

Regulations of the Supervisory Board of CSM nv

December 17, 2009

Article 1. Introductory Provisions

CSM nv ("CSM" or "the Company") is a Dutch public limited company with its registered office in Amsterdam. It acts as the (indirect) holding company for the Dutch and foreign operating companies of CSM. The CSM shares are listed on the Amsterdam Stock Exchange.

- 1.1 These Regulations have been compiled by the Supervisory Board to complement the provisions of the law and of the CSM Articles of Association. For reasons of brevity, the texts of the relevant legislative and statutory provisions are not included in these Regulations.
- 1.2 These amended Regulations enter into force on December 17, 2009.
- 1.3 These Regulations may be amended by Supervisory Board resolution.

Article 2. Composition of the Supervisory Board and appointment of members

The CSM Articles of Association contain provisions pertaining to the composition of the Supervisory Board, the appointment of its members, and their suspension and dismissal. In addition to the relevant legislative and statutory provisions, the Supervisory Board applies the following principles.

- 2.1 The Supervisory Board shall compile a Supervisory Board Profile, which it reviews from time to time. The Supervisory Board Profile shall be made generally available and shall be put on the Company's website. The profile shall deal with the aspects of diversity in the composition of the Supervisory Board that are relevant to the company and shall state what specific objective is pursued by the Board in relation to diversity. In so far as the existing situation differs from the intended situation, the Supervisory Board shall account for this in the report of the Supervisory Board and shall indicate how and within what period it expects to achieve this aim.
Adoption of and changes in the profile will be discussed with the general meeting of shareholders. The profile is available at the Company's offices and will be published on the Company's website.
- 2.2 The composition of the Supervisory Board should be such that its members are able to operate independently of and critically towards one another and the members of the Board of Management.
All Supervisory Board members, with the exception of not more than one person, shall be independent.
A Supervisory Board member shall be independent and shall be deemed to be



independent if the following criteria of dependence do not apply to him. The said criteria are that the Supervisory Board member concerned or his wife/her husband, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree:

- a. has been an employee or member of the Board of Management of the Company (including associated companies as referred to in Section 5:48 of the Financial Supervision Act (Wet op financieel toezicht) in the five years prior to the appointment;
- b. receives personal financial compensation from the Company, or a company associated with it, other than the compensation received for the work performed as a Supervisory Board member and in so far as this is not in keeping with the normal course of business;
- c. has had an important business relationship with the Company, or a company associated with it, in the year prior to the appointment. This includes the case where the Supervisory Board member, or the firm of which he is a shareholder, partner, associate or adviser, has acted as adviser to the Company (consultant, external auditor, civil notary and lawyer) and the case where the Supervisory Board member is a managing board member or an employee of any bank with which the Company has a lasting and significant relationship;
- d. is a member of the managing board of a company in which a member of the Board of Management of the Company which he supervises is a Supervisory Board member;
- e. holds at least ten percent of the shares in the Company (including the shares held by natural persons or legal entities which cooperate with him under an express or tacit, oral or written agreement);
- f. is a member of the managing board or supervisory board - or is a representative in some other way - of a legal entity which holds at least ten percent of the shares in the Company, unless such entity is a member of the same group as the Company;
- g. has temporarily managed the Company during the previous twelve months where Board of Management members have been absent or unable to discharge their duties.

2.3 In addition to the provisions of Section 2:142, Clause 3, of the Dutch Civil Code ("Burgerlijk Wetboek"), the CSM Annual Report shall contain information pertaining to the gender, age, profession, nationality, principal employment and, insofar as they are relevant to the supervisory role, any other important positions held by each individual member of the Supervisory Board. The member's date of first appointment to the Supervisory Board is also stated, as is the duration of his or her current membership term.

2.4 No more than one former member of the CSM Board of Management may be a member of the Supervisory Board at any one time.
In appointing a former member of the Company's Board of Management, the Supervisory Board shall consider what influence that previous position may have upon



his or her performance as a member of the Supervisory Board and upon the performance of the Supervisory Board and the Board of Management.

- 2.5 The reappointment of members of the Supervisory Board shall always be considered carefully and is never to be regarded as automatic. Deliberations about such a reappointment shall be conducted in the absence of the member concerned.
- 2.6 The Supervisory Board shall draw up a retirement schedule in order to avoid, as far as possible, a situation in which many Supervisory Board members retire at the same time. The retirement schedule shall be made generally available and shall be put on the Company's website.
- 2.7 Members of the Supervisory Board are required to step down in the event of inability to perform their duties satisfactorily, an irreconcilable difference of opinion, an irreconcilable conflict of interest, demanding commitments elsewhere, or suchlike circumstances.
Supervisory Board members who are frequently absent shall be called to account for this. The report of the Supervisory Board shall state which Supervisory Board members have been frequently absent from meetings of the Supervisory Board.
- 2.8 The number of Supervisory Boards of Dutch listed companies of which an individual may be a member shall be limited to such an extent that the proper performance of his duties is assured; the maximum number is five, for which purpose the chairmanship of a Supervisory Board counts double.
- 2.9 A sitting member of the Supervisory Board who accepts another position or appointment must inform the Chairman of the Supervisory Board thereof. Should such an appointment be likely to cause a conflict of interest or otherwise sensitive situation, the member concerned must consult the Chairman of the Supervisory Board prior to acceptance.
- 2.10 A member of the Supervisory Board should not be hindered in the independent performance of his or her supervisory duties as a result of any hierarchical subordination to or association or other relationship, in any context, with a person over whom he or she exercises supervision.
- 2.11 A person may be appointed to the Supervisory Board for a maximum of three 4-year terms or twelve years, as the case may be.

Article 3. Remuneration

- 3.1 The general meeting of shareholders shall determine the remuneration of Supervisory Board members on the basis of a proposal made by the Supervisory Board. The remuneration of a Supervisory Board member is not dependent on the results of the Company.



- 3.2 A Supervisory Board member shall not be granted any shares and/or rights to shares by way of remuneration.
- 3.3 Any shares held by a Supervisory Board member in the Company on whose board he sits are long-term investments.
- 3.4 The Company shall not grant its Supervisory Board members any personal loans, guarantees or the like unless in the normal course of business and after approval of the Supervisory Board. No remission of loans shall be granted.

Article 4. Introduction / Duties of the Supervisory Board

- 4.1 The duties of the Supervisory Board are defined in Section 2:140, Clause 2, of the Dutch Civil Code and in the CSM Articles of Association. It is also assigned various powers in law and the Articles of Association.

The supervision of the Board of Management by the Supervisory Board shall include:

- (i) achievement of the Company's objectives;
- (ii) corporate strategy and the risks inherent in the business activities;
- (iii) the structure and operation of the internal risk management and control systems;
- (iv) the financial reporting process;
- (v) compliance with the legislation and regulations;
- (vi) the relationship of the Company with shareholders;
- (vii) corporate social responsibility issues that are relevant to [the Company](#).

The Supervisory Board shall discuss at least once a year the corporate strategy and the risks of the business, and the result of the assessment by the Board of Management of the structure and operation of the internal risk management and control systems, as well as any significant changes thereto. Reference to these discussions shall be made in the report of the Supervisory Board.

- 4.2 After their appointment, all Supervisory Board members shall follow an introduction program, which, in any event, covers general financial and legal affairs, financial reporting by the Company, any specific aspects that are unique to the Company and its business activities, and the responsibilities of a Supervisory Board member. The Supervisory Board shall conduct an annual review to identify any aspects with regard to which the Supervisory Board members require further training or education during their period of appointment. The Company shall play a facilitating role in this respect.

Article 5. Chairman and Vice-Chairman of the Supervisory Board

- 5.1 The Supervisory Board shall appoint one of its members as Chairman and one of its members as Vice-Chairman.



The Chairman of the Supervisory Board shall not be a former member of the Board of Management of the Company.

- 5.2 The Chairman of the Supervisory Board shall ensure the proper functioning of the Supervisory Board and the committees, and shall act on behalf of the Supervisory Board as the main contact for the Board of Management and for the shareholders regarding the functioning of the members of the Board of Management and the Supervisory Board. In his capacity as Chairman, he shall ensure the orderly and efficient conduct of the general meeting.

The Chairman of the Supervisory Board is assisted in his role by the Company Secretary.

- 5.3 The Chairman co-ordinates all contacts between the Supervisory Board and the Board of Management. He or she maintains regular contact with the Chairman of the Board of Management.

- 5.4 The Chairman of the Supervisory Board shall see to it that:
- a. the Supervisory Board members follow their introduction and education or training program;
 - b. the Supervisory Board members receive in good time all information that is necessary for the proper performance of their duties;
 - c. there is sufficient time for consultation and decision-making by the Supervisory Board;
 - d. the committees of the Supervisory Board function properly;
 - e. the performance of the Board of Management members and Supervisory Board members is assessed at least once a year;
 - f. the Supervisory Board elects a vice-chairman;
 - g. the Supervisory Board has proper contact with the Board of Management and, to the extent applicable with, the central works council.

- 5.5 Should individual members of the Supervisory Board maintain direct contacts with members of the Board of Management pursuant to their duties, the Chairman of the Supervisory Board shall be informed thereof.

- 5.6 When applicable, the Chairman of the Supervisory Board acts as its spokesman.

- 5.7 The Vice-Chairman of the Supervisory Board shall deputise for the Chairman when the occasion arises and shall act as contact for individual members of the Supervisory Board and the Board of Management concerning the functioning of the Chairman of the Supervisory Board.



Article 6. Meetings of the Supervisory Board

- 6.1 The Supervisory Board meets regularly, in accordance with a schedule of its own devising. In accordance with the CSM Articles of Association, the Supervisory Board shall meet whenever summoned to do so by its Chairman or by two of its other members. A member of the Supervisory Board who is not able to attend one of its meetings may be represented by another member by means of a written proxy.
- 6.2 The date, time, and venue of a Supervisory Board meeting are determined by its Chairman, in consultation with the Chairman of the Board of Management.
- 6.3 The agenda of a Supervisory Board meeting is compiled by its Chairman, in consultation with the Board of Management.
- 6.4 In accordance with the CSM Articles of Association, resolutions put to the Supervisory Board are decided by absolute majority of the valid votes cast. Abstentions are regarded as votes not cast. In the event of a tied vote, the resolution falls. In the event of a tied vote on a resolution pertaining to persons, the matter is held over and put again to the next meeting. Should the vote again be tied, the resolution falls.
- 6.5 For a meeting of the Supervisory Board to be quorate and its decisions valid, a majority of the sitting members must be present or represented by proxy.
- 6.6 Unless the Supervisory Board resolves otherwise, its meetings are attended by the members of the Board of Management and, if he or she is not a member of the Supervisory Board, by the Secretary to the Supervisory Board.
The Supervisory Board shall discuss at least once a year on its own, i.e. without the Board of Management being present, both its own functioning and that of its individual members, and the conclusions that must be drawn on the basis thereof. The desired profile, composition and competence of the Supervisory Board shall also be discussed. Moreover, the Supervisory Board shall discuss at least once a year without the Board of Management being present both the functioning of the Board of Management as an organ of the Company and the performance of its individual members, and the conclusions that must be drawn on the basis thereof. The report of the Supervisory Board shall state how the evaluation of the functioning of the Supervisory Board, the separate committees and the individual Supervisory Board members has been carried out.
- 6.7 The Chairman of the Supervisory Board may invite other persons to attend its meetings. At least once a year, and in any case at the meeting during which it considers the financial statements, the Supervisory Board shall hold a discussion with the External Auditor in respect of the audit and the financial reporting.
- 6.8 The Supervisory Board shall be assisted by the Company Secretary. The Company Secretary shall see to it that correct procedures are followed and that the Supervisory Board acts in accordance with its statutory obligations and its obligations under the



Articles of Association. He shall assist the Chairman of the Supervisory Board in the actual organization of the affairs of the Supervisory Board (information, agenda, evaluation, training program, etc.). The Company Secretary shall, either on the recommendation of the Supervisory Board or otherwise, be appointed and dismissed by the Board of Management, after the approval of the Supervisory Board has been obtained.

In accordance with the CSM Articles of Association, the proceedings of the Supervisory Board's meetings are minuted by the Secretary to the Supervisory Board. These minutes are adopted at the next meeting and signed as such by the persons who acted as Chairman of and Secretary to that meeting.

Article 7. Supervisory Board Committees

The Supervisory Board may appoint one or more permanent and/or ad hoc committees, made up of members drawn from its own ranks, and charged with duties defined by it at the time of appointment.

The Supervisory Board has appointed from among its members an Audit Committee, a Remuneration Committee and a Nomination Committee. The function of the committees is to prepare the decision-making of the Supervisory Board. In its report, the Supervisory Board shall report on how the duties of the committees have been carried out in the financial year. The regulations governing the respective committees shall be put on the Company's website.

Article 8. Provision of information by the Board of Management

8.1 Section 2:141 of the Dutch Civil Code requires that the Board of Management promptly provide the Supervisory Board with all the information it needs in order to perform its duties properly.

The Supervisory Board and its individual members each have their own responsibility for obtaining all information from the Board of Management and the External Auditor that the Supervisory Board needs in order to be able to carry out its duties properly as a supervisory organ. If the Supervisory Board considers it necessary, it may obtain information from officers and external advisers of the Company. The Company shall provide the necessary means for this purpose. The Supervisory Board may require that certain officers and external advisers attend its meetings.

8.2 Without prejudice to the provisions of Section 2:141 of the Dutch Civil Code, the Board of Management shall provide the Supervisory Board with written reports describing the Company's objectives, its strategy and the associated risks, and the results of assessments of the structure and operation of the internal control systems.



- 8.3 The Board of Management shall promptly provide the Supervisory Board with a copy of the management letter from the External Auditor in order that, amongst other things, the Supervisory Board may consider the financial statements.

Article 9A. Conflicts of Interest

- 9.A.1 A Supervisory Board member shall immediately report any conflict of interest or potential conflict of interest that is of material significance to the Company and/or to him, to the Chairman of the Supervisory Board and shall provide all relevant information, including information concerning his wife/her husband, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree. If the Chairman of the Supervisory Board has a conflict of interest or potential conflict of interest that is of material significance to the Company and/or to him, he shall report this immediately to the Vice-Chairman of the Supervisory Board and shall provide all relevant information, including information concerning his wife/her husband, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree. The Supervisory Board member concerned shall not take part in the assessment by the Supervisory Board of whether a conflict of interest exists. A conflict of interest exists in any event if the Company intends to enter into a material transaction that requires approval of the Supervisory Board with a legal entity (i) in which a Supervisory Board member personally has a material financial interest; (ii) which has a Board of Management member who has a relationship under family law with a member of the Supervisory Board of the Company, or (iii) in which a member of the Supervisory Board of the Company has a management or supervisory position.
- 9.A.2 A Supervisory Board member shall not take part in a discussion and/or decision making on a subject or transaction in relation to which he has a conflict of interest with the Company.
- 9.A.3 All transactions in which there are conflicts of interest with Supervisory Board members 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 Supervisory Board members that are of material significance to the Company and/or to the relevant Supervisory Board members 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 rules of article 9.A.1 to 9.A.3 inclusive have been complied with.
- 9.A.4 All transactions between the Company and legal or natural persons who hold at least ten percent of the shares in the Company 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 such persons that are of material significance to the Company and/or to such persons require the approval of the Supervisory Board. Such transactions shall be published in the annual report, together with a declaration that this clause 9.A.4 has



been observed.

9.A.5 The External Auditor shall be deemed to have a conflict of interest with the Company, if:

- a) the independence of the External Auditor with respect to its supervision of the financial reporting is compromised by the non-audit activities for the Company;
- b) under applicable law such conflict of interest exists or is deemed to exist.

The External Auditor of the Company, as well as each member of the Board of Management and Supervisory Board shall immediately report any potential conflict concerning the External Auditor to the Chairman of the Supervisory Board. The External Auditor of the Company, as well as each member of the Board of Management and Supervisory Board shall provide all information relevant to the conflict of interest to the chairman of the Supervisory Board. In all circumstances the Supervisory Board will determine that a reported (potential) conflict of interest qualifies as a conflict of interest pursuant to which the appointment of the External Auditor will have to be reconsidered or other measures shall be taken to resolve it. These measures will be published in the Company's annual report with reference to the conflict of interest and a declaration that this clause 9.A.5 has been complied with.

Article 9B. Delegated Supervisory Board Member

9.B.1 A delegated Supervisory Board member is a Supervisory Board member who has a special duty. The delegation may not extend beyond the duties of the Supervisory Board itself and may not include the management of the Company. It may entail more intensive supervision and advice and more regular consultation with the Board of Management. The delegation shall be of a temporary nature only. The delegation may not detract from the role and power of the Supervisory Board. The delegated Supervisory Board member remains a member of the Supervisory Board.

9.B.2 A Supervisory Board member who temporarily takes on the management of the Company, where the Board of Management members are absent or unable to fulfill their duties, shall resign from the Supervisory Board.

Article 10. Share transactions

Without prejudice to the provisions of the relevant legislation or to the terms of the Financial Code of Conduct applicable to members of the CSM Supervisory Board, the following provisions apply in respect of share transactions.

10.1 Any shareholding in CSM by a member of the Supervisory Board shall be a long-term investment.



- 10.2 Details of the total ownership by members of the Supervisory Board of shares and share option rights in CSM are provided in the Annual Report.
- 10.3 CSM has drawn up regulations governing ownership of and transactions in securities by members of the Supervisory Board, other than securities issued by the Company. These regulations form part of the Rules regarding investments and inside information, which are published on the Company's website.

Article 11. Confidentiality

- 11.1 The deliberations of the Supervisory Board and the documents pertaining thereto are confidential.
- 11.2 Insofar as the Supervisory Board is required to disclose information about its deliberations to third parties, this is done through or in consultation with its Chairman.
- 11.3 Upon stepping down from the Supervisory Board, a member shall place all the documents that he or she holds which pertain to its deliberations at the disposal of its Chairman. In the event of the death of a member or former member of the Supervisory Board, all documents that he or she held which pertain to its deliberations shall be placed at the disposal of its Chairman.

Article 12. Discrepancies

In case of inconsistency of these regulations with Dutch law or the articles of association, the latter shall prevail. In case these regulations would be consistent with the articles of association, but inconsistent with Dutch law, the latter shall prevail.

Thus adopted by the Supervisory Board at its meeting held on December 17, 2009.