

APPENDIX 6 TO THE CORPORATE GOVERNANCE CHARTER



TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

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Introduction

These terms of reference form part of the CG Charter of the company.

In these terms of reference a number of terms are used, some printed in capitals, which are not defined in these terms of reference. These terms are defined in the glossary contained in article 1 of the CG Charter

The Remuneration Committee has a strictly advisory function to the Board of Directors. The Remuneration Committee consequently formulates recommendations, as detailed hereunder, to the Board of Directors which maintains the related decision power.

1. COMPOSITION

1.1 The members of the Remuneration Committee are appointed and may at any time be dismissed by the Board of Directors. The nomination of the members of the Remuneration Committee is based on:

- their specific competences and experience on top of the general competence requirements for members of the Board of Directors;
- the condition that at least one member of the Remuneration Committee has a certificate of higher education and has at least three year's experience in personnel management or with respect to remuneration of directors and members of the board of directors at other companies; and
- the condition that the Remuneration Committee as a group should hold the competence and experience that is required for fulfilling its tasks.

1.2 The Remuneration Committee must be composed of at least three directors. All members of the Remuneration Committee must be non-executive directors and a majority of them must be independent directors. If there are specific and valid reasons, the Board of Directors may resolve to deviate from this principle.

1.3 The chairmanship of the Remuneration Committee is fulfilled by the Chairman of the Board or by one of the non-executive directors.

1.4 The duration of the mandate of a member of the Remuneration Committee may not exceed the duration of his or her mandate as a member of the Board of Directors.

1.5 At the start of each meeting of the Remuneration Committee, the Remuneration Committee appoints a secretary of the meeting.

2. POWERS OF THE REMUNERATION COMMITTEE

2.1 The role of the Remuneration Committee

The Remuneration Committee makes recommendations to the Board of Directors on the remuneration of the members of the Board of Directors as well as the members of the Executive Committee and other important managers.

2.2 Duties of the Remuneration Committee

The Remuneration Committee has the following duties:

- (a) making and evaluating proposals to the Board of Directors on the remuneration policy for non-executive directors as well as the proposals to be submitted to the shareholders.
- (b) making and evaluating proposals to the Board of Directors on the remuneration policy for the Chairman of the Board of Directors as well as the proposals to be submitted to the shareholders.
- (c) making and evaluating proposals to the Board of Directors on the remuneration policy for the Executive Committee in global (excluding the CEO), containing at least:
 - the main contractual terms including the main features of the pension schemes;
 - departure/termination arrangements;
 - the main remuneration components including
 - the relative importance of each component of the remuneration;
 - the performance criteria applicable to the variable components;
 - the fringe benefits.
- (d) making and evaluating proposals to the Board of Directors on the remuneration policy for the CEO, containing at least:
 - the main contractual terms including the main features of the pension schemes;
 - departure/termination arrangements;
 - the main remuneration components including
 - the relative importance of each component of the remuneration;
 - the performance criteria applicable to the variable components;
 - the fringe benefits.
- (e) making recommendations on the global remuneration of directors and of members of the Executive Committee, including, depending on the situation, on bonuses and long-term incentives – whether or not stock-related – in the form of stock options or other financial instruments.

In case of specific and well-founded reasons, the Board of Directors may decide to deviate from this principle.

- (f) making recommendations on the performance objectives for the CEO and the other members of the Executive Committee as well as for other key managers;
- (g) discussing, at least once a year, with the CEO the operation and performance of the Executive Committee. The CEO should not be present at the discussion of his or her own evaluation.
- (h) drafting recommendations with regard to granting bonuses and long term incentives for the CEO and the other members of the Executive Committee.

3. REMUNERATION

- (a) In the preparation of proposals concerning the remuneration of non-executive directors, the Remuneration Committee will take account of the following provisions:

- The remuneration will be determined based on the responsibilities of and the time spent by the non-executive director;
- The non-executive director will receive a fixed remuneration, to the exclusion of performance-based remuneration such as bonuses, long-term share-based incentive programmes, benefits in kind or benefits connected to pension schemes;
- The Company and its Subsidiaries will not provide personal loans, guarantees and suchlike to member of the Board of Directors or the Executive Committee;
- The Remuneration Report states the amount of the remuneration and other benefits granted to the non-executive directors by the Company and its Subsidiaries on an individual basis.

The provisions on the remuneration of non-executive directors apply equally to the executive directors in their capacity as director.

- (b) In the preparation of proposals concerning the remuneration of the members of the Executive Committee, the Remuneration Committee will take account of the following provisions:
- the level and structure of the remuneration of the Executive Committee must be such that qualified and expert professionals can be recruited, retained and motivated, taking account of the nature and scope of their individual responsibilities;
 - an appropriate part of the remuneration package of the members of the Executive Committee must be linked to the performance of the Company and the member's individual performance, to the extent that the interests of the Executive Committee are matched to those of the Company and its shareholders;
 - if the members of the Executive Committee qualify for a bonus, the granting of the bonus must be dependent on relevant and objective performance criteria developed with a view to increasing the value of the Company;
 - obligations of the Company in the context of severance schemes will be investigated closely, so that rewards for bad performance are avoided;
 - If a member of the Executive Committee is also an executive director, his remuneration will also comprise the remuneration that he receives in this latter capacity and the Remuneration Report states the amount that he receives in this capacity.
- (c) When drafting advice in connection with the contract of the CEO and of the other members of the Executive Committee, the Remuneration Committee takes account of the following provisions:
- Contracts concluded on or later than 1 July 2009 refer to the criteria taken into consideration when determining the variable remuneration; the contract includes specific provisions regarding a premature termination of the contract.
- (d) When drafting proposals with respect to severance pay the Remuneration Committee takes account of the following provisions:

- every contractual arrangement that is negotiated on or later than 1 July 2009 with the Company or one of its Subsidiaries concerning the remuneration of the CEO or of any other member of the Executive Committee, shall clearly state that the severance pay in the event of a premature termination of the contract may not exceed a sum equivalent to 12 month's basic remuneration plus 12 month's variable remuneration;
 - On the recommendation of the Remuneration Committee the Board of Directors may increase this severance pay to maximum 18 month's basic and variable remuneration. The contract shall state when such an increased severance pay can be granted. The Board of Directors accounts for such an increased severance pay in the Remuneration Report;
 - The contract shall clearly state that the total severance pay will not consider the variable remuneration nor exceed the 12 month's basic remuneration if the departing CEO or the departing member of the Executive Committee has failed to comply with the performance criteria stated in the contract.
- (e) Long-term share-based incentive schemes, share options or other rights to acquire shares in the Company must be approved during the annual general meeting. This approval should relate to the system itself but not to the individual granting of share related payments under the plan.

4. OPERATION

4.1 Meetings

- (a) The Remuneration Committee meets whenever a meeting is required for a proper operation of the Committee, but at least two times a year.
- (b) Meetings of the Remuneration Committee are convened by the chairman of this Committee or at the request of two of its members.

Except when urgent issues arise (to be determined at the discretion of the chairman of the Remuneration Committee), the agenda of the meeting will be sent to all members of this Committee at least 5 calendar days prior to the meeting. Every agenda item must be accompanied by as much written information as possible and relevant documents must be appended. Matters too delicate to be put in writing will be exhaustively discussed during the meetings.

The chairman of the Remuneration Committee must ensure that all members of this Committee receive precise, complete and clear information. It is obligatory for the CEO to provide all information needed. Furthermore, the Remuneration Committee can ask all clarifications that it wishes. Only the chairman of the Remuneration Committee can communicate directly with the Executive Committee to ask for additional information. The other members of the Remuneration Committee ask their questions via the chairman of the Remuneration Committee.

If all members are present, the Remuneration Committee can deliberate validly and compliance with the formalities for convening the meeting need not be verified.

- (c) The quorum is two members, attending the meeting in person or by means of telephone conferencing or some other communication medium.

- (d) Decisions must be taken by a majority of the votes cast by the members of the Remuneration Committee. In the case of an equality of votes, the chairman of the Remuneration Committee has a casting vote.
- (e) The Chairman of the Board of Directors has a standing invitation to attend the meetings of the Remuneration Committee, if he is not a member of this Committee. The Chairman of the Board of Directors will however not attend the meetings of the Remuneration Committee at which his or her own remuneration is discussed.
- (f) The chairman of the Remuneration Committee may invite at his or her discretion other persons to attend its meetings.
- (g) The CEO participates in the meetings of the Remuneration Committee when it deals with the remuneration of members of the Executive Committee.

None of the Directors will attend the meetings of the Remuneration Committee at which his or her own remuneration is discussed and will not be involved in any decision with regard to his or her own remuneration.

- (h) Each member of the Remuneration Committee must inform this Committee of:
 - any personal financial interest (except in his or her capacity as shareholder) in any matter on which the Remuneration Committee decides or deliberates;
 - any possible conflict of interest which may arise as a consequence of any other mandates he or she holds.
- (i) The Remuneration Committee may seek professional external advice at the expense of the Company on subjects that fall under the scope of its competence after the Chairman of the Board of Directors has been informed of this.

4.2 Reporting to the Board of Directors

- (a) The person who is appointed to this end by the chairman of the meeting makes a report including the motions for decisions of the Remuneration Committee. He or she will send this report to all the members of the Board of Directors as soon as possible after the meeting.
- (b) The Remuneration Committee must provide timely and clear information to the Board of Directors on important developments in the area of their responsibility.
- (c) The Remuneration Committee presents the Board of Directors with a Remuneration Report. The content of this report is attached as Appendix 1 to these Terms of Reference of the Remuneration Committee. The Remuneration Report is a specific part of the CG Statement.
- (d) If requested, the chairman of the Remuneration Committee must provide more detailed information on the results of the discussion of the Remuneration Committee during the meetings of the Board of Directors.
- (e) The chairman of the Remuneration Committee (or any other members of this Committee) must be available during the annual general meeting to answer questions about the activities of the Remuneration Committee.

- (f) The Remuneration Committee exercises the utmost discretion when drawing up documents about its deliberations and recommendations. Matters too delicate to be put in writing will be exhaustively discussed during the meetings.
- (g) All members of the Board of Directors have unlimited access to all data of the Remuneration Committee.

5. MISCELLANEOUS

- 5.1** The Remuneration Committee must annually check and review the adequacy of these terms of reference, report the results of this review to the Board of Directors and may recommend any necessary changes.
- 5.2** The Board of Directors may modify these terms of reference at all times and may revoke the powers granted to the Remuneration Committee.
- 5.3** These terms of reference as well as the composition of the Remuneration Committee must be posted on the website of the Company. The composition of the Remuneration Committee must also be included each year in the CG Statement in the Company's Annual Report.

APPENDIX 1

CONTENT OF THE REMUNERATION REPORT

- (1) The Remuneration Report contains a description of the internal procedure for (i) the development of a remuneration policy for the non-executive directors and for the members of the Executive Committee and for (ii) the fixing of the remuneration level for the non-executive directors and the members of the Executive Committee.
- (2) The Remuneration Report also contains a statement on the remuneration policy applied with respect to members of the Executive Committee. Each important amendment to this remuneration policy, which has been introduced since the close of the financial year that is the subject of the Annual Report, is clearly stated in the Remuneration Report.
- (3) The Remuneration Report states the amount of the remuneration and other benefits granted either directly or indirectly by the Company or its Subsidiaries to the CEO. On the disclosure of this information a breakdown is made between:
 - (a) the base salary;
 - (b) the variable remuneration: with respect to all bonuses stating the form in which this variable has been paid;
 - (c) pension: the sums paid in the financial year that is the subject of the Annual Report, including an explanation of the applicable pension schemes; and
 - (d) other components of the remuneration, such as the costs or values of insurance policies and fringe benefits, including an explanation of the details of the main items.

If the Company has deviated substantially from the remuneration policy in the financial year that is the subject of the Annual Report, this is explained in the Remuneration Report.

- (4) The Remuneration Report states, on a global basis, the amount of the remuneration and other benefits granted either directly or indirectly by the Company or its Subsidiaries to the other members of the Executive Committee. On the disclosure of this information a breakdown is made between:
 - (a) the base salary;
 - (b) the variable remuneration: with respect to all bonuses stating the form in which this variable has been paid;
 - (c) pension: the sums paid in the financial year that is the subject of the Annual Report, including an explanation of the applicable pension schemes; and
 - (d) other components of the remuneration, such as the costs or values of insurance policies and fringe benefits, including an explanation of the details of the main items.

If the Company has deviated substantially from the remuneration policy in the financial year that is the subject of the Annual Report, this is explained in the Remuneration Report.

- (5) If members of the Executive Committee qualify for a bonus based on the performance of the Company or Subsidiary, the Remuneration Report states the criteria for evaluating the performance-based targets and the evaluation period. This data is stated in such a way that no confidential information regarding the company's strategy is disclosed.
- (6) With respect to the CEO and the other members of the Executive Committee the Remuneration Report discloses on an individual basis the number and principle features of shares and share options or other rights to acquire shares that were granted or exercised or that lapsed during the course of the financial year that is the subject of the Annual Report.