

# Supervisory Board Rules

These Rules were adopted by the Supervisory Board on 26 May 2005 and subsequently amended by the Supervisory Board on 25 October 2006 and 20 February 2008 and on 24 November 2009.

## 1. DEFINITIONS

The following terms used in these Rules have the following meaning:

- **Articles of Association:** the articles of association of the Company as amended from time to time;
- **Audit Committee:** the Committee designated as such in clause 7 of these Rules;
- **Chairman:** the Chairman of the Supervisory Board;
- **Committee:** each committee of the Supervisory Board as referred to in clause 7 of these Rules;
- **Company:** TomTom N.V. and, where appropriate, the subsidiaries and possible other group companies of the Company whose financial information is incorporated in the consolidated annual accounts of the Company;
- **Deputy Chairman:** the deputy chairman of the Supervisory Board;
- **General Meeting:** the general meeting of shareholders of the Company;
- **Management Board:** the management board of the Company;
- **Remuneration Committee:** the Committee designated as such in clause 7 of these Rules;
- **Remuneration Report:** the remuneration report of the Supervisory Board;
- **Rules:** the rules for the Supervisory Board as adopted by the Supervisory Board;
- **Selection and Appointment Committee:** the Committee designated as such in clause 7 of these Rules;
- **Supervisory Board:** the supervisory board of the Company;
- **Works Council:** the joint works council of TomTom Sales B.V. and TomTom International B.V. and the Tele Atlas works council.

These Rules will be effective until they are amended in accordance with the provisions as set out hereinafter.

## 2. RESPONSIBILITIES OF THE SUPERVISORY BOARD

2.1 The Supervisory Board shall be responsible for supervising the conduct of management by the Management Board and the general course of affairs of the Company. The Supervisory Board shall assist the Management Board by rendering advice at the request of the Management Board and also on its own initiative. In performing its duties the Supervisory Board shall be guided by the interests of the Company, it shall take into account the relevant interests of the Company's stakeholders and it shall use the fundamental principles of good entrepreneurship as a standard. The Supervisory Board shall also have due regard for corporate social responsibility issues that are relevant to the Company. The Supervisory Board is responsible for the quality of its own performance.

2.2 The Supervisory Board shall in any event be responsible for:

2.2.1 supervising the Management Board regarding:

- achievement of the Company's objectives;
- corporate strategy and the risks inherent in the business activities;
- the design and effectiveness of the internal risk management and control systems;
- the financial reporting process;
- compliance with rules and regulations;
- the company- shareholder relationship;
- corporate social responsibility issues that are relevant to the Company;
- the provision of financial information by the Company (choice of accounting policies, application and assessment of the effects of new rules, information about the handling of estimated items in the annual accounts, forecasts, work of internal and external auditors, etc.);
- compliance with recommendations and observations of internal and external auditors;
- the role and functioning of the internal audit department;
- the policy of the Company on tax planning;
- relations with the external auditor, including, in particular, his independence, remuneration and any non-audit services for the Company;
- the financing of the Company; and
- the applications of information and communication technology (ICT).

2.2.2 proposing the remuneration policy of the Company for adoption by the General meeting and determining the remuneration of the individual members of the

Management Board, on a proposal by the Remuneration Committee, within the scope of the remuneration policy adopted by the General Meeting;

- 2.2.3 proposing the remuneration of the individual members of the Supervisory Board for adoption by the General Meeting;
  - 2.2.4 handling of reported irregularities regarding the functioning of the Management Board;
  - 2.2.5 drawing up the Remuneration Report. The report of the Supervisory Board as referred to in Clause 3.4 of these Rules shall include the principal points of the Remuneration Report concerning the remuneration policy of the Company;
  - 2.2.6 approving the Company's annual budget and business plan;
  - 2.2.7 approving certain decisions of the Management Board as referred to in the Articles of Association and (amendments to) the Rules of the Management Board;
  - 2.2.8 supervising and advising the Management Board with respect to the corporate governance structure of the Company and compliance with and enforcement of these Rules and the rules of the Management Board;
  - 2.2.9 selecting and recommending the appointment of the members of the Management Board and members of the Supervisory Board, on a proposal by the Selection and Appointment Committee, and supervising the policy of the Management Board on the selection criteria and appointment procedures for senior management;
  - 2.2.10 periodically assessing the size and composition of the Supervisory Board and the Management Board, and making a proposal for a composition profile of the Supervisory Board;
  - 2.2.11 periodically assessing the functioning of individual members of the Supervisory Board and the Committees and the Management Board;
  - 2.2.12 selecting and recommending the appointment of the Company's external auditor;
  - 2.2.13 active and close involvement in the takeover process in the event of an offer (or preparation thereof) on the shares of the Company.
- 2.3 The Supervisory Board shall draw up regulations concerning the ownership of and transactions in securities by members of the Management Board and members of the Supervisory Board issued by the Company as well as in securities issued by other companies than the Company.

- 2.4 The Supervisory Board shall draw up a report that shall be included in the annual report of the Company. The report shall give an insight into the activities of the Supervisory Board in the relevant financial year and it 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.

### **3. EXPERTISE AND COMPOSITION OF THE SUPERVISORY BOARD**

- 3.1 The Supervisory Board shall consist of at least three members. The Supervisory Board shall prepare a profile of its size and composition, taking account of the nature of the business, its activities and the desired expertise and background of the members of the Supervisory Board.
- 3.2 The number of supervisory boards of Dutch listed companies of which an individual member of the Supervisory Board 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.
- 3.3 Each member of the Supervisory Board shall report additional positions and possible changes thereto to the Chairman.
- 3.4 The Supervisory Board may, in accordance with Clause 18 paragraph 3 of the Articles of Association, appoint a delegated member of the Supervisory Board from among its members. The delegated member of the Supervisory Board is a member of the Supervisory Board 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 Management Board. 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 member of the Supervisory Board remains a member of the Supervisory Board.

### **4. CHAIRMAN AND DEPUTY CHAIRMAN**

- 4.1 The Supervisory Board shall, in accordance with Clause 18 paragraph 1 of the Articles of Association, appoint a Chairman from among its members. The Supervisory Board shall also appoint a Deputy Chairman from among its members.
- 4.2 The Supervisory Board shall be assisted by the company secretary. The company secretary shall, either on the recommendation of the Supervisory Board or otherwise, be appointed and dismissed by the Management Board, after the approval of the Supervisory Board has been obtained.
- 4.3 The Chairman shall not be a former member of the Management Board.

- 4.4 The Chairman shall ensure the proper functioning of the Supervisory Board, and shall act on behalf of the Supervisory Board as the main contact for the Management Board and for shareholders regarding the functioning of the Management and Supervisory Board members. In his capacity of chairman, he shall ensure the orderly and efficient conduct of the general meeting.
- 4.5 The Chairman shall ensure that: (*best practice III.4.1*)
- a) the Supervisory Board shall follow their induction and education programme;
  - b) the Supervisory Board members receive in good time all information which 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 Management Board members and Supervisory Board members is assessed at least once a year;
  - f) the Supervisory Board elects a Deputy Chairman; and
  - g) the Supervisory Board has proper contact with the Management Board and the Works Council (or central Works Council).
- 4.6 The Deputy Chairman shall deputise for the Chairman when the occasion arises. The Deputy Chairman shall also act as contact for individual Supervisory Board members and Management Board Members concerning the functioning of the Chairman.

## **5. ROTATION PLAN**

- 5.1 The members of the Supervisory Board shall retire in accordance with the rotation plan as adopted by the Supervisory Board which is published on the website of the Company.
- 5.2 A member of the Supervisory Board shall retire prematurely if such member performs his function inadequately, in the event of structural conflicts of interest or if the Supervisory Board decides that the retirement is otherwise necessary.
- 5.3 A member of the Supervisory Board, who temporarily manages the Company during the period where members of the Management Board have been absent or unable to discharge their duties, shall resign from the Supervisory Board.

## **6. COMMITTEES OF THE SUPERVISORY BOARD**

- 6.1 If the Supervisory Board consists of more than four members, it shall appoint from among its members an Audit Committee, a Remuneration Committee and a Selection and Appointment Committee. The function of the Committees is to prepare the decision-making of the Supervisory Board.

- 6.2 The Supervisory Board shall establish the rules for each Committee and may amend these at any time. These rules shall indicate the role and responsibility of each Committee, its composition and the manner in which it discharges its duties. The rules may provide that a maximum of one member of each Committee may not be independent within the meaning of best practice III.2.2 of the Corporate Governance Code.
- 6.3 The rules for each Committee and the composition of the Committees are published on the Company's website.

## **7. REMUNERATION**

- 7.1 The General Meeting shall determine the remuneration of the individual members of the Supervisory Board upon proposal by the Supervisory Board. Such remuneration is not dependent on the results of the Company To the extent members of the Supervisory Board are required to charge VAT in relation to their remuneration, such VAT shall be paid by the Company upon receipt of an invoice. The explanatory notes to the annual accounts shall in any event contain the information required by law regarding the amount and structure of the remuneration of each member of the Supervisory Board.
- 7.2 All reasonable costs incurred by members of the Supervisory Board that are related to attending the meetings of the Supervisory Board shall be reimbursed by the Company upon submission of all the relevant invoices and vouchers. All other costs that are made by the members of the Supervisory Board in connection with their membership shall be partly or fully reimbursed, if such costs have been made after prior consultation with and consent of the Chairman and upon submission of all the relevant invoices and vouchers.

## **8. MEETINGS**

- 8.1 The Supervisory Board shall meet at least four (4) times per financial year and moreover as often as one or more members of the Supervisory Board desire(s), as often as the Management Board requests, or as often as necessary in pursuance of the provisions of the Articles of Association. Meetings shall in principle be held at the offices of the Company but can also be held elsewhere. Members of the Management Board shall participate in meetings of the Supervisory Board unless the Supervisory Board decides otherwise.

Members of the Supervisory Board and members of the Management Board are permitted to participate in meetings of the Supervisory Board by telephone. The Chairman may decide that the meeting takes place by telephone.

- 8.2 The Supervisory Board shall decide whether and, if so, when the chairman of the Management Board, the member of the Management Board responsible for financial matters, the internal auditor and external auditor should attend its meetings.

- 8.3 A meeting is convened by the company secretary of the Company on behalf of the Chairman or on behalf of the persons or the body referred to in Clause 9.1 of these Rules. If practically possible, a meeting is convened in writing at least ten (10) business days prior to the meeting and is accompanied by the agenda and the documents to be discussed.
- 8.4 The Chairman or the persons referred to in Clause 9.1 of these Rules determines the agenda of the meeting.
- 8.5 The Supervisory Board shall discuss at least once a year:
- without the Management Board being present, both its own functioning, the functioning of its Committees and that of its individual members, and the conclusions that must be drawn on the basis thereof;
  - without the Management Board being present the desired profile, composition and competence of the Supervisory Board;
  - without the Management Board being present both the functioning of the Management Board as a corporate body of the Company and the performance of its individual members, and the conclusions that must be drawn on the basis thereof;
  - the corporate strategy and the main risks of the business, and the result of the assessment by the Management Board of the design and effectiveness of the internal risk management and control systems, as well as any significant changes thereto.

The Supervisory Board shall report on these issues and this report shall, inter alia, state how the evaluation of the functioning of the Supervisory Board, the separate Committees and the individual supervisory members has been carried out.

- 8.6 The Supervisory Board shall meet with the external auditor as often as it considers necessary, but at least once a year, without the Management Board being present.
- 8.7 The Chairman 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 Supervisory Board in the first following meeting and signed by the Chairman and the company secretary of the Company in evidence thereof.
- 8.8 The minutes shall contain the discussed matters, viewpoints, considerations and resolutions in such a way that members of the Supervisory Board and/or the Management Board (unless the Management Board has not been invited to the relevant meeting) who did not attend the meeting obtain a clear and complete overview, to the extent relevant, of what has been discussed during the meeting.

- 8.9 Members of the Supervisory Board who are frequently absent shall be called to account for this by the Chairman.

## **9. RESOLUTIONS OF THE SUPERVISORY BOARD**

- 9.1 In principle resolutions of the Supervisory Board are adopted in a meeting of the Supervisory Board. The Supervisory Board may also adopt resolutions without convening a meeting, provided the motion in question has been submitted to all members of the Supervisory Board and none has objected to this form of decision-making. In that case the Chairman shall make the agenda and the documents to be discussed as soon as practicably possible available to all members of the Supervisory Board. The members of the Supervisory Board shall give their opinion on the intended proposal within a reasonable period determined by the Chairman. The opinion of each member of the Supervisory Board shall be disclosed to the other members of the Supervisory Board.

- 9.2 A report shall be drawn up by the company secretary of the Company of a resolution adopted without convening a meeting, enclosing the replies received, and shall signed by the Chairman and the company secretary. A separate list of resolutions which shall explicitly state the decisions taken during the meeting shall be attached to the minutes.

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 Supervisory Board.

- 9.3 The Supervisory Board may - in the event the Supervisory Board consists of three (3) members - only adopt resolutions if at least two (2) members of the Supervisory Board are present or have expressed their opinion on the proposed resolution. In the event the Supervisory Board consist of more than three (3) members, the Supervisory Board may only adopt resolutions if three (3) members of the Supervisory Board are present or have expressed their opinion on the proposed resolution.

Resolutions shall be adopted by an absolute majority of the votes cast. In case of equality of votes the Chairman shall have a decisive vote.

## **10. CONFLICTS OF INTEREST OF THE SUPERVISORY BOARD AND THE MANAGEMENT BOARD**

- 10.1 The members of the Supervisory Board shall avoid any conflict of interest between the Company or its subsidiaries.
- 10.2 Decisions to enter into transactions under which members of the Supervisory Board would have conflicts of interest that are of material significance to the Company, its subsidiaries and/or to



the relevant member of the Supervisory Board require the approval of the Supervisory Board. Transactions in which there are material conflicts of interest with members of the Supervisory Board shall be published in the annual report of The Company, together with a statement of the conflict of interest and a declaration that the Clauses 11.2 through 11.6 of these Rules have been complied with.

All transactions in which there are conflicts of interest with members of the Supervisory Board shall be agreed on terms that are customary in the sector concerned.

- 10.3 A conflict of interest exists in any event if the Company or its subsidiaries intend(s) to enter into a transaction with a legal entity:
- in which a member of the Supervisory Board personally has a material financial interest;
  - which has a management board member who is related under family law to the second degree with a member of the Supervisory Board; or
  - in which a member of the Supervisory Board has a management or supervisory function.
- 10.4 Each member of the Supervisory Board (excluding the Chairman) 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 Supervisory Board to the Chairman. The relevant member of the Supervisory Board that has a 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 as defined under Dutch law. The Supervisory Board shall decide whether there is a conflict of interest. The member of the Supervisory Board concerned shall not take part in the assessment by the Supervisory Board of whether a conflict of interest exists.
- 10.5 If the Chairman has a (potential) conflict of interest that is of material significance to the Company, its subsidiaries and/or to himself, he shall report this immediately to the Deputy Chairman and 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 whether there is a conflict of interest. The Chairman shall not take part in the assessment by the Supervisory Board of whether a conflict of interest exists.
- 10.6 A member of the Supervisory Board 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.

- 10.7 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. The relevant member of the Management Board that has a 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 whether there is a conflict of interest.

## **11. CONFLICTS OF INTEREST EXTERNAL AUDITOR**

The Supervisory Board shall ensure that the external auditor of the Company immediately reports any (potential) conflict of interest that is of material significance to the Company, its subsidiaries and/or to the relevant external auditor to the Chairman. The Supervisory Board shall decide whether there is a conflict of interest. In the event the Supervisory Board concludes that there is a conflict of interest, the Supervisory Board shall determine which actions need to be taken. When actions are taken, these actions shall be published in the annual report.

## **12. RELATION WITH THE MANAGEMENT BOARD AND PROVISION OF INFORMATION**

- 12.1 The Supervisory Board and its individual members each have their own responsibility for requiring all information from the Management Board and the external auditor that the Supervisory Board needs in order to be able to properly carry out its duties. If the Supervisory Board considers it necessary, it may obtain information from officers and external advisers of the Company and may also engage advisers itself. the Company shall for this purpose provide the necessary means. The Supervisory Board may require that certain officers and external advisers are present at its meetings.
- 12.2 Without prejudice to the general rule of Clause 13.1 of these Rules, the Supervisory Board shall annually receive a report of the Management Board in which at least the general outlines of the strategic policy, the general and financial risks and the management, control system of the Company are described. This annual report shall be accompanied by a letter of the Management Board in which the Management Board gives a further explanation to the report as drawn up by the Management Board and that provides information regarding the policy pursued by the Management Board.
- 12.3 If a member of the Supervisory Board receives information or signals that are relevant in connection with its supervisory responsibilities from another source than the Management Board or the Supervisory Board, such member of the Supervisory Board shall notify the Chairman as soon as possible thereof. The Chairman shall subsequently inform the Supervisory Board.

- 12.4 If an offer on the shares of the Company is prepared, the Management Board shall ensure that the Supervisory Board is closely involved in the takeover process in good time.
- 12.5 If an offer on the shares of the Company has been announced and the Management Board receives a request from a competing bidder to inspect the Company's records, the Management Board shall discuss this request with the Supervisory Board.

### **13. RELATIONSHIP WITH THE SHAREHOLDERS**

- 13.1 The Supervisory Board shall ensure that the meetings of the General Meeting and the meetings of holders of preferred shares are held in due time and that the necessary items on the agenda are properly mentioned.
- 13.2 The members of the Supervisory Board shall participate in meetings of the General Meeting and the meetings of holders of preferred shares unless they are prevented from participation on serious grounds. The meeting of the General Meeting and the meetings of holders of preferred shares are chaired by the Chairman, or, in his absence by the Deputy Chairman.
- 13.3 To the extent the General Meeting or the holders of preferred shares request(s) for information which is related to an item on the respective agendas the Supervisory Board shall provide the General Meeting, the holders of preferred shares respectively with such information, unless this would be contrary to an overriding interest (*zwaarwichtig belang*) of the Company. If the Supervisory Board refuses to provide information due to an overriding interest of the Company, it shall motivate such refusal.
- 13.4 The remuneration policy for the Management Board proposed for the next financial year and the subsequent years as specified in the Remuneration Report shall be submitted to the General Meeting for adoption and at the same time be submitted to the Works Council for notification. Each material change in the remuneration policy shall also be submitted to the General Meeting for adoption. Schemes whereby members of the Management Board are remunerated in the form of shares or rights to subscribe for shares, and changes to such schemes, shall be submitted to the General Meeting for approval.
- 13.5 Each substantial change (i) in the corporate governance structure of the Company, and (ii) in the compliance of the Company with the Dutch Corporate Governance Code shall be submitted to the General Meeting for discussion under a separate agenda item.

### **14. RELATIONSHIP WITH THE WORKS COUNCIL**

The Supervisory Board shall draw up a schedule for the attendance of one or more members of the Supervisory Board at the consultation meetings with the Works Council to the extent it concerns consultation meetings with the attendance of a member of the Supervisory Board is

required by law. The attendance of members of the Supervisory Board is required at the (half-yearly) consultation meetings as referred to in Clause 24 (1) of the Works Council Act and the meetings in which a proposed decision within the meaning of Clause 25 (1) of the Works Council Act (*Wet op de Ondernemingsraden*) is discussed.

## **15. INFORMAL CONTACTS**

A member of the Supervisory Board who is taken into someone's confidence in an informal or indirect manner regarding matters involving the Company shall act prudently and shall put first that the Supervisory Board or at least the Chairman can be involved in this confidential matter.

## **16. CONFIDENTIALITY**

Unless the Rules, the Articles of Association or applicable laws or regulations stipulate otherwise each member of the Supervisory Board shall treat all information and documents acquired in his capacity as a member of the Supervisory Board as strictly confidential.

This Clause shall apply also if a member of the Supervisory Board ceases to be a member of the Supervisory Board.

## **17. AMENDMENTS**

These Rules can only be amended by a resolution of the Supervisory Board to that effect. Any amendment of these Rules shall be laid down in writing and shall be included in the report of the Supervisory Board as referred to in Clause 3.4 of these Rules.

## **18. STATUS OF THESE RULES**

18.1 In case these Rules conflict with the Articles of Association or any applicable law, the Articles of Association or the applicable law, as the case may be, shall prevail.

18.2 These Rules are published on the website of the Company.