and for financing the Company. The Management Board shall report related developments to and shall discuss the internal risk management and control systems with the Supervisory Board and its audit committee.
- 2.5. The Management Board shall submit to the Supervisory Board for approval:
- a. the operational and financial objectives of the Company;
  - b. the strategy designed to achieve the objectives; and
  - c. the parameters to be applied in relation to the strategy, for example in respect of the financial ratios.

### **3. Provision of information**

- 3.1. The Management Board shall provide all shareholders of the Company and other parties in the financial markets with equal and simultaneous information about matters that may influence the share price. The Management Board shall provide the General Meeting with all such information that the General Meeting requires in order to exercise its powers, unless this would be contrary to an overriding interest (*zwaarwichtig belang*) of the Company. If the Management Board refuses to provide information due to an overriding interest, it shall motivate such refusal.
- 3.2. The Management Board shall provide the Supervisory Board in due time with all necessary information the Supervisory Board needs in order to carry out its duties.
- 3.3. The Management Board shall report on its dealings with the external auditor to the Supervisory Board on an annual basis, including his independence in particular (for example, the desirability of rotating the responsible partners of an external audit firm that provides audit services, and the desirability of the same audit firm providing non-audit services to the Company).

### **4. Meetings of the Management Board**

- 4.1. The Management Board shall meet as often as one or more members of the Management Board requests(s). With due observance of the provisions in these Management Board Rules and the Articles of Association, unless agreed upon otherwise by all members of the Management Board, meetings will be held in Warsaw. Meetings may be held by telephone- or videoconference.

- 4.2. A meeting is convened by the Chief Executive Officer or by the member(s) of the Management Board that requested such meeting. If practically possible a meeting is convened in writing at least five (5) business days prior to the meeting and is accompanied by the agenda and the documents to be discussed.
- 4.3. The agenda of a meeting shall be adopted by the Chief Executive Officer or the member(s) of the Management Board that requested the meeting.
- 4.4. The Chief Executive Officer shall chair the meetings. The minutes of a meeting shall be drawn up by the company secretary of the Company and shall be adopted by the Management Board in the first following meeting and signed by the Chief Executive Officer in evidence thereof.
- 4.5. The minutes shall contain the discussed matters, viewpoints, considerations and resolutions in such a way that members of the Management Board who did not attend the meeting obtain a clear and complete overview, to the extent relevant, of what has been discussed during the meeting. A separate list of resolutions which shall explicitly state the decisions taken during the meeting shall be attached to the minutes.
- 4.6. Resolutions adopted without convening a meeting, shall be laid down in writing and such written evidence shall be added to the documents of the first following meeting of the Management Board.

## **5. Resolutions by the Management Board**

- 5.1. In each meeting of the Management Board and with respect to each resolution submitted to the Management Board, each member of the Management Board will hold the right to cast one vote. All resolutions by the Management Board shall be adopted by an absolute majority of the votes cast unless one or more managing directors B are in office, in which case resolutions with respect to the purchase of real property are adopted by the board of managing directors by an absolute majority of the votes cast including the affirmative vote of each managing director B.
- 5.2. The Management Board may adopt resolutions without holding a meeting, provided that the resolution is adopted in writing and all Management Board members have expressed themselves.
- 5.3. Proposed decisions of the Management Board which, pursuant to the law or the Articles of Association, require the approval of the General Meeting shall be subject to the approval of the Supervisory Board.

- 5.4. The Management Board shall not take any decisions regarding matters which require in accordance with the laws, the Articles of Association or these Management Board Rules the prior approval of the Supervisory Board and/or the General Meeting, without the required approval.

**6. Conflict of interest**

- 6.1. The members of the Management Board shall avoid any conflict of interest between the Company or its subsidiaries and the members of the Management Board.
- 6.2. Each member of the Management Board shall not:
- a. enter into competition with the Company;
  - b. demand or accept (substantial) gifts from the Company for himself or for his wife, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree;
  - c. provide unjustified advantages to third parties to the detriment of the Company;
  - d. take advantage of business opportunities to which the Company is entitled for himself or for his wife, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree.
- 6.3. Each member of the Management Board shall immediately report any (potential) conflict of interest that is of material significance to the Company, its subsidiaries and/or to the relevant member of the Management Board, to the chairman of the Supervisory Board and to the other members of the Management Board. The member of the Management Board that has a (potential) material conflict of interest shall provide all relevant information, including information concerning his wife, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree. The Supervisory Board shall decide, without the member of the Management Board being present, whether there is a conflict of interest.
- 6.4. A conflict of interests exists, in any event, if the Company or its subsidiaries intend(s) to enter into a transaction with a legal entity:
- a. in which a member of the Management Board personally has a material financial interest;

- b. which has a management board member who has a relationship under family law to the second degree with a member of the Management Board; or
  - c. in which a member of the Management Board has a management or supervisory function.
- 6.5. A member of the Management Board shall not take part in any discussion or decision-making that involves a subject or transaction in relation to which he has a conflict of interest with the Company.
- 6.6. All transactions in which there are conflicts of interest with members of the Management board shall be agreed on terms that are customary in the sector concerned. Decisions to enter into transactions in which there are conflicts of interest with members of the Management Board that are of material significance to the Company, its subsidiaries and/or to the relevant members of the Management Board require the approval of the Supervisory Board. Such transactions shall be published in the Annual Report, together with a statement of the conflict of interest and a declaration that the Clauses 6.3 through 6.6 of these Management Board Rules have been complied with.

## **7. Powers of attorney of members of the Management Board**

- 7.1. A member of the Management Board may grant another member of the Management Board the power to represent him and to cast votes on his behalf at a meeting of the Management Board, provided that:
  - a. the chairman or, in his absence, the vice-chairman of the Management Board, will have been notified thereof in writing by the grantor; and
  - b. the power shall be made with respect to a specific meeting or meetings as stated in the notification of appointment.

## **8. Inside Information**

- 8.1. The members of the Management Board shall be subject to the obligations and restrictions of the Ronson Europe Rules Concerning Inside Information.

## **9. Whistleblower procedure**

- 9.1. The Management Board shall ensure that employees have the possibility of reporting alleged irregularities of a general, operational and financial nature in the Company to the chairman of the Management Board or to an official

designated by him, without jeopardizing their legal position. Alleged irregularities concerning the functioning of Management Board members shall be reported to the chairman of the Supervisory Board. The arrangements for whistleblowers shall in any event be posted on the Company's website.

## **10. Confidentiality**

- 10.1. Unless these Management Board Rules, the Articles of Association or applicable laws or regulations stipulate otherwise each member of the Management Board shall treat all information and documents acquired in his capacity as a member of the Management Board as strictly confidential.
- 10.2. Clause 10.1 shall apply also if a member of the Management Board ceases to be a member of the Management Board.

## **11. Status, governing law, adoption, amendment**

- 11.1. These Management Board Rules are complementary to the rules and regulations (from time to time) applicable to the Management Board under Dutch law or the Articles of Association. Where these Management Board Rules are inconsistent with Dutch law or the Articles of Association, the law or, as the case may be, the Articles of Association shall prevail.
- 11.2. These Management Board Rules are governed by the laws of The Netherlands. The courts of Amsterdam, The Netherlands, shall have exclusive jurisdiction to settle any dispute arising from or in connection with these Management Board Rules.
- 11.3. These Management Board Rules have been adopted by the Management Board on 24 October 2007 and have been approved by the Supervisory Board on 23 October 2007. These Management Board Rules will be effective as from 24 October 2007 and can only be amended by a resolution of the Management Board to that effect, subject to the approval of the Supervisory Board. Any amendment of the Management Board Rules shall be laid down in writing.

## **12. Communication**

- 12.1. These Management Board Rules will be available at the Company's internal and external websites.