



## **RULES OF PROCEDURE**

Governing the Internal Proceedings of the Supervisory Board

Effective as of 21 February 2020



# TABLE OF CONTENTS

---

## CLAUSE

<b>1.</b>	<b>DEFINITIONS AND CONSTRUCTION</b>	<b>4</b>
1.1	Definitions	4
1.2	Construction	4
<b>2.</b>	<b>COMPOSITION OF THE SUPERVISORY BOARD, DIVISION OF DUTIES AND RESPONSIBILITIES</b>	<b>4</b>
2.1	Composition	4
2.2	Responsibilities	4
2.3	Chairperson and Vice-Chairperson	4
<b>3.</b>	<b>COMMITTEES OF THE SUPERVISORY BOARD</b>	<b>4</b>
3.1	General	4
3.2	Permanent Committees	5
3.3	Ad hoc committees	5
<b>4.</b>	<b>COMPANY SECRETARY</b>	<b>5</b>
4.1	Duties and responsibilities	5
4.2	Appointment and dismissal	5
<b>5.</b>	<b>MEETINGS OF THE SUPERVISORY BOARD AND DECISION-MAKING</b>	<b>6</b>
5.1	Convening meetings and agenda	6
5.2	Meeting location	6
5.3	Attendance	6
5.4	Chairperson of the meeting	6
5.5	Adoption of resolutions - quorum requirements	7
5.6	Adoption of resolutions - majority requirements	7
5.7	Meeting minutes	7
5.8	Adopting resolutions without holding a meeting	7
5.9	Evidence of adopted resolutions	7
<b>6.</b>	<b>CONFLICTS OF INTEREST</b>	<b>8</b>
6.1	Preventing conflicts of interest	8
6.2	Definition	8
6.3	Consequences	8
6.4	Obligation to report	8
6.5	Determination of conflicts of interest	9
6.6	At arm's length. Supervisory Board approval	9
6.7	Loans and guarantees	9

<b>7.</b>	<b>MISCONDUCT AND IRREGULARITIES</b>	<b>9</b>
<b>8.</b>	<b>RELATIONSHIP WITH THE MANAGEMENT BOARD, THE EXECUTIVE COMMITTEE AND THE GENERAL MEETING</b>	<b>9</b>
8.1	Main contact	9
8.2	General Meeting - requests for information	9
8.3	Management Board - resolutions requiring Supervisory Board approval	10
8.4	Management Board - annual evaluation	10
8.5	Managing Directors, Executive Committee Members and majority shareholders - conflicts of interest	10
<b>9.</b>	<b>ANNUAL EVALUATION OF SUPERVISORY DIRECTORS AND REMUNERATION</b>	<b>10</b>
<b>10.</b>	<b>POSITIONS OUTSIDE THE COMPANY</b>	<b>11</b>
<b>11.</b>	<b>CULTURE AND CODE OF CONDUCT</b>	<b>11</b>
<b>12.</b>	<b>CONFIDENTIALITY</b>	<b>11</b>
<b>13.</b>	<b>MISCELLANEOUS</b>	<b>12</b>
13.1	Miscellaneous	12
13.2	Governing law and jurisdiction	12

---

## SCHEDULES

<b>Schedule 1</b>	<b>Definitions</b>
<b>Schedule 2</b>	<b>General responsibilities of the Supervisory Board</b>
<b>Schedule 3</b>	<b>Responsibilities of the Chairperson and the Vice-Chairperson</b>
<b>Schedule 4</b>	<b>Audit Committee Charter</b>
<b>Schedule 5</b>	<b>Nomination, Selection and Remuneration Committee Charter</b>

## **1. DEFINITIONS AND CONSTRUCTION**

### **1.1 DEFINITIONS**

- 1.1.1 In these rules of procedure capitalised terms have the meaning as set out in [Schedule 1](#).
- 1.1.2 Any reference in these rules to “in writing” means in writing or by other reproducible electronic communication.

### **1.2 CONSTRUCTION**

Schedules are part of these rules.

## **2. COMPOSITION OF THE SUPERVISORY BOARD, DIVISION OF DUTIES AND RESPONSIBILITIES**

### **2.1 COMPOSITION**

- 2.1.1 The Supervisory Board prepares a profile of its size and composition, taking into account the nature of the Business and the Supervisory Board's activities. The current profile is published on the Company's website.
- 2.1.2 The Supervisory Board prepares a rotation schedule to prevent, where possible, re-appointments occurring at the same time. The current rotation schedule is published on the Company's website.
- 2.1.3 More than half of the Supervisory Directors must be independent in accordance with Best Practice provision 2.1.8 of the Code.
- 2.1.4 Notwithstanding anything to the contrary in these rules, if the Founder Committee is installed, the Founder Committee shall be free to appoint up to 1/3 of the Supervisory Directors in its sole discretion in accordance with the Articles of Association.

### **2.2 RESPONSIBILITIES**

- 2.2.1 The general responsibilities of the Supervisory Board are set out in [Schedule 2](#).
- 2.2.2 The Supervisory Board may obtain information from officers and external advisors.

### **2.3 CHAIRPERSON AND VICE-CHAIRPERSON**

- 2.3.1 The Chairperson is appointed in accordance with the Articles of Association. The Supervisory Board appoints one (1) of the other Supervisory Directors as Vice- Chairperson.
- 2.3.2 The Chairperson cannot be a former Managing Director and must be independent in accordance with Best Practice provision 2.1.8 of the Code.
- 2.3.3 The responsibilities of the Chairperson and the Vice-Chairperson are set out in [Schedule 3](#).

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

### **3.1 GENERAL**

- 3.1.1 The Supervisory Board may assign certain tasks to one or more permanent or ad hoc committees comprising of one (1) or more Supervisory Directors.
- 3.1.2 The task of Supervisory Board committees is to prepare the decision-making of the Supervisory Board. Establishing committees does not diminish the responsibility of the Supervisory Board and the Supervisory Directors for obtaining information and forming an independent opinion. The committees cannot adopt resolutions on behalf of the Supervisory Board.
- 3.1.3 The Supervisory Board appoints Supervisory Board committee members. For each committee, the Supervisory Board appoints a chairperson from among the committee members, and a secretary. The secretary does not need to be a Supervisory Director.

- 3.1.4 Supervisory Board committees report on a regular basis to the Supervisory Board about their actions, reviews, proposals and findings.

### **3.2 PERMANENT COMMITTEES**

The Supervisory Board has the following permanent committees:

- (a) the Audit Committee, with duties and internal proceedings as set out in [Schedule 4](#); and
- (b) the Nomination, Selection and Remuneration Committee, with duties and internal proceedings as set out in [Schedule 5](#).

### **3.3 AD HOC COMMITTEES**

- 3.3.1 The Supervisory Board may establish ad hoc committees.
- 3.3.2 The duties and internal proceedings of ad hoc committees may be set out in writing by the Supervisory Board and will then form part of these rules of procedure.

## **4. COMPANY SECRETARY**

### **4.1 DUTIES AND RESPONSIBILITIES**

- 4.1.1 The Company Secretary assists the Supervisory Board.
- 4.1.2 The Company Secretary amongst others:
- (a) ensures that the proper procedures are followed and that the Supervisory Board acts in accordance with its obligations under the law, the Articles of Association and these rules of procedure;
  - (b) advises the Supervisory Board on governance matters as well as on corporate legal and regulatory compliance matters;
  - (c) facilitates the provision of information to the Management Board, the Executive Committee and the Supervisory Board; and
  - (d) supports the Chairperson in the organisation of the Supervisory Board's affairs, including the provision of information, meeting agendas, evaluation and training programmes and is the contact person for parties who want to make concerns known to the Supervisory Board.
- 4.1.3 If the Company Secretary also undertakes work for the Management Board and the Executive Committee and identifies that the interests of the Management Board and the Executive Committee on the one hand and the Supervisory Board on the other hand diverge, resulting in a lack of clarity as to which interests the Company Secretary represents, the Company Secretary reports this to the Chairperson.
- 4.1.4 The Company Secretary attends all meetings of the Supervisory Board, unless the Supervisory Board resolves otherwise.
- 4.1.5 The Company Secretary may delegate one or more of his or her duties under these rules of procedure to one or more persons appointed by him or her after consultation with the Supervisory Board.

### **4.2 APPOINTMENT AND DISMISSAL**

Subject to the Supervisory Board's approval, the Management Board appoints and dismisses the Company Secretary. The Supervisory Board may recommend the appointment or dismissal of the Company Secretary to the Management Board and the Executive Committee.

## **5. MEETINGS OF THE SUPERVISORY BOARD AND DECISION-MAKING**

### **5.1 CONVENING MEETINGS AND AGENDA**

- 5.1.1 Meetings are held in accordance with a meeting schedule to be annually set by the Supervisory Board, but at least four (4) times a year. Additional meetings are convened at any Supervisory Director's or the Management Board's request.
- 5.1.2 Meetings are convened in a timely manner by the Chairperson or, if the Chairperson position is vacant (ontstentenis) or the Chairperson is unable to act, by the Vice-Chairperson, or if both the Chairperson and Vice-Chairperson positions are vacant (ontstentenis) or both the Chairperson and Vice-Chairperson are unable to act (belet), by any Supervisory Director.
- 5.1.3 The notice sets out the meeting agenda. The Supervisory Director convening a meeting sets the agenda for that meeting in consultation with the Management Board. Supervisory Directors may submit agenda items to the Supervisory Director convening the meeting.

### **5.2 MEETING LOCATION**

- 5.2.1 Meetings are normally held at the Company's offices, but may also take place elsewhere if all Supervisory Directors agree to this.
- 5.2.2 Meetings may also be held by telephone, videoconference, or electronic communication, provided that all participants can hear each other simultaneously. Supervisory Directors attending the meeting by telephone, videoconference or electronic communication are considered present at the meeting.

### **5.3 ATTENDANCE**

- 5.3.1 Each Supervisory Director attends Supervisory Board meetings and the meetings of the committees that he or she is a member of. If a Supervisory Director is frequently absent from these meetings, that Supervisory Director must account for this. The report of the Supervisory Board states the absenteeism rate from the Supervisory Board – and the committee meetings of each Supervisory Director.
- 5.3.2 Managing Directors shall attend the Supervisory Board meetings, unless the Supervisory Board resolves otherwise and with the exception of the meetings referred to in Clause 8.4.1, 8.5 and 9.1.2. The Executive Committee Members may be invited to attend the Supervisory Board meetings.
- 5.3.3 A Supervisory Director may be represented at a meeting by another Supervisory Director holding a written proxy.
- 5.3.4 The Supervisory Board may require that certain officers and external advisors attend its meetings. The Supervisory Board may appoint advisors.
- 5.3.5 The external auditor attends that part of the Supervisory Board meeting in which the annual financial statements are discussed.

### **5.4 CHAIRPERSON OF THE MEETING**

The Chairperson acts as Meeting Chairperson. If the Chairperson is not present at the meeting, the Vice-Chairperson acts as Meeting Chairperson. If both the Chairperson and the Vice-Chairperson are not present at a meeting and the Chairperson has not appointed another Supervisory Director as Meeting Chairperson, the Supervisory Directors present at the meeting will appoint one of them as Meeting Chairperson.

- 5.5 Adoption of resolutions - quorum requirements
  - 5.5.1 The Supervisory Board may only adopt resolutions at a meeting if a majority of the Supervisory Directors entitled to vote is present or represented at the meeting.
  - 5.5.2 If the Chairperson believes there is an urgent situation that requires the Supervisory Board's immediate resolution, the requirement referred to in clause 5.5.1 does not apply, provided that:
    - (a) at least two Supervisory Directors entitled to vote are present or represented at the meeting; and
    - (b) reasonable efforts have been made to involve the other Supervisory Directors in the decision-making.

- 5.5.3 The Meeting Chairperson ensures that adopted resolutions are communicated to Supervisory Directors not present at the meeting without delay.

## **5.5 ADOPTION OF RESOLUTIONS - QUORUM REQUIREMENTS**

- 5.5.1 The Supervisory Board may only adopt resolutions at a meeting if a majority of the Supervisory Directors entitled to vote is present or represented at the meeting.
- 5.5.2 If the Chairperson believes there is an urgent situation that requires the Supervisory Board's immediate resolution, the requirement referred to in clause 5.5.1 does not apply, provided that:
- (a) at least two Supervisory Directors entitled to vote are present or represented at the meeting; and
  - (b) reasonable efforts have been made to involve the other Supervisory Directors in the decision-making.
- 5.5.3 The Meeting Chairperson ensures that adopted resolutions are communicated to Supervisory Directors not present at the meeting without delay.

## **5.6 ADOPTION OF RESOLUTIONS - MAJORITY REQUIREMENTS**

- 5.6.1 Each Supervisory Director has one (1) vote.
- 5.6.2 Resolutions of the Supervisory Board are adopted by a majority of votes cast, unless the law, the Articles of Association or these rules of procedure prescribe a larger majority.
- 5.6.3 If more than two members of the Supervisory Board entitled to vote are represented during a meeting of the Supervisory Board, the Chairperson - if entitled to vote - shall cast the deciding vote in the event of a tie. In other cases in the event of a tie vote, the relevant proposal shall be deemed to have been rejected.
- 5.6.4 If there is insufficient agreement on a proposed resolution during the meeting, the Meeting Chairperson may defer the proposal for further discussion or withdraw the proposal.

## **5.7 MEETING MINUTES**

The Meeting Secretary prepares the meeting minutes. The minutes are adopted:

- (a) by a resolution adopted at a next Supervisory Board meeting; or
- (b) by the Meeting Chairperson and Meeting Secretary of the particular meeting, after having consulted the Supervisory Directors present or represented at that meeting.

## **5.8 ADOPTING RESOLUTIONS WITHOUT HOLDING A MEETING**

- 5.8.1 The Supervisory Board may also adopt resolutions without holding a meeting, provided that:
- (a) the resolutions are adopted in writing or by reproducible electronic communication; and
  - (b) all Supervisory Directors entitled to vote have consented to adopting the resolutions without holding a meeting.
- 5.8.2 Clauses 5.6.1 through 5.6.3 apply to adopting resolutions without holding a meeting.

## **5.9 EVIDENCE OF ADOPTED RESOLUTIONS**

- 5.9.1 Resolutions can be evidenced by the minutes, a statement or an extract of the particular meeting signed by the Meeting Chairperson and Meeting Secretary of that meeting.
- 5.9.2 Resolutions of any meeting can be evidenced by a statement signed by the Chairperson and the Company Secretary.

## **6. CONFLICTS OF INTEREST**

### **6.1 PREVENTING CONFLICTS OF INTEREST**

- 6.1.1 Any conflict of interest between the Company and Supervisory Directors must be prevented. The Supervisory Board is responsible for dealing with any conflicts of interest that Supervisory Directors may have in relation to the Company.
- 6.1.2 Supervisory Directors must be alert to conflicts of interest and may not:
- (a) compete with the Company;
  - (b) demand or accept substantial gifts from the Company for themselves or their spouse, 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 at the Company's expense; or
  - (d) take advantage of business opportunities that the Company is entitled to, for themselves or for their spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree.

### **6.2 DEFINITION**

- 6.2.1 For purposes of clauses 6.1 through 6.6, a "conflict of interest" means a direct or indirect personal conflict of interest within the meaning of article 2:140(5) BW.
- 6.2.2 A Supervisory Director has a potential conflict of interest if the Company intends to enter into a transaction with a legal entity:
- (a) in which that Supervisory Director personally has a material financial interest as referred to in the Code; or
  - (b) whose management or supervisory board includes a member who has a family law relationship with that Supervisory Director.

### **6.3 CONSEQUENCES**

- 6.3.1 A Supervisory Director may not participate in the Supervisory Board's or a committee's deliberations and decision-making process on a subject where the Supervisory Director is found to have a conflict of interest pursuant to clause 6.5.
- The Supervisory Director does not qualify as a Supervisory Director entitled to vote in relation to that subject.
- 6.3.2 A Supervisory Director who temporarily takes on the management of the Company while all Managing Director positions are vacant or all Managing Directors are unable to act, resigns from the Supervisory Board.

### **6.4 OBLIGATION TO REPORT**

- 6.4.1 Other than the Chairperson or Vice-Chairperson, a Supervisory Director must, without delay, report any conflict of interest or potential conflict of interest that is of material significance to the Company, the Business or to the relevant Supervisory Director, to the Chairperson, or in the Chairperson's absence, the Vice-Chairperson. The Chairperson must, without delay, report any conflict of interest or potential conflict of interest that is of material significance to the Company, the Business or to the Chairperson, to the Vice-Chairperson or, in the Vice-Chairman's absence, to the other Supervisory Directors. The Vice-Chairperson must, without delay, report any conflict of interest or potential conflict of interest that is of material significance to the Company, the Business or to the Vice-Chairperson to the Chairperson or, in the Chairperson's absence, to the other Supervisory Directors. If both the Chairperson and the Vice-Chairperson have a conflict of interest or potential conflict of interest that is of material significance to the Company, the Business or to the relevant Supervisory Director with respect to the same matter, they will report and provide information to one of the other Supervisory Directors. The Supervisory Director concerned must provide all relevant information, including any relevant information concerning his or her spouse, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree.
- 6.4.2 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. The Supervisory Board shall decide whether there is a conflict of interest. In the event the Supervisory Board concludes 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 management report.



## **6.5 DETERMINATION OF CONFLICTS OF INTEREST**

The Supervisory Board decides whether a Supervisory Director has a conflict of interest, without the Supervisory Director concerned being present.

## **6.6 AT ARM'S LENGTH. SUPERVISORY BOARD APPROVAL**

6.6.1 Matters on a subject where the Supervisory Board has found one or more Supervisory Directors to have a conflict of interest and if the conflict of interest is of material significance to the Company or to the relevant Supervisory Director, require the approval of the Supervisory Board. The Supervisory Board decides on the approval in a meeting without the Supervisory Director concerned being present. The Supervisory Board may only grant its approval if the transaction is to be entered into by the Company on terms that are customary in the market.

6.6.2 Resolutions as referred to in 6.6.1 are published in the management report, together with a statement of the conflict of interest and a declaration that Best Practice provisions 2.7.3 and 2.7.4 of the Code have been complied with.

## **6.7 LOANS AND GUARANTEES**

The Company may not grant any personal loans, guarantees or similar facilities to a Supervisory Director, unless it does so in the normal course of business and on terms applicable to the Company's personnel as a whole, and after the Supervisory Board's approval. Loans may not be waived.

## **7. MISCONDUCT AND IRREGULARITIES**

7.1.1 The Management Board and the Executive Committee inform the Chairperson without delay of any signs of actual or suspected material misconduct or irregularities within the Company and the Business. If the actual or suspected misconduct or irregularity pertains to the functioning of a Managing Director or Executive Committee Member, employees report this directly to the Chairperson.

7.1.2 The external auditor informs the chairperson of the Audit Committee without delay if, during the performance of his duties, he or she discovers or suspects an instance of misconduct or irregularity. If the actual or suspected misconduct or irregularity pertains to the functioning of a Managing Director or an Executive Committee Member, the external auditor reports this directly to the Chairperson.

7.1.3 The Supervisory Board monitors the operation of the procedure for reporting actual or suspected misconduct or irregularities, appropriate and independent investigations into signs of misconduct or irregularities, and, if an instance of misconduct or irregularity has been discovered, an adequate follow-up of any recommendations for remedial actions.

7.1.4 In order to safeguard the independence of the investigation in cases where the Management Board or the Executive Committee is involved, the Supervisory Board may initiate its own investigation into any irregularities that have been discovered and to coordinate this investigation.

## **8. RELATIONSHIP WITH THE MANAGEMENT BOARD, THE EXECUTIVE COMMITTEE AND THE GENERAL MEETING**

### **8.1 MAIN CONTACT**

The Chairperson is the main contact on behalf of the Supervisory Board for the Management Board and the General Meeting.

### **8.2 GENERAL MEETING - REQUESTS FOR INFORMATION**

8.2.1 The Supervisory Board adequately provides any information the General Meeting requires, unless overriding interests (zwaarwegende belangen) of the Company or any laws, rules or regulations applicable to the Company prevent the Supervisory Board from doing so.

8.2.2 If the Supervisory Board decides not to provide the General Meeting with all information requested based on overriding interests of the Company, the Supervisory Board must explain this.

### **8.3 MANAGEMENT BOARD - RESOLUTIONS REQUIRING SUPERVISORY BOARD APPROVAL**

In addition to Management Board resolutions that are subject to the Supervisory Board's approval pursuant to the law, the Articles of Association or the rules of procedure of the Management Board and the Executive Committee, Annex 1 to the rules of procedure of the Management Board and the Executive Committee lists the resolutions that the Supervisory Board has made subject to Supervisory Board approval.

### **8.4 MANAGEMENT BOARD - ANNUAL EVALUATION**

- 8.4.1 The Supervisory Board regularly, and at least annually, evaluates the performance of the Management Board and the Managing Directors individually. The Supervisory Board discusses the conclusions of this evaluation, including in relation to the succession of Managing Directors. The evaluation takes place without the Managing Directors being present.
- 8.4.2 Other than a Founder, a Managing Director retires early in the event of inadequate performance, structural incompatibility of interests, and in other instances in which the Supervisory Board deems this necessary.

### **8.5 MANAGING DIRECTORS, EXECUTIVE COMMITTEE MEMBERS AND MAJORITY SHAREHOLDERS - CONFLICTS OF INTEREST**

- 8.5.1 The Supervisory Board is responsible for dealing with conflicts of interest between Managing Directors, Executive Committee Members or major shareholders and the Company.
- 8.5.2 The rules of procedure of the Management Board and the Executive Committee set out the following rules on conflicts of interest for Managing Directors or Executive Committee Members:
  - (a) a Managing Director or Executive Committee Member must, without delay, report any conflict of interest or potential conflict of interest that is of material significance to the Company, to the Chairperson and the other Managing Directors. The Managing Director or Executive Committee Member must provide all relevant information, including any relevant information concerning his or her spouse, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree;
  - (b) the Supervisory Board decides whether a Managing Director or an Executive Committee Member has a conflict of interest, without the Managing Director or Executive Committee Member being present; and
  - (c) Management Board- or Executive Committee resolutions on a subject where the Supervisory Board has found one or more Managing Directors respectively Executive Committee Members to have a conflict of interest (i) may only be adopted if the transaction is to be entered into by the Company on terms that are customary in the market, and (ii) require the approval of the Supervisory Board if the conflict of interest is of material significance to the Company or to the relevant Managing Director or Executive Committee Member.
- 8.5.3 Resolutions as referred to in 8.5.2 are published in the management report, together with a statement of the conflict of interest and a declaration that Best Practice provisions 2.7.3 and 2.7.4 of the Code have been complied with.
- 8.5.4 All transactions between the Company and legal or natural persons who hold at least ten percent (10%) of the shares in the Company that are of material significance to the Company or to those persons require the approval of the Supervisory Board. The Supervisory Board will only grant its approval if the transaction is to be entered into by the Company on terms that are customary in the market.
- 8.5.5 Transactions, as referred to in 8.5.4, are published in the management report, together with a declaration that Best Practice provision 2.7.5 of the Code has been complied with.

## **9. ANNUAL EVALUATION OF SUPERVISORY DIRECTORS AND REMUNERATION**

- 9.1.1 The Chairperson is the main contact on behalf of the Supervisory Board regarding the performance of Supervisory Directors other than the Chairperson. The Vice-Chairperson is the main contact on behalf of the Supervisory Board regarding the Chairperson's performance.

- 9.1.2 The Supervisory Board regularly, and at least annually, evaluates its own and the Supervisory Directors' performance without any Managing Directors being present. The performance of the various committees is evaluated as well. The Supervisory Board discusses the conclusions of the evaluation are discussed. Attention is paid to:
- (a) substantive aspects, the interaction within the Supervisory Board or committee, and the interaction with the Management Board;
  - (b) events that occurred in practice and from which lessons are learned; and
  - (c) the desired profile, composition, competencies and expertise of the Supervisory Board.
- 9.1.3 In the event of the early retirement of a Supervisory Director, the Company issues a press release mentioning the reasons for the departure.
- 9.1.4 The remuneration of the Supervisory Directors reflects the time spent and the responsibilities of their role. Supervisory Directors may not be awarded remuneration in the form of shares or rights to shares. Shares held by a Supervisory Director are long-term investments. Share transactions in the Company of a Supervisory Director are reported to the compliance officer of the Company in accordance with the insider trading policy of the Company.

## **10. POSITIONS OUTSIDE THE COMPANY**

- 10.1.1 A Supervisory Director informs the Supervisory Board before accepting positions outside the Company.
- 10.1.2 Other positions of Managing Directors and Supervisory Directors are discussed at a Supervisory Board meeting at least annually.
- 10.1.3 A Supervisory Director may not hold more than five (5) positions as supervisory director of other companies, for which purpose the chairpersonship of a supervisory board counts double.

## **11. CULTURE AND CODE OF CONDUCT**

- 11.1.1 The Management Board, the Executive Committee and the Supervisory Board are each responsible for stimulating openness and accountability within the Company. The Supervisory Board supervises the Management Board and the Executive Committee.
- 11.1.2 The Management Board discusses with the Supervisory Board the adopted values for the Company and the Business that contribute to a culture focused on long-term value creation.
- 11.1.3 The Management Board informs the Supervisory Board of its findings and observations relating to the effectiveness of, and compliance with, the Code of Conduct.
- 11.1.4 The conduct and culture in the Company and the Business are discussed in the consultations between the Management Board, the Executive Committee and the Supervisory Board.

## **12. CONFIDENTIALITY**

Each Supervisory Director must treat all information and documentation obtained in connection with his or her position as Supervisory Director with the necessary discretion, integrity and confidentiality.

## **13. MISCELLANEOUS**

### **13.1 MISCELLANEOUS**

- 13.1.1 The Supervisory Board may occasionally resolve not to comply with these rules of procedure.
- 13.1.2 The Supervisory Board may amend these rules of procedure.
- 13.1.3 These rules of procedure are posted on the Company's website.
- 13.1.4 If any provision of these rules of procedure is held to be or becomes invalid (in each case either in its entirety or in part) that provision will, to the extent of its invalidity, be deemed not to form part of these rules of procedure, but the validity of the remainder of these rules of procedure will not be affected.
- 13.1.5 If any provision of these rules of procedure is held to be or becomes inconsistent with the Articles of Association and / or Dutch law, the latter shall prevail.

### **13.2 GOVERNING LAW AND JURISDICTION**

- 13.2.1 These rules of procedure are governed exclusively by Dutch law.
- 13.2.2 Any disputes arising out of or in connection with these rules of procedure, including disputes concerning their applicability, will be resolved in first instance by the courts in Amsterdam, the Netherlands.



## SCHEDULE 1

### DEFINITIONS

- "Audit Committee"** means the committee of the Supervisory Board referred to in clause 3.2(a);
- "Articles of Association"** means the articles of association of the Company;
- "Business"** means the Company's business and the business of its affiliates (groepsmaatschappijen);
- "BW"** means the Dutch Civil Code (Burgerlijk Wetboek);
- "Chairperson"** means the Supervisory Director with the title Chairperson, in accordance with clause 2.3.1;
- "Chief Executive Officer"** means the chief executive officer of the Company;
- "Chief Financial Officer"** means the chief financial officer of the Company;
- "Code"** means the Dutch Corporate Governance Code;
- "Code of Conduct"** means the code of conduct of the Company;
- "Company"** means CM.com N.V.;
- "Company Secretary"** means the company secretary appointed in accordance with clause 4.2;
- "Executive Committee"** means the executive committee of the Company;
- "Executive Committee Member"** means a member of the Executive Committee, not being a Managing Director;
- "Founder"** means each of Jeroen van Glabbeek, born in Gilze en Rijen, the Netherlands, on 7 April 1979 and Gilbert Franciscus Adrianus Martinus Gooijers, born in Nieuw-Ginneken, the Netherlands, on 14 February 1979;
- "Founder Committee"** means the founder committee as instituted pursuant to the Articles of Association;
- "General Meeting"** means the corporate body that consists of shareholders and all other persons with voting rights, or the meeting in which the shareholders and all other persons with meeting rights assemble;
- "Group"** means the Company and all entities included in the group (groep, within the meaning of article 2:24b BW) headed by it;
- "Group Company"** means each company within the Group;
- "Management Board"** means the management board of the Company;
- "Managing Director"** means a member of the Management Board;
- "Meeting Chairperson"** means the Supervisory Director appointed as chairperson of a meeting, in accordance with clause 5.4;
- "Meeting Secretary"** means the Company Secretary or any other person designated as the meeting secretary by the Meeting Chairperson;
- "Nomination, Selection and Remuneration Committee"** means the committee of the Supervisory Board referred to in clause 3.2(b);
- "Schedule"** means a schedule to these rules of procedure;
- "Supervisory Board"** means the supervisory board of the Company;
- "Supervisory Director"** means a member of the Supervisory Board; and
- "Vice-Chairperson"** means the Supervisory Director with the title Vice-Chairperson, in accordance with clause 2.3.1.

## SCHEDULE 2

### GENERAL RESPONSIBILITIES OF THE SUPERVISORY BOARD

#### 1 GENERAL RESPONSIBILITIES OF THE SUPERVISORY BOARD

##### 1.1 GENERAL

- 1.1.1 The Supervisory Board supervises the policies, management and the general affairs of the Group, including the relations with shareholders. The Supervisory Board assists the Management Board and the Executive Committee with advice on general policies related to the Company and the Business.
- 1.1.2 The Supervisory Board supervises how the Management Board determines its position on the long-term value creation strategy and how the Management Board implements that strategy. The Supervisory Board regularly discusses the strategy, the implementation of the strategy and the principal risks associated with it. The report drawn up by the Supervisory Board accounts for its involvement in the establishment of the strategy, and the way in which it monitors the strategy's implementation.
- 1.1.3 In fulfilling its responsibilities, the Supervisory Board is guided by the interests of the Company and the Business.
- 1.1.4 Each Supervisory Director follows an induction programme. This programme covers general financial, social and legal affairs, financial reporting by the Company, specific aspects that are unique to the Company and its business activities, the Company's culture and the responsibilities of a Supervisory Director.
- 1.1.5 Each Supervisory Director conducts an annual review to identify the aspects with regard to which each Supervisory Director requires training or education.
- 1.1.6 The responsibilities of the Supervisory Board include supervising and advising the Management Board and the Executive Committee with respect to the following responsibilities of the Management Board and the Executive Committee:
- (a) setting the Company's management agenda;
  - (b) enhancing the Group's performance;
  - (c) developing a general strategy, including the strategy for realising long-term value creation, and taking into account risks connected to the Group's business activities;
  - (d) determining and pursuing operational and financial objectives;
  - (e) structuring and managing internal business control systems;
  - (f) overseeing the Group's financial reporting processes;
  - (g) ensuring the Group's compliance with applicable laws and regulations;
  - (h) ensuring compliance with and maintaining the Group's corporate governance structure;
  - (i) ensuring publication by the Company of any information required by applicable laws and regulations;
  - (j) preparing the Company's management report, the annual budget and significant capital expenditures;
  - (k) monitoring corporate social responsibility issues;
  - (l) ensuring that internal procedures are established and maintained which safeguard that all relevant information is known to the Management Board and the Supervisory Board in a timely fashion;
  - (m) developing a procedure for reporting actual or suspected misconduct or irregularities, and taking appropriate follow-up action on the basis of these reports;
  - (n) discussing the items reported on by the Audit Committee under Best Practice provision 1.5.3 of the Code;
  - (o) ensuring that the external auditor receives all necessary information to perform his work in a timely fashion. The Management Board gives the external auditor the opportunity to respond to the information provided; and
  - (p) ensuring that the draft audit plan is discussed with the external auditor before the external auditor presents it to the Audit Committee.
- 1.1.7 In addition, the responsibilities and tasks of the Supervisory Board include:

- (a) drawing up the Company's diversity policy for the composition of the Management Board, the Executive Committee and the Supervisory Board;
- (b) selecting and nominating individuals for appointment by the General Meeting as Managing Director;
- (c) proposing the remuneration policy for Managing Directors for adoption by the General Meeting and determining the remuneration and the employment terms for the individual Managing Directors in conformity with the remuneration policy;
- (d) selecting and nominating individuals for appointment by the General Meeting as Supervisory Directors and informing the Founder Committee if and when the Founder Committee may exercise its rights;
- (e) proposing the remuneration for Supervisory Directors for adoption by the General Meeting;
- (f) reviewing the performance of the Supervisory Board, its committees, and individual Supervisory Directors and discussing the conclusions that must be drawn on the basis of this review at least on an annual basis;
- (g) reviewing the performance of the Management Board and individual Managing Directors and discussing the conclusions that must be drawn on the basis of this review at least on an annual basis;
- (h) selecting and nominating for appointment by the General Meeting of the Company's external auditor;
- (i) reviewing and approving any resolution of the Management Board concerning matters that require approval of the Supervisory Board pursuant to the law, the Articles of Association or clause 8.3 of these rules of procedure;
- (j) dealing with conflicts of interest regarding Managing Directors, Executive Committee Members, Supervisory Directors and majority shareholders in relation to the Company; and
- (k) giving the external auditor a general idea of the content of the reports that relate to the external auditor's performance.

The Audit Committee submits a proposal to the Supervisory Board for the external auditor's engagement to audit the financial statements. In formulating the terms of engagement, attention is paid to the scope of the audit, the materiality to be used and remuneration for the audit. The Supervisory Board takes the decision on the engagement.

The main conclusions of the Supervisory Board regarding the external auditor's proposed engagement and the outcome of the external auditor selection process are communicated to the General Meeting.

The Supervisory Board may examine the most important points of discussion arising between the external auditor and the Management Board about the draft management letter or the draft audit report.

- 1.1.8 The Supervisory Board and each Supervisory Director have their own responsibility for obtaining any information that the Supervisory Board needs to properly function as a supervisory board from the Management Board, the Executive Committee, the internal audit function and the external auditor.

## 1.2 REPORT OF THE SUPERVISORY BOARD

The Supervisory Board shall describe in the report of the Supervisory Board its activities in the financial year. The report of the Supervisory Board shall at least include the following information:

- (a) a discussion of developments in the field of corporate governance and consideration of any changes required with respect to the governance of the Company;
- (b) the absenteeism rate from the Supervisory Board – and the committee meetings of each Supervisory Director;
- (c) a statement on the independence of the Supervisory Directors;
- (d) a report on the individual committees, stating the number of meetings held and the main items discussed;
- (e) the following information about each Supervisory Director: gender, age, profession, principal position, nationality, other positions, in so far as they are relevant to the performance of the duties of the Supervisory Board, date of initial appointment and current term of office; and
- (f) the main elements of the remuneration report.

### **1.3 TAKEOVER BIDS**

When a takeover bid for the Company's shares is being prepared, in the event of a private bid for a business unit or a participating interest, where the bid's value exceeds the threshold referred to in article 2:107a(1)(c) BW, or in the event of other substantial changes in the structure of the organisation, the Management Board ensures that the Supervisory Board is closely and timely involved in the takeover process or the structure change.



## **SCHEDULE 3**

### **RESPONSIBILITIES OF THE CHAIRPERSON AND THE VICE-CHAIRPERSON**

#### **1. RESPONSIBILITIES OF THE CHAIRPERSON AND THE VICE-CHAIRPERSON**

##### **1.1 CHAIRPERSON**

1.1.1 The Chairperson is primarily responsible for ensuring that:

- (a) the Supervisory Board has proper contact with the Management Board, the Executive Committee and the General Meeting;
- (b) the Supervisory Board elects a Vice-Chairperson;
- (c) there is sufficient time for deliberation and decision-making by the Supervisory Board;
- (d) the Supervisory Directors receive all information that is necessary for the proper performance of their duties in a timely fashion;
- (e) the Supervisory Board and its committees function properly;
- (f) the performance of individual Managing Directors and Supervisory Directors is assessed at least annually;
- (g) the Supervisory Directors, Managing Directors and Executive Committee Members follow their induction programme;
- (h) the Supervisory Directors, Managing Directors and Executive Committee Members follow their education or training programme;
- (i) the Founder Committee is adequately informed if it may exercise any of its rights;
- (j) the Management Board performs activities in respect of culture;
- (k) the Supervisory Board recognises signs from the Business and ensures that any material misconduct and irregularities, or suspicion thereof, are reported to the Supervisory Board without delay;
- (l) the General Meeting proceeds in an orderly and efficient manner;
- (m) effective communication with shareholders is assured; and
- (n) the Supervisory Board is involved closely, and at an early stage, in any merger or takeover process.

1.1.2 The Chairperson must consult regularly with the Chief Executive Officer.

##### **1.2 VICE-CHAIRPERSON**

The Vice-Chairperson deputises for the Chairperson in the event that the position of Chairperson is vacant (ontstentenis) or if the Chairperson is unable to act (belet).

## SCHEDULE 4

### AUDIT COMMITTEE CHARTER

#### 1. ROLE, RESPONSIBILITIES AND COMPOSITION OF THE AUDIT COMMITTEE

##### 1.1 ROLE AND RESPONSIBILITIES

1.1.1 The Audit Committee prepares the Supervisory Board's decision-making regarding the supervision of the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control systems.

1.1.2 The Audit Committee focuses on monitoring the Management Board and the Executive Committee in matters including:

- (a) relations with the internal and external auditors, and compliance with and follow-up on their recommendations and comments;

The internal audit function has sufficient resources to execute the internal audit plan and has access to information that is important for the performance of its work. The internal audit function has direct access to the Audit Committee and the external auditor. Records are kept of how the Audit Committee is informed by the internal audit function.

The internal audit function reports its audit results to the Management Board and the essence of its audit results to the Audit Committee and informs the external auditor. The findings of the internal audit function includes the following:

- (i) any flaws in the effectiveness of the internal risk management and control systems;
- (ii) any findings and observations with a material impact on the risk profile of the Business; and
- (iii) any failings in the follow-up of recommendations made by the internal audit function.

- (b) the Company's funding;

- (c) the application of information and communication technology by the Company, including risks relating to cybersecurity; and

- (d) the Company's tax policy.

1.1.3 In addition, the Audit Committee carries out the following duties:

- (a) recommending persons for appointment as senior internal auditor;

- (b) annually forming a position on how the internal audit function fulfils its responsibility;

The Management Board discusses the effectiveness of the design and operation of the internal risk management and control systems referred to in Best Practice provisions 1.2.1 through 1.2.3 of the Code with the Audit Committee, and accounts for this to the Supervisory Board.

- (c) if the Company does not have an internal audit department, recommending annually to the Supervisory Board whether adequate alternative measures have been taken. The Supervisory Board includes the conclusions, along with any resulting recommendations and alternative measures, in the Supervisory Board's report;

- (d) reporting annually to the Supervisory Board on the functioning of, and the developments in, the relationship with the external auditor;

The Audit Committee advises the Supervisory Board regarding the external auditor's nomination for appointment/reappointment or dismissal and prepares the selection of the external auditor. The Audit Committee gives due consideration to the Management Board's observations during this process. Based on this, among other things, the Supervisory Board determines its nomination for the appointment of the external auditor to the general meeting.

- (e) submitting a proposal to the Supervisory Board for the external auditor's engagement to audit the financial statements;

The Management Board plays a facilitating role in this process. In formulating the terms of engagement, attention is paid to the scope of the audit, the materiality to be used and the remuneration for the audit. The Supervisory Board takes the decision on the engagement.

If a new external auditor is to be engaged by the Company the Audit Committee motivates the proposal as referred to in this article. The proposal states at least two options for a possible external auditor to be engaged by the Company and explains the Audit Committee's preferred option. The proposal furthermore states that the decision-making of the Audit Committee in this regard is not influenced by any third party or by any agreement.

- (f) annually discussing the draft audit plan with the external auditor, including:
  - (i) the scope and materiality of the audit plan and the principal risks of the annual reporting identified by the external auditor in the audit plan; and
  - (ii) based also on the documents used to develop the audit plan, the findings and outcome of the audit work carried out on the financial statements and the management letter;
- (g) determining whether and, if so, how the external auditor is involved in the content and publication of financial reports other than the financial statements; and
- (h) meeting with the external auditor as often as it considers necessary, but at least annually, without Managing Directors being present.

1.1.4 The Audit Committee also carries out the following duties:

- (a) monitoring the financial reporting process and drawing up proposals to safeguard the integrity of this process;
- (b) monitoring the effectiveness of the internal control systems, the internal audit function and risk management systems with regard to the Company's financial reporting;
- (c) monitoring the statutory audit of the annual accounts and the consolidated annual accounts and answer any questions about the Audit Committee's activities at the General Meeting of the Company;
- (d) issuing preliminary advice to the Supervisory Board regarding the approval of the annual accounts and the annual budget and major capital expenditures;
- (e) assessing and monitoring the independence of the external auditor or the audit firm of the Company, if applicable, specifically taking into account the extension of ancillary services to the Company; and
- (f) determining the selection process for the external auditor or the audit firm of the Company, if applicable and the nomination to extend the assignment to carry out the statutory audit.

## 1.2 COMPOSITION

- 1.2.1 The Supervisory Board determines the size of the Audit Committee, provided that the Audit Committee consists of at least two (2) members.
- 1.2.2 At least one (1) member of the Audit Committee must have specific expertise in financial reporting and in the reviewing of financial reports.

## 1.3 CHAIRPERSON

- 1.3.1 The Supervisory Board appoints one (1) of the members of the Audit Committee as chairperson of the Audit Committee. The chairperson shall be primarily responsible for the proper functioning of the Audit Committee. He or she shall act as the spokesman or -woman of the Audit Committee and shall be the main contact for the Supervisory Board.
- 1.3.2 The Chairperson or a former Managing Director may not serve as chairperson of the Audit Committee.

## 2. MEETINGS AND DECISION-MAKING

Clause 5 of these rules of procedure applies equally to the meetings and decision-making of the Audit Committee, provided that:

- (a) meetings of the Audit Committee are attended by the Chief Financial Officer, the internal auditor and the external auditor, unless the Audit Committee determines otherwise; and
- (b) the Audit Committee may decide that, and if so, when the Chief Executive Officer attends its meetings.

### **3. REPORT TO THE SUPERVISORY BOARD**

3.1.1 The Audit Committee reports on its deliberations and findings to the Supervisory Board. This report includes the following information:

- (a) how the duties of the Audit Committee were carried out in the financial year;
- (b) the composition of the Audit Committee;
- (c) the number of meetings of the Audit Committee and the main items discussed at those meetings;
- (d) the methods used to assess the effectiveness of the design and operation of the internal risk management and control systems referred to in Best Practice provisions 1.2.1 through 1.2.3 of the Code;
- (e) the methods used to assess the effectiveness of the internal and external audit processes;
- (f) material considerations regarding financial reporting; and
- (g) the way material risks and uncertainties referred to in Best Practice provision 1.4.3 of the Code have been analysed and discussed, along with a description of the most important findings of the Audit Committee.

3.1.2 In particular, the Audit Committee reports on the results of the annual statutory audit to the Supervisory Board. This report includes information on how the audit has contributed to the integrity of the financial reporting, and also addresses the role of the Audit Committee in the audit.



## SCHEDULE 5

### NOMINATION, SELECTION AND REMUNERATION COMMITTEE CHARTER

#### 1. RESPONSIBILITIES AND COMPOSITION OF THE NOMINATION, SELECTION AND REMUNERATION COMMITTEE

##### 1.1 RESPONSIBILITIES

- 1.1.1 The Nomination, Selection and Remuneration Committee prepares the Supervisory Board's decision-making regarding the determination of the remuneration of individual Managing Directors, including severance payments.
- 1.1.2 The remuneration in the event of dismissal of a Managing Director does not exceed the annual salary (the 'fixed remuneration' component). Severance pay is not awarded if the agreement is terminated early at the initiative of the Managing Director, or in the event of seriously culpable or negligent behaviour on the part of the Managing Director.
- 1.1.3 The Nomination, Selection and Remuneration Committee submits a proposal to the Supervisory Board concerning the remuneration of each Managing Director. The proposal is drawn up according to the remuneration policy that has been established and in any event covers:
- (a) the objectives of the strategy for the implementation of long-term value creation within the meaning of Best Practice provision 1.1.1 of the Code;
  - (b) the scenario analyses carried out in advance;
  - (c) the pay ratios within the Company and the Business;
  - (d) the development of the market price of the shares;
  - (e) an appropriate ratio between the variable and fixed remuneration components. The variable remuneration component is linked to measurable performance criteria determined in advance, which are predominantly long-term in character;
  - (f) if shares are being awarded, the terms and conditions governing this. Shares should be held for at least five years after they are awarded; and
  - (g) if share options are being awarded, the terms and conditions governing this and the terms and conditions for exercising the share options. Share options may not be exercised during the first three (3) years after they have been awarded.
- 1.1.4 The Nomination, Selection and Remuneration Committee will take note of individual Managing Directors' own views with regard to the amount and structure of their own remuneration. The Managing Directors will be requested to pay attention to the aspects referred to under (a) through (g) of clause 1.1.2 of this Nomination, Selection and Remuneration Committee Charter.
- 1.1.5 The Nomination, Selection and Remuneration Committee report on an annual basis to the Supervisory Board on the application of the remuneration policy in the previous year and recommends the remuneration policy for the following year.
- 1.1.6 The Nomination, Selection and Remuneration Committee prepares the Supervisory Board's decision-making regarding:
- (a) the drawing up of selection criteria and appointment procedures for Managing Directors and Supervisory Directors;
  - (b) the periodical assessment of the size and composition of the Management Board and the Supervisory Board and the consultation with the Founder Committee thereon, and the making of proposal for a composition profile of the Supervisory Board;
  - (c) the periodical assessment of the performance of individual Managing Directors and Supervisory Directors and reporting this to the Supervisory Board;
  - (d) the drawing up of a plan for the succession of Managing Directors and Supervisory Directors;
  - (e) the proposal for appointment and re-appointment of Managing Directors and Supervisory Directors;
  - (f) the supervision of the policy of the Management Board regarding the selection criteria and appointment procedures for senior management; and

- (g) the drawing up of the Company's diversity policy for the composition of the Management Board, the Executive Committee and the Supervisory Board.

## **1.2 COMPOSITION**

- 1.2.1 The Supervisory Board determines the size of the Nomination, Selection and Remuneration Committee, but the Nomination, Selection and Remuneration Committee must consist of at least two (2) members.
- 1.2.2 The Supervisory Board appoints the members of the Nomination, Selection and Remuneration Committee.

## **1.3 CHAIRPERSON**

- 1.3.1 The Supervisory Board appoints one (1) of the members of the Nomination, Selection and Remuneration Committee as chairperson of the Nomination, Selection and Remuneration Committee. The chairperson shall be primarily responsible for the proper functioning of the Nomination, Selection and Remuneration Committee. He or she shall act as the spokesman or -woman of the Nomination, Selection and Remuneration Committee and shall be the main contact for the Supervisory Board.
- 1.3.2 The Chairperson or a former Managing Director may not serve as chairperson of the Nomination, Selection and Remuneration Committee.

## **2. MEETINGS AND DECISION-MAKING**

Clause 5 of these rules of procedure applies equally to the meetings and decision-making of the Nomination, Selection and Remuneration Committee, provided that, provided that meetings of the Nomination, Selection and Remuneration Committee may be attended by the Vice-President Global Human Resources and the Managing Directors (except if the remuneration of such Managing Director is discussed), and meetings are held in accordance with a meeting schedule to be annually set by the Supervisory Board, but at least two (2) times a year.

## **3. REPORT TO THE SUPERVISORY BOARD**

- 3.1.1 The Nomination, Selection and Remuneration Committee reports on its deliberations and findings to the Supervisory Board. This report includes information on how the duties of the Nomination, Selection and Remuneration Committee were carried out in the financial year, and also reports on the composition of the Nomination, Selection and Remuneration Committee, the number of meetings of the Nomination, Selection and Remuneration Committee and the main items discussed at those meetings.
- 3.1.2 The Nomination, Selection and Remuneration Committee describes, in a transparent manner, in addition to the matters required by law:
  - (a) how the remuneration policy has been implemented in the past financial year;
  - (b) how the implementation of the remuneration policy contributes to long- term value creation;
  - (c) that scenario analyses have been taken into consideration;
  - (d) the pay ratios within the Company and the Business and, if applicable, any changes in these ratios in comparison with the previous financial year;
  - (e) in the event that a Managing Director receives variable remuneration, how this remuneration contributes to long-term value creation, the measurable performance criteria determined in advance and on which the variable remuneration depends, and the relationship between the remuneration and performance; and
  - (f) in the event that a current or former Managing Director receives a severance payment, the reason for this payment.
- 3.1.3 The main elements of the agreement of a Managing Director with the Company is published on the Company's website in a transparent overview after the agreement has been concluded, and in any event no later than the date of the notice calling the General Meeting where the appointment of the Managing Director will be proposed.