

**RULES GOVERNING THE PRINCIPLES AND PRACTICES OF THE SUPERVISORY  
BOARD OF SHOP APOTHEKE EUROPE N.V.**

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## CHAPTER I - INTRODUCTION

### 1. INTRODUCTION

- 1.1 These rules (the **Rules**) govern the principles and practices of the supervisory board (the **Supervisory Board**) of Shop Apotheke Europe N.V. (the **Company**) and have been drawn up pursuant to article 23.8 of the Articles of Association of the Company (the **Articles**). These Rules are complementary to the rules and regulations applicable to the Supervisory Board under Dutch law, the Articles and applicable provisions of German law, including the rules and regulations to which the Company is subject by virtue of its listing on the Frankfurt Stock Exchange. Where these Rules are inconsistent with the Articles, applicable German law or Dutch law, the latter shall prevail. Where these Rules are consistent with the Articles but inconsistent with Dutch law or German law (as applicable), Dutch law or German law shall prevail, respectively. The Rules implement and reflect the principles embodied in the Dutch corporate governance code (the **Code**) effective as per 1 January 2017, as amended by the Dutch Corporate Governance Code Monitoring Committee from time to time.
- 1.2 The Rules were adopted by the Supervisory Board on 14 April 2022 and replace the rules which applied until that date.
- 1.3 The following annexes are attached to, and form an integral part of, the Rules:
- 1.3.1 Annex A – the Supervisory Board Profile; and
- 1.3.2 Annex B – the rotation schedule of the Supervisory Board.
- 1.4 The Rules will be made available on the Company's website.

## CHAPTER II – COMPOSITION, INDEPENDENCE, (RE-)APPOINTMENT, REMUNERATION, INDUCTION PROGRAM AND COMMITTEES

### 2. COMPOSITION, PROFILE, EXPERTISE AND INDEPENDENCE

- 2.1 The Supervisory Board consists of one or more members in accordance with article 20.1 of the Articles. The General meeting of shareholders of the Company (the **General Meeting**) shall determine the number of members of the Supervisory Board. The Supervisory Board shall prepare a profile of its scope and composition, taking into account the nature and the activities of the enterprise affiliated with the Company. The profile shall address the desired expertise, background, and independence of the Supervisory Board members and the desired diverse composition and size of the Supervisory Board. The profile of the Supervisory Board is attached as Annex A and shall be updated when necessary. The profile shall be made generally available and shall be posted on the Company's website.
- 2.2 The composition of the Supervisory Board shall be such that the combined background, expertise, competencies and independence of its members meet the profile attached as Annex A and enables the Supervisory Board to best carry out the variety of its responsibilities and duties to the Company and all others involved in the Company (including its shareholders), consistent with applicable law and regulations.

- 2.3 With regard to the composition and selection of members of the Supervisory Board, the Supervisory Board aims to comply with the Code, and the aim is for a balance in terms of gender, age, experience, independence and active and retired background. In composing the Supervisory Board, the following requirements must be observed:
- 2.3.1 each of its members must match the profile attached as Annex A;
  - 2.3.2 members of the Supervisory Board may not hold more (supervisory) board positions at large companies or foundations, than prescribed in Section 2:142a of the Dutch Civil Code (the *DCC*);
  - 2.3.3 at least one of the members of the Supervisory Board must have relevant expertise in financial administration and accounting for listed companies or other large companies;
  - 2.3.4 the chairperson of the Supervisory Board may not be a former member of the Managing Board of the Company (the *Managing Board*) and should be independent pursuant to Article 2.4 below;
  - 2.3.5 any one of the criteria referred to in Article 2.4.1 – 2.4.5 below shall apply to at most one member of the Supervisory Board;
  - 2.3.6 for each shareholder, or group of affiliated shareholders who directly or indirectly hold more than 10% of the shares in the Company, there is at most one member of the Supervisory Board who can be considered to be affiliated with or representing them as stipulated in Article 2.4.6 – 2.4.7 below; and
  - 2.3.7 the total number of members of the Supervisory Board to whom the criteria referred to in Article 2.4 below are applicable shall account for less than half of the total number of Supervisory Board members.
- 2.4 A member of the Supervisory Board shall be deemed to be independent if the following criteria of dependence do not apply to him/her. These criteria are that the member of the Supervisory Board concerned or his/her spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree as defined under Dutch law:
- 2.4.1 has been an employee of the Company or member of the Managing Board (including associated companies as referred to in Section 5:48 of the Financial Supervision Act (*Wet op het financieel toezicht*)) in the five years prior to the appointment;
  - 2.4.2 receives personal financial compensation from the Company, or a company associated with it, other than the compensation received for the work performed as a member of the Supervisory Board and in so far as this is not fitting in with the normal course of business;
  - 2.4.3 has had an important business relationship with the Company, or a company associated with it, in the year prior to the appointment. This includes the case where the member of the Supervisory Board, or the firm of which he/she is a shareholder, partner, associate or adviser, has acted as adviser to the Company (consultant,

external auditor, civil notary or lawyer) and the case where the member of the Supervisory Board is a member of the managing board or an employee of any bank with which the Company has a lasting and significant relationship;

- 2.4.4 is a member of the managing board of a company in which a member of the Managing Board is a member of the supervisory board of that company;
  - 2.4.5 has temporarily performed management duties during the previous 12 months where members of the Managing Board have been absent or incapable to discharge their duties;
  - 2.4.6 holds at least 10% of the shares in the Company (including the shares held by natural persons or legal entities which cooperate with him/her under an express or tacit, oral or written agreement); and
  - 2.4.7 is a member of the managing board or member of the supervisory board - or is a representative in some other way - of a legal entity which holds at least 10% of the shares in the Company, unless such entity is a member of the same group as the Company.
- 2.5 Members of the Supervisory Board shall report any other positions they may have to the Supervisory Board in advance and, at least annually, the other positions should be discussed at the Supervisory Board meeting.
- 2.6 The Supervisory Board may appoint one or more members as "delegated" members of the Supervisory Board. Delegated members of the Supervisory Board are members of the Supervisory Board with a special task. The delegated authority may not exceed the responsibilities of the Supervisory Board itself and does therefore not include managing the Company. The delegated authority entails more intensive supervision and advice and more regular consultation with the Managing Board. The delegation shall be of a temporary nature only. The delegation may not detract from the duties and powers of the Supervisory Board. Delegated members of the Supervisory Board remain members of the Supervisory Board and shall report regularly on the execution of their special task to the plenary Supervisory Board.

### **3. (RE-)APPOINTMENT, TERM AND RESIGNATION**

- 3.1 The members of the Supervisory Board shall be appointed, suspended and dismissed in the manner stipulated in the Articles.
- 3.2 A member of the Supervisory Board shall be appointed for a maximum period of four years and may be reappointed once for another four-year period. The member of the Supervisory Board may subsequently be reappointed again for a period of two years, which appointment may be extended by at most two years. In the event of a reappointment after an eight-year period, reasons shall be given in the report of the Supervisory Board.
- 3.3 The Supervisory Board shall draw up a retirement and reappointment schedule ('rotation schedule') to prevent, to the greatest extent possible, reappointments occurring simultaneously. The rotation schedule of the Supervisory Board is attached as Annex B and shall be updated when necessary. The rotation schedule shall be made generally available and shall be posted on the Company's website. Subject to Article 3.4 of these Rules, members of the Supervisory Board shall resign in accordance with the rotation schedule.

- 3.4 Without prejudice to Article 3.1 of these Rules, members of the Supervisory Board shall retire early in the event of inadequate performance, structural incompatibility of interests, and other instances where retirement is deemed necessary at the discretion of the Supervisory Board.
- 3.5 Members of the Supervisory Board who take on the management of the Company temporarily, where the members of the Managing Board are absent or unable to discharge their duties, shall (temporarily) resign from the Supervisory Board.

#### **4. REMUNERATION**

- 4.1 The remuneration of the members of the Supervisory Board shall be determined by the General Meeting.
- 4.2 The Supervisory Board shall from time to time submit proposals, including a policy, to the General Meeting in respect of the remuneration to be paid to the members of the Supervisory Board. The remuneration of members of the Supervisory Board shall reflect the time spent and the responsibilities of their role. The remuneration of a member of the Supervisory Board may not be made dependent on the Company's results. If the members of the Supervisory Board are required to charge VAT on their fees, the Company shall pay the amount of VAT.
- 4.3 In fixing the remuneration of the members of the Supervisory Board, the following requirements must be observed:
- 4.3.1 none of its members shall be awarded remuneration in the form of shares in the Company or rights to such shares or may hold shares in the Company other than for long-term investment; and
- 4.3.2 none of its members may accept personal loans, guarantees or other facilities from the Company, unless in the normal course of business and on terms applicable to the personnel as a whole, with the approval of the Supervisory Board. No remission of loans may be granted.

#### **5. INDUCTION PROGRAM**

- 5.1 Once appointed, each member of the Supervisory Board shall follow an induction program geared to his/her role, prepared and sponsored by the Company, which, in any event, covers:
- 5.1.1 general financial, social and legal affairs;
- 5.1.2 financial reporting by the Company;
- 5.1.3 specific aspects that are unique to the Company and its business activities;
- 5.1.4 the Company culture and the relationship with the works council (if any); and
- 5.1.5 the responsibilities of a member of the Supervisory Board.
- 5.2 The Supervisory Board shall evaluate annually whether there are any other aspects in respect of which the members of the Supervisory Board require further training or education.

## **6. SUPERVISORY BOARD COMMITTEES**

- 6.1 The Supervisory Board may assign certain tasks to one or more permanent or ad hoc committees comprising of one or more members of the Supervisory Board. If the Supervisory Board consists of more than four members, it shall appoint (to the extent not already appointed) from among its members an audit committee, a nomination committee and a remuneration committee.
- 6.2 The Supervisory Board shall establish terms of reference for each committee and may amend these at any time. The terms of reference and the composition of the committees shall be published on the Company's website.
- 6.3 The function of the committees is to prepare the decision-making of the Supervisory Board. The Supervisory Board remains collectively responsible for decisions prepared by committees. The committees cannot adopt resolutions on behalf of the Supervisory Board. The Supervisory Board shall receive from each of the committees a report on its deliberations and findings.

## **CHAPTER III - FUNCTIONS, TASKS, RESPONSIBILITIES**

### **7. TASKS AND RESPONSIBILITIES OF THE SUPERVISORY BOARD**

- 7.1 The Supervisory Board shall be responsible for supervising the policy of the Managing Board and the general course of affairs of the Company and the enterprise connected with it. The Supervisory Board shall assist the Managing Board with advice. In the performance of their duties, the members of the Supervisory Board shall be guided by the interests of the Company and the enterprise connected with it; it shall take into account the relevant interests of all stakeholders in the Company (including the Company's shareholders). 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.
- 7.2 The Supervisory Board is not an executive body of the Company and does not carry out the management of the Company. The members of the Supervisory Board are not executive officers of the Company.
- 7.3 The responsibilities of the Supervisory Board, amongst others, shall include:
- 7.3.1 supervising, monitoring and advising the Managing Board on, amongst others: (i) the Company's performance, (ii) the development of the Company's (long-term value creation) strategy, the implementation thereof and the principal risks associated with it, and risks inherent to its business activities, (iii) the design and effectiveness of the internal risk management and control systems, (iv) the (integrity and quality of the) financial reporting process, (v) compliance with legislation and regulations, (vi) the Company-shareholder(s) relationship, (vii) corporate social responsibility issues that are relevant to the Company and (viii) the establishment and maintenance of internal procedures to safeguard that all relevant information is timely known to the Managing Board and Supervisory Board;
  - 7.3.2 disclosing, complying with and enforcing the Company's corporate governance structure;

- 7.3.3 examining the financial statements and approving the Company's annual budgets and major capital expenditures;
- 7.3.4 selecting and nominating the Company's external auditor for appointment by the General Meeting;
- 7.3.5 supervising the external auditor's functioning and maintaining regular contact with the external auditor;
- 7.3.6 supervising the internal audit function (if any), including approving the appointment and dismissal of the senior internal auditor, approving the internal audit plan and maintaining regular contact with the internal function;
- 7.3.7 assessing annually, if there is no separate department for the internal audit function, whether adequate alternative measures have been taken, partly on the basis of a recommendation issued by the audit committee, and considering whether it is necessary to establish an internal audit department;
- 7.3.8 selecting and recommending the appointment of the members of the Managing Board, proposing the remuneration policy for members of the Managing Board for adoption by the General Meeting, fixing the remuneration (in accordance with such remuneration policy) and contractual terms and conditions of engagement of members of the Managing Board, submitting a proposal in respect of the granting of share schemes or option schemes of members of the Managing Board to the General Meeting for its approval;
- 7.3.9 selecting and recommending the appointment of the members of the Supervisory Board and proposing the remuneration policy for and the remuneration (in accordance with such remuneration policy) of its members for approval by the General Meeting;
- 7.3.10 drawing up selection criteria and (re)appointment procedures for members of the Managing and Supervisory Board, as well as a sound plan for the succession of members of the Managing and Supervisory Board, that is aimed at retaining the balance in the requisite expertise, experience and diversity, with due regard to the diversity policy (once adopted) and the profile in Annex A to these Rules;
- 7.3.11 drawing up the Company's diversity policy for the composition of the Managing Board and the Supervisory Board, which policy shall (once adopted) address concrete targets relating to diversity and the diversity aspects relevant to the Company such as nationality, age, gender, and education and work background;
- 7.3.12 evaluating and assessing at least once a year (outside the presence of the Managing Board) the functioning of the Managing Board, the Supervisory Board and its committees, and their individual members (including the evaluation of the Supervisory Board's induction, education and training program) and discussing the conclusions that are attached to such evaluation;
- 7.3.13 handling, and deciding on, reported potential conflicts of interests between the Company on the one side and members of the Managing Board, members of the

Supervisory Board, the external auditor and the major shareholder(s) on the other side; and

7.3.14 monitoring 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; in cases where the Managing Board itself is involved, the Supervisory Board may initiate its own investigation into any signs of misconduct and irregularities, and coordinate this investigation.

7.4 The Supervisory Board and its individual members each have their own responsibility for obtaining all information from the Managing Board, the internal audit function (if any), the works council (if any) and the external auditor that the Supervisory Board needs in order to be able to carry out its duties properly as a supervisory body. If the Supervisory Board considers it necessary, it may obtain information from officers and external advisers of the Company. The Company shall provide the necessary means for this purpose.

## **8. FUNCTIONS OF THE CHAIRPERSON, VICE-CHAIRPERSON AND COMPANY SECRETARY**

8.1 The Supervisory Board shall appoint one of its members as chairperson of the Supervisory Board (the *Chairperson*) who shall ensure the proper functioning of the Supervisory Board as a whole. The Supervisory Board shall appoint one of its members as vice-chairperson of the Supervisory Board (the *Vice-Chairperson*) who shall take the place of the Chairperson in the Chairperson's absence. The Chairperson shall act on behalf of the Supervisory Board as the main contact for the Managing Board, members of the Supervisory Board and shareholders regarding the functioning of the members of the Managing Board and Supervisory Board. The Chairperson shall consult regularly with the chairperson of the Managing Board. The Vice-Chairperson shall act as contact for individual members of the Supervisory Board and members of the Managing Board concerning the functioning of the Chairperson. The Chairperson determines the agenda and chairs the meetings of the Supervisory Board.

8.2 The Chairperson shall in any case ensure that:

8.2.1 the Supervisory Board has proper contact with the Managing Board, the General Meeting and the works council (if any);

8.2.2 the members of the Supervisory Board receive all information that is necessary for the proper performance of their duties in a timely fashion;

8.2.3 there is sufficient time for consultation, deliberation and decision-making by the Supervisory Board;

8.2.4 the Supervisory Board and its committees function properly;

8.2.5 the functioning of the individual members of the Managing Board and the Supervisory Board is assessed at least annually;

- 8.2.6 receiving, and deciding on, reported potential conflicts of interests within the meaning of Article 12 of these Rules and the corresponding provision in the rules of procedure of the Managing Board;
  - 8.2.7 the members of the Managing Board and Supervisory Board follow their induction and education or training program;
  - 8.2.8 the Supervisory Board elects a Vice-Chairperson;
  - 8.2.9 the Managing Board performs activities in respect of culture;
  - 8.2.10 the Supervisory Board recognises signs from the enterprise affiliated with the Company and ensures that any (suspicion of) material misconduct and irregularities are reported to the Supervisory Board without delay;
  - 8.2.11 the General Meeting proceeds in an orderly and efficient manner;
  - 8.2.12 effective communication with the shareholders is assured; and
  - 8.2.13 the Supervisory Board is involved closely, and at an early stage, in any merger or takeover processes.
- 8.3 The Supervisory Board shall be assisted by one or more secretaries (the *Secretary*), who may be, but not need be, the company secretary. The Secretary shall be appointed and dismissed by the Supervisory Board. The company secretary shall, either on the recommendation of the Supervisory Board or otherwise, be appointed and dismissed by the Managing Board, after approval of the Supervisory Board has been obtained. The company secretary shall:
- 8.3.1 ensure that the proper procedures are followed and that the statutory obligations and obligations under the articles of association are complied with;
  - 8.3.2 support the Chairperson in the organization of the affairs of the Supervisory Board (including the provision of information, meeting agendas, evaluations, and training programs);
  - 8.3.3 facilitate the provision of information to the Managing Board and the Supervisory Board; and
  - 8.3.4 if the company secretary also works for the Managing Board; report to the Chairperson when the interests of the Managing Board and the Supervisory Board diverge resulting in a lack of clarity as to which interests the company secretary represents.

## **CHAPTER IV – REPORTING**

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

- 9.1 The annual financial report of the Company shall include a report of the Supervisory Board in which the Supervisory Board describes its activities in the past financial year and which includes the specific statements and information required by the provisions of the Code.

- 9.2 The following information about each member of the Supervisory Board shall be included in the report of the Supervisory Board:
- 9.2.1 gender;
  - 9.2.2 age;
  - 9.2.3 principal position;
  - 9.2.4 nationality;
  - 9.2.5 other positions, in so far as they are relevant to the performance of the duties of the member of the Supervisory Board;
  - 9.2.6 date of initial appointment;
  - 9.2.7 current term of office; and
  - 9.2.8 the number of meetings of the Supervisory Board and of the committees of the Supervisory Board the individual member has attended.

## **CHAPTER V – SUPERVISORY BOARD MEETINGS, DECISION-MAKING**

### **10. SUPERVISORY BOARD MEETINGS**

- 10.1 A meeting of the Supervisory Board shall take place whenever a member of the Supervisory Board requests a meeting and at least four times per year. In the Supervisory Board meeting a member of the Supervisory Board may have him/herself represented by another member of the Supervisory Board through a power of attorney made in writing or by electronic means of communication. The meetings shall generally be held at the offices of the Company, but may also take place elsewhere. In addition, meetings may be held by telephone or by other means of communication provided that all participants can hear each other simultaneously.
- 10.2 Members of the Supervisory Board should attend meetings of the Supervisory Board and the committees of which they are part. Any member of the Supervisory Board who is frequently absent during meetings of the Supervisory Board will be asked by the Chairperson to explain its absence.
- 10.3 Unless the Supervisory Board decides otherwise, meetings of the Supervisory Board shall be attended by one or more members of the Managing Board, save for meetings concerning:
- 10.3.1 the evaluation of the functioning of the Managing Board and its individual members and the conclusions to be drawn from that evaluation;
  - 10.3.2 the evaluation of the functioning of the Supervisory Board, its committees and its individual members and the conclusions to be drawn from that evaluation;
  - 10.3.3 the desired profile, scope and composition of the Supervisory Board; and/or
  - 10.3.4 the potential conflicts of interests of members of the Managing Board.

- 10.4 The external auditor of the Company shall attend each Supervisory Board meeting at which the report of the external auditor on the audit of the financial statements is discussed. The external auditor shall receive all financial information related to the annual accounts and other interim financial reports, and shall be given the opportunity to respond to all information.
- 10.5 The Supervisory Board may invite persons other than members of the Managing Board, the Secretary and the external auditor, to attend its meeting.
- 10.6 Meetings shall be convened by the Secretary on behalf of the Chairperson or the member of the Supervisory Board requesting the meeting. Where this is practically possible, notices convening a meeting and the agenda of items to be considered and discussed therein shall be dispatched at least five working days before the meeting and sent to each member of the Supervisory Board and relevant members of the Managing Board.
- 10.7 The Chairperson, and in his/her absence the Vice-Chairperson (if previously appointed), shall chair the meeting. If both are absent, the meeting itself shall appoint the chairperson of the meeting. The chairperson of the meeting shall appoint a secretary of the meeting, who need not be a member of the Supervisory Board, and make arrangements for its substitution in case of absence.
- 10.8 Minutes of the meeting shall be prepared by the secretary of the meeting. They shall generally be adopted in the same meeting or in a following meeting of the Supervisory Board. The minutes shall be signed for adoption by the chairperson and the secretary of the meeting and shall be dispatched to all members of the Supervisory Board as soon as practically possible. The secretary of the meeting may issue and sign extracts of the adopted minutes.

## **11. DECISION-MAKING**

- 11.1 In the meeting of the Supervisory Board each member of the Supervisory Board has the right to cast one vote, without prejudice to the provisions of conflict of interests set out in Article 12 and 13 of these Rules. The Supervisory Board decides by an absolute majority of the votes cast. In the event of a tie vote no resolution shall be passed unless there are more than two members of the Supervisory Board present or represented at the meeting, in which case the Chairperson shall have the casting vote.
- 11.2 The Supervisory Board may also adopt resolutions without holding a meeting, provided all members of the Supervisory Board entitled to vote have expressed themselves in writing or through electronic means of communication in favour of the proposal concerned. The Secretary or a member of the Supervisory Board shall draw up a report regarding a resolution thus adopted and shall circulate that report amongst all members of the Supervisory Board. The report shall be signed by all members of the Supervisory Board indicating their vote: "yes", "no" or "abstain".
- 11.3 The on-going items to be considered and regularly discussed at Supervisory Board meetings include reviewing the Company's budget and financial results, approving major decisions requiring Supervisory Board action, discussing the matters reported on by the audit committee and discussing the strategy, the implementation of the strategy and the principal risks associated with it. The Supervisory Board shall discuss and approve corporate strategy (and changes thereto) with the Managing Board (*e.g.* long-term strategy, capital expenditures in excess of the Company's budget, long-term capital structures, new lines of business, major acquisitions and divestments).

## CHAPTER VI – CONFLICTS OF INTEREST

### 12. CONFLICTS OF INTEREST

- 12.1 Members of the Supervisory Board must be alert to conflicts of interest and shall refrain from:
- 12.1.1 competing with the Company;
  - 12.1.2 demanding or accepting 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 as defined under Dutch law;
  - 12.1.3 providing unjustified advantages to third parties at the Company's expense; and
  - 12.1.4 taking advantage of business opportunities to which the Company is entitled 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 as defined under Dutch law.
- 12.2 A member of the Supervisory Board shall not participate in the deliberation and decision-making process on a subject or transaction in relation to which he/she has a direct or indirect personal interest which conflicts with the interest of the Company and its affiliated enterprise. In case of a conflict of interest in respect of a member of the Supervisory Board, the requirements set forth in Article 11 of these Rules shall, to the extent possible, remain applicable to the non-conflicted members of the Supervisory Board. If the sole member of the Supervisory Board or all members of the Supervisory Board have a conflict of interest, the Supervisory Board may nevertheless decide on the relevant subject.
- 12.3 All transactions, in which there are conflicts of interest with members of the Supervisory Board, shall be agreed on terms that are at least customary in the market. Decisions to enter into transactions in which there are conflicts of interest with members of the Supervisory Board that are of material significance to the Company and/or to the relevant member of the Supervisory Board require the approval of the Supervisory Board.
- 12.4 Article 12.3 also applies to (decisions to enter into) transactions between the Company and a person or entity that holds at least 10% of the shares in the Company and that are of material significance to the Company and/or to such persons.
- 12.5 A member of the Supervisory Board shall in any event have a conflict of interest to the Company if:
- 12.5.1 he/she personally has a material financial interest in a legal entity with which the Company intends to enter into a transaction;
  - 12.5.2 a person who is related to this member of the Supervisory Board under family law is a member of the managing or supervisory board of a legal entity with which the Company intends to enter into a transaction; or
  - 12.5.3 he/she is a member of the managing board or a member of the supervisory board of, or holds similar office with, a company with which the Company intends to enter into a transaction.

- 12.6 Each member of the Supervisory Board shall immediately report any (potential) conflict of interest in a transaction that is of material significance to the Company and/or to such member of the Supervisory Board, to the Chairperson. The member of the Supervisory Board with such (potential) conflict of interest must provide the Chairperson with all information relevant to the conflict of interest, including relevant information concerning his/her spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree as defined under Dutch law.
- 12.7 In case the Chairperson has a (potential) conflict of interest he/she shall immediately report such potential conflict to the Vice-Chairperson. The Chairperson must provide the Vice-Chairperson or any other member of the Supervisory Board in case no Vice-Chairperson is appointed, with all information relevant to the conflict of interest, including relevant information concerning his/her spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree as defined under Dutch law.
- 12.8 The Supervisory Board will determine whether a reported (potential) conflict of interest qualifies as a conflict of interest to which Article 12.2 and 12.3 of these Rules apply. The member of the Supervisory Board concerned may not take part in the assessment by the Supervisory Board of whether a conflict of interest exists.
- 12.9 All transactions approved by the Supervisory Board in accordance with Article 12.3 and 12.4 of these Rules, will be referred to in the Company's annual report with reference to the conflict of interest and a declaration that Article 12 of these Rules as well as the Code's corresponding best practice provisions have been complied with.

### **13. RELATED PARTY TRANSACTIONS**

- 13.1 A member of the Supervisory Board who is involved in a material transaction (as defined in Section 2:167(3) DCC) between the Company and a related party (as defined in Section 2:167(2) DCC) outside the ordinary course of business or on terms that are not customary for arm's length transactions in the relevant branch of business, excluding the transactions in Section 2:169(5) DCC (a *Related Party Transaction*) shall not participate in the decision-making process with respect to such Related Party Transaction. In such event, the other members of the Supervisory Board shall be authorised to adopt the resolution. If all members of the Supervisory Board are involved in a Related Party Transaction as referred to above, the resolution shall be adopted by the General Meeting, unless the Articles provide otherwise.
- 13.2 Any Related Party Transaction requires the approval of the Supervisory Board.
- 13.3 The Supervisory Board shall establish an internal procedure to periodically assess whether material transactions (as defined in Section 2:167(3) DCC) are entered into within the ordinary course of business and on terms that are customary for arm's-length transactions in the relevant branch of business.

## **CHAPTER VII – RELATIONSHIP WITH OTHER CORPORATE BODIES OF THE COMPANY**

### **14. RELATIONSHIP WITH THE MANAGING BOARD**

- 14.1 The Supervisory Board shall ensure and request that it is kept adequately informed. The Managing Board shall inform the Supervisory Board regularly, promptly and comprehensively about all facts and developments concerning the Company, in particular strategy, planning, business development, risk situation, risk management and compliance. The Managing Board shall also address any deviations in the course of business from the plans drawn up and targets agreed, stating the reasons. The Supervisory Board may request additional information from the Managing Board at any time.
- 14.2 The Managing Board shall regularly provide the Supervisory Board with a report prepared in a format as agreed from time to time and setting out detailed information on *inter alia* revenues and other relevant KPIs. The Managing Board shall also quarterly provide the Supervisory Board with appropriate financial reporting, including but not limited to a balance sheet and P&L statement, prepared in a format as agreed from time to time.
- 14.3 Each year, without prejudice to the above, the Managing Board shall provide the Supervisory Board with a budget for the following year, an up-to-date version of its long-term plans, the main features of the strategic policy, the general and financial risks, the management and control systems of the Company and the compliance with all relevant laws and regulations. In addition, the Managing Board shall issue an annual declaration that it has provided the Supervisory Board with all relevant information required for the due performance of its duties.
- 14.4 The Chairperson shall be informed without delay by the chairperson or spokesperson of the Managing Board of important events that are of material significance for the assessment of the situation and development as well as for the management of the Company. The Chairperson shall then inform the Supervisory Board and, if necessary, convene an extraordinary meeting of the Supervisory Board.
- 14.5 If a member of the Supervisory Board should receive information or indications relevant to the Supervisory Board for the proper performance of its supervisory and advisory tasks (from a source other than the Managing or Supervisory Board), he/she shall make this information available to the Chairperson as soon as possible. The Chairperson shall subsequently inform the entire Supervisory Board.

### **15. RELATIONSHIP WITH THE SHAREHOLDERS OF THE COMPANY**

- 15.1 In accordance with the Articles, a General Meeting may be convened at the request of the Supervisory Board. The person(s) convening the General Meeting shall ensure that it is held in due time and that the shareholders are informed by means of an agenda which shall list which items are for discussion and which items are to be voted upon. A proposal for approval or authorisation by the General Meeting shall be explained in writing, which explanation shall deal with all facts and circumstances relevant to the approval or authorisation to be granted. The notes to the agenda shall be placed on the website of the Company.

- 15.2 Members of the Supervisory Board shall, as required and necessary, participate in a General Meeting unless the General Meeting has expressed the wish to meet without the presence of the Supervisory Board or a specific member of the Supervisory Board. The Chairperson or, in its absence the Vice-Chairperson, or any other member of the Supervisory Board in case no Vice-Chairperson is appointed, shall chair the General Meeting.
- 15.3 The Supervisory Board shall provide the General Meeting with any information it may require, unless important interests (*zwaarwegende belangen*) of the Company or any law, rules or regulations applicable to the Company prevent it from doing so. The Supervisory Board shall specify the reasons for invoking such important interests. The Supervisory Board shall treat shareholders who are in similar circumstances the same when providing information.
- 15.4 The Managing Board and the Supervisory Board are responsible for the corporate governance structure of the Company and must give account to the General Meeting in relation to such structure. Each year a broad outline of the Company's corporate governance structure shall be set forth in a separate chapter of the annual report. Such chapter will set forth which best practice provisions of the Code were complied with and if not, the reason for not doing so, and to which extent the Company deviates from these best practice provisions. Each significant change in the Company's corporate governance structure and the compliance of the Code shall be addressed in a separate item on the agenda for consideration by the annual General Meeting.
- 15.5 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 value of the bid exceeds the threshold referred to in Section 2:107a(1)(c) DCC) and/or in the event of other substantial changes in the structure of the organisation, the Managing Board should ensure that the Supervisory Board is involved in the takeover process and/or the change in the structure closely and in a timely fashion.
- 15.6 If a takeover bid has been announced for shares in the Company and the Managing Board receives a request from a competing bidder to inspect the Company's records, the Managing Board shall discuss such request without delay with the Supervisory Board.
- 15.7 The decision by the Managing Board to invoke a reflection period within the meaning of Section 2:114b DCC, is subject to the approval by the Supervisory Board.

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

- 16.1 The Supervisory Board shall maintain the relationship with the works council (if any) as provided for in the Dutch Works Councils Act and any agreement made with the works council.

## **CHAPTER VIII – MISCELLANEOUS**

### **17. VACANCY**

- 17.1 In the event one or more members of the Supervisory Board are prevented from acting or there is a vacancy for the position of one or more members of the Supervisory Board, the remaining members or the only remaining member of the Supervisory Board shall be in

charge of the task of the Supervisory Board. In case all members of the Supervisory Board are or the only member of the Supervisory Board is prevented from acting or as a result of vacancy there is no member for the Supervisory Board appointed, the person(s) the Supervisory Board designated thereto will temporarily be entrusted with the task of the Supervisory Board. If the Supervisory Board has not designated a person as referred to in the previous sentence, the Managing Board shall designate one or more temporary members of the Supervisory Board. The temporary members of the Supervisory Board shall take the steps necessary to have a definitive arrangement made as soon as possible.

## **18. CONFIDENTIALITY**

- 18.1 Members of the Supervisory Board shall treat all information and documentation acquired within the framework of their position as member of the Supervisory Board with the necessary discretion and, in the case of classified information, with the appropriate secrecy. Classified information shall not be disclosed outside the Supervisory Board, made public or otherwise made available to third parties, even after resignation from the Supervisory Board, unless (i) it has been made public by the Company, (ii) it has been established that the information is already in the public domain, (iii) the Company is obliged to disclose information pursuant to law, or (iv) it is being made available to advisors of the Company in connection with specific advisory work such advisers are providing to the Company.
- 18.2 Good corporate governance requires an open discussion between the Managing Board and Supervisory Board as well as among the members within the Managing Board and the Supervisory Board. For this, the comprehensive observance of confidentiality is of paramount importance. All Supervisory Board members shall ensure that the staff members they appoint to support them comply with this confidentiality obligation accordingly.

## **19. COMPLIANCE, OCCASIONAL NON-COMPLIANCE, AMENDMENT**

- 19.1 The Supervisory Board and each member of the Supervisory Board shall observe and comply with these Rules. Upon their appointment to the Supervisory Board, new members shall receive a copy of these Rules and shall declare in writing to the Company that they will observe and comply with these Rules. These Rules are also applicable to anyone who is designated as a substitute member for a member of the Supervisory Board that is absent or prevented from acting.
- 19.2 Subject to applicable law and regulations, the Supervisory Board may occasionally decide at its sole discretion not to comply with and adhere to these Rules pursuant to a Supervisory Board resolution to that effect. Such resolution shall be referred to in the Supervisory Board's report.
- 19.3 These Rules may be amended from time to time by resolution of the Supervisory Board to that effect.

## **20. GOVERNING LAW AND JURISDICTION**

- 20.1 The Rules shall be governed by and construed in accordance with the laws of the Netherlands.

20.2 The courts of Amsterdam, the Netherlands, shall have exclusive jurisdiction to settle any dispute arising from or in connection with the Rules (including any dispute regarding the existence, validity or termination of the Rules).

## ANNEX A – SUPERVISORY BOARD PROFILE

### 1. GENERAL

- 1.1 This profile was prepared in accordance with Article 2.1 of Shop Apotheke Europe N.V.'s (the *Company*) rules of the Supervisory Board (the *Supervisory Board Rules*).
- 1.2 The words and expressions used in this profile have the meaning given to them in the Supervisory Board Rules.
- 1.3 Taking into account the nature of the Company's business and its activities, the Supervisory Board's profile and composition is as follows.

### 2. COMPOSITION

- 2.1 The profile and composition of the Supervisory Board as a whole needs to be aligned with the profile and strategy of the Company. The Supervisory Board strives for a balanced distribution of specific expertise in relation to the business activities, strategy and long term goals of the Company.
- 2.2 With regard to the composition and selection of members of the Supervisory Board, the Supervisory Board aims to comply with the Code, and the aim is for a balance in terms of gender, age, experience, independence and active and retired background.
- 2.3 Given the size of the Company, the Supervisory Board generally considers five members to be a good composition and three members as a minimum. However, the number of members necessary is dependent on the combined qualifications of the members in view of the required qualifications of the Supervisory Board as a body and subject to approval by the General Meeting.
- 2.4 The Supervisory Board shall have a chairperson and a vice-chairperson. The chairperson of the Supervisory Board shall at all times be independent within the meaning of the Code.

### 3. QUALIFICATIONS

- 3.1 Currently the Supervisory Board consists of five members. Members of the Supervisory Board are selected and recommended according to the following selection criteria:
  - 3.1.1 overall professional experience;
  - 3.1.2 sector experience;
  - 3.1.3 background, education, training and degrees;
  - 3.1.4 other relevant specific skills;
  - 3.1.5 independence; and
  - 3.1.6 professionalism and integrity.
- 3.2 The preferred composition of the Supervisory Board shall be such that:

- 3.2.1 the combined knowledge, experience and expertise of its members, taken together, enables the Supervisory Board to fully carry out its duties, with a primary focus on supervising the policies of the Managing Board and the general affairs of the Company as well as to assist the Managing Board by providing advice;
  - 3.2.2 the members are able to operate critically and independently vis-à-vis one another, the Managing Board and any particular interests involved; and
  - 3.2.3 backgrounds, skills, approaches and personalities are complementary, resulting in a combined Supervisory Board that is more than the sum of its individual members.
- 3.3 The members of the Supervisory Board shall possess reputations of high professionalism and high integrity in their prior experience and business dealings. The Supervisory Board aims for a diverse composition in terms of factors such as gender, age, experience, independence and active and retired background.
- 3.4 The Supervisory Board and each individual member of the Supervisory Board shall devote sufficient time to the fullest performance of its duties as demanded by developments in the Company.
- 3.5 Each member of the Supervisory Board shall have the specific expertise required for the fulfilment of his/her duties. Each member of the Supervisory Board shall be capable of assessing the broad outline of the overall management.
- 3.6 The Supervisory Board operates as a team and each of its members is guided by the interests of the Company and the enterprise connected with it. The Supervisory Board as a body should have the necessary qualifications in the following areas:
- 3.6.1 general management;
  - 3.6.2 company strategy and risks inherent to the Company's business;
  - 3.6.3 corporate finance and M&A;
  - 3.6.4 financial administration and accounting, financial reporting and internal risk management and control;
  - 3.6.5 legal affairs and corporate governance;
  - 3.6.6 commercial / marketing / digital channels;
  - 3.6.7 human resources, organization and management development;
  - 3.6.8 business and the community (corporate responsibility, sustainability and social matters in the markets in which the Company does business); and
  - 3.6.9 disclosure and communication matters in a listed company.
- 3.7 Following completion of its mandate, a member of the Supervisory Board shall be nominated for reappointment only after careful consideration and taking into account the manner in

which the candidate fulfilled his/her duties as member of the Supervisory Board. The profile referred to above shall also be applied in the case of a reappointment.

3.8 This profile will be assessed annually by the Supervisory Board.

## ANNEX B – ROTATION SCHEDULE SUPERVISORY BOARD

A member of the Supervisory Board shall be appointed for a maximum period of four years by the General Meeting and may be reappointed once for another four-year period. The member of the Supervisory Board may subsequently be reappointed again for a period of two years, which appointment may be extended by at most two years. In the event of a reappointment after an eight-year period, reasons shall be given in the report of the Supervisory Board.

<b>Name</b>	<b>Position</b>	<b>First appointment</b>	<b>Reappointment</b>	<b>Current term expires</b>
Mr. B. Söder	chairperson	2016	2019	2023
Mr. F. Köhler	vice-chairperson	2016	2019	2023
Mr. J. Cochet	member	2016	2019	2023
Mrs. H. Peucker	member	2021	-	2025
Mrs. J. de Bakker	Member	2022	-	2026