

# Stichting Steinhoff International Compensation Claims Claim Code Compliance Document 2018

## INTRODUCTION

1. Stichting Steinhoff International Compensation Claims (the **Foundation**) was established in 2018.
2. The Foundation endorses the Claim Code that came into force on 1 July 2011 (the **Claim Code**). The Claim Code consists of six principles (each of them a **Principle**) that are considered to be broadly accepted general guidelines and views on the way claim vehicles and associations should represent collective interests, including – but not limited to – litigation. The Principles contain a set of standards for the founders, board members, supervisory board members, consultants and advisors engaged by the claim vehicle. The Foundation's compliance with the Claim Code is set out below.

## PRINCIPLE I: COMPLIANCE WITH THE CLAIM CODE

3. The Foundation's governance has been tailored to the needs of the Foundation and the interested parties it represents, as follows from Principle I of the Claim Code. Against this backdrop, it is important to consider that the Interested Parties (as defined in the articles of association of the Foundation (the **Articles**) mostly consist of (large) institutional investors which have significant experience in dealing with shareholder loss recovery actions all over the world. Interested Parties who decide to be involved actively enter into a participation agreement with the Foundation. These participation agreements tend to be the outcome of talks between the Foundation and/or its advisors and the prospective Participant. In addition, the participation agreement contains several safeguards for Participants and the

Foundation's officials and advisors.

4. The Foundation currently has a board (the **Board**) consisting of three directors and a supervisory board currently consisting of two members (the **Supervisory Board**). One position in the Supervisory Board is vacant but expected to be filled in due time.
  5. The Board is charged with the management of the Foundation.
  6. The compliance of the Foundation to the Claim Code is discussed annually in a joint meeting of the Board and the Supervisory Board.
  7. If and when the Board wishes to deviate from the Claim Code, it will need prior written approval of the Supervisory Board as set out in clause 7.1 Articles.
  8. This document is a document as set out in article 4.2 of the Articles and Elaboration 1 of Principle I of the Claim Code and will be published on the Foundation's website: <http://steinhoffclassaction.org/>
- ## PRINCIPLE II: PROTECTING COLLECTIVE INTERESTS ON A NON-PROFIT BASIS
9. The Foundation acts as a non-profit entity in the collective interests of the parties who suffered losses as a result of the Events (as defined in the Articles) and, primarily, have entered into a participation agreement with the Foundation (the **Participants**), or, in general, qualify as Interested Parties (as defined in the Articles, the **Interested Parties**).
  10. The Foundation does not generate revenues, for instance by requiring Participants to pay a registration fee. Moreover, the Foundation, as a policy, only enters into monetary obligations which are directly assumed by the Foundation's funder. As a result, the Foundation does not incur costs and, therefore, does not need to operate a bank account. The risk of inappropriate use of the Foundation's funds – for which the Claim Code provides important safeguards – is therefore absent.
  11. The Foundation entered into a litigation

funding agreement with Therium Deutschland IC (**Therium**). Pursuant to the litigation agreement, Therium assumes several liabilities which otherwise would have been borne by the Foundation. This concerns lawyer's fees and other costs related to litigation, as well as the supervisory board's fees.

12. In addition, the Foundation entered into an expert consultancy agreement with DRRT, a US based law firm. Pursuant to the expert consultancy agreement, DRRT shall reach out to its client base and inform them of the Foundation's activities and provide a number of services relevant for the Foundation's operations, including the design and upkeep of its website and a number of commercial and administrative services. For the avoidance of doubt, DRRT's services do not result in any monetary obligation of the Foundation.

13. Elaboration II.2 of the Claim Code provides that the Articles should also contain a provision that a liquidation surplus should be distributed amongst the Foundation's participants. This principle is laid down in article 17.3 of the Articles. It is worth mentioning, however, that it is unlikely that the Foundation will generate any revenues whatsoever and, therefore, no surplus on winding up will occur.

#### PRINCIPLE III: COMPOSITION OF THE BOARD

14. The Board of the Foundation consists of three individuals with adequate legal and financial expertise and experience. As a consequence, the Foundation complies with elaboration III.1 of the Claim Code. The members of the Board are:

a. Mr. Alexander Reus as chairman, a US based attorney with vast experience in the field of class actions and settlements on a worldwide basis, including the Netherlands and a vast knowledge of the economic and financial aspects of class actions;

b. Mr. Andreas Werner Tilp as secretary, a German attorney with a strong track record in the field of shareholder litigation who acts as the leading lawyer in a German lawsuit on behalf of investors against Steinhoff International Holding N.V.; and

c. Mr. Zain Raúl Lundell as treasurer, a South African attorney with extensive experience in the field of collective actions in Canada and South Africa. Mr. Lundell acts as the leading lawyer in a South African class action against the Defendants (as defined in the Articles).

15. Due to the absence of any income or expenses, there are no annual financial statements of the Foundation that can be submitted to the Supervisory Board for approval.

16. The Board requires the prior written approval of the Supervisory Board for certain resolutions that can significantly impact the Foundation and/or its (endeavors to achieve its) objects. In line with the Claim Code, the conclusion of settlement agreements requires the Supervisory Board's approval. In addition, the Supervisory Board's prior written approval is required for the conclusion of agreements to fund the activities of the Foundation, such as a litigation funding agreement. Please note that this requirement is stricter than stipulated in the Claim Code.

17. The Foundation's website can be found at <http://steinhoffclassaction.org/>. On this website stakeholders have access to all relevant information, including – but not limited to – the following documents: (i) the Articles, (ii) this Claim Code Compliance Document, (iii) the résumés of the members of the Board and the Supervisory Board, and (iv) updates on any pending litigation.

#### PRINCIPLE IV: INDEPENDENCY OF THE FOUNDATION AND AVOIDING CONFLICTS OF INTERESTS

18. In accordance with the Claim Code, any apparent conflict of interest between the Foundation's engaged advisors, the Supervisory Board and the Board should be avoided. If a direct or indirect conflict of interest between the Foundation and the one or more members of the Board or the Supervisory Board were to occur, the relevant (Supervisory) Board member will not take part in the deliberations and decision-making process (sections 7.2 and 7.3 Articles).

19. The Foundation concluded the expert consultancy agreement with DRRT. The Board takes the view that the interests of DRRT and the Foundation are fully aligned and that the expert consultancy agreement serves the interests of the Foundation, its Participants and all other Interested Parties. By virtue of Elaboration IV.2 of the Claim Code, in conjunction with clause 4.1 of the Articles, this required the Supervisory Board's prior written approval which was granted after due deliberation.

#### PRINCIPLE V: RENUMERATION OF THE MEMBERS OF THE BOARD

20. The Board members receive no management fees for services rendered to the Foundation.

#### PRINCIPLE VI: THE SUPERVISORY BOARD

21. The Supervisory Board consists of two individuals with adequate legal and financial expertise and experience, and one vacant position and, therefore, is expected to comply with elaboration VI.1 of the Claim Code in due course. The Supervisory Board members are

- a. Mr. Karl Peter Puskajler as chairman, is a former judge of the München court of appeal) and a co-author of commentaries to the German law on limited liability companies and on the compensation procedure for minority shareholders;
- b. Mr. Jan Maarten Slagter worked as a lawyer in Amsterdam, before becoming a journalist at the

*Financieele Dagblad*. From 2007 until 2014 Mr Slagter was director of the Dutch retail investors' organization Vereniging van Effectenbezitters and, more recently, was programme director at the Nyenrode Business University and member of the supervisory board at KPMG Netherlands. As per 1 January 2017 he was appointed CEO of the International Bureau of Fiscal Documentation, a position he currently holds.

- c. The third position is vacant and expected to be filled soon.

22. Members of the Supervisory Board receive an annual fee of EUR 5,000. In the event that additional efforts are required from the Supervisory Board members, reasonable, additional fees may be agreed upon.

23. The Supervisory Board held one meeting in 2018 (up to the date of this report) and is briefed frequently on relevant developments of the Steinhoff-case.