

SHOP APOTHEKE EUROPE N.V.

Remuneration Policy of the Managing Board and the Supervisory Board

1. ADOPTION, AMENDMENTS AND DEVIATIONS

Adoption

- 1.1 The new remuneration policy for Shop Apotheke Europe N.V. and its subsidiaries (together, the "**Company**") has been proposed by the supervisory board (*raad van commissarissen*) of the Company (the "**Supervisory Board**") following review, analysis and evaluation of the existing remuneration policy that has been effective as from March 2018.
- 1.2 This proposed new policy (the "**Remuneration Policy**") continues to apply the existing remuneration policy's principles, and has been updated following review of the current policy, the Dutch Corporate Governance Code (the "**Code**") and the new requirements under Dutch law.
- 1.3 This Remuneration Policy is presented to be adopted by the general meeting of the Company (the "**General Meeting**") at the annual general meeting (such meeting, an "**AGM**") to be held on 30 April 2020. If approved, this Remuneration Policy will replace the existing remuneration policy and will apply to all payments made after that date.
- 1.4 It is intended that this Remuneration Policy will be applicable for four years, starting on 1 May 2020, up to and including the date of the AGM to be held in 2024.

Material changes

- 1.5 This Remuneration Policy may only be amended by the General Meeting pursuant to a proposal of the Supervisory Board.
- 1.6 Before the expiry of its four-year term, this Remuneration Policy, as revised, if required, will again be presented for approval to the General Meeting at the AGM in the relevant financial year. Any material change to this Remuneration Policy during its four-year term will be submitted to the General Meeting for approval.
- 1.7 All material changes to this Remuneration Policy will be accompanied by a description and explanation of the material changes. Such explanation will also include a description of how the proposed changes take into account the votes and views of the Company's shareholders and other stakeholders with respect to this Remuneration Policy and the remuneration reports, since the last AGM during which voting took place in relation to this Remuneration Policy. If the General Meeting does not approve the proposed changes to this Remuneration Policy, this Remuneration Policy will continue to apply until a new remuneration policy is approved by the General Meeting.

Deviations

- 1.8 With respect to the remuneration of the managing board (*raad van bestuur*) of the Company (the "**Managing Board**"), the Supervisory Board may, in exceptional circumstances only and in accordance with Dutch law, decide to temporarily deviate from any provision of this Remuneration Policy.
- 1.9 Exceptional circumstances will only cover situations in which the deviation from a provision of this Remuneration Policy is necessary (i) to ensure the long-term interests

and sustainability of the Company as a whole, or (ii) to assure the Company's viability (such as, for example, a change of control at the level of the Company).

- 1.10 The Supervisory Board will account for any deviation from a provision of this Remuneration Policy at the next AGM (i.e. the AGM to be held after the occurrence of the exceptional circumstance that resulted in deviation from this Remuneration Policy).

2. REMUNERATION POLICY FOR THE MANAGING BOARD

Authority

- 2.1 The Supervisory Board will have the authority to determine the remuneration of the individual members of the Managing Board within the scope of this Remuneration Policy.
- 2.2 In its annual remuneration report, the Supervisory Board will communicate clearly and transparently to the Company's stakeholders how this Remuneration Policy has been implemented.

Objectives and principles

- 2.3 This Remuneration Policy aims to attract, retain and reward highly qualified executives with the required background, skills and experience to implement the strategy and operational objectives of the Company. This Remuneration Policy seeks to promote the Company's strategic and operational objectives within the Company's risk appetite.
- 2.4 This Remuneration Policy is designed in the context of international competitive market trends, statutory requirements and corporate governance best practices in relation to remuneration, and has been prepared taking into account the public opinion on remuneration at board level. In addition, this Remuneration Policy aims to be transparent and to align the interests of the Company with its shareholders and other stakeholders in the short-term and in the long-term, to deliver sustainable performance in line with the strategy, purpose and values of the Company.
- 2.5 The overriding principle of this Remuneration Policy is to ensure fairness and transparency. This Remuneration Policy and the Company's business strategy are aligned through linking the interests of the Company, its shareholders and other stakeholders, with the interests of the Managing Board for the medium-term and the long-term, and, accordingly, with the long-term value creation and sustainability of the Company. That link is created by designing a share based remuneration for the members of the Managing Board (i.e. granting of stock options) that:
- (a) fosters and rewards sustainable performance of the Managing Board;
 - (b) provides an incentive for long-term commitment and retention of the members of the Managing Board; and
 - (c) is designed to incentivise and reward sound, long-term decision making of the Managing Board.
- 2.6 The Company's identity, mission and values are centred on pursuing growth by bringing better health care to more people, strengthening the Company's market leadership and establishing the brand "Shop Apotheke Europe" as the synonym for online pharmacies in Europe. In addition, the Company highly values empowering consumers to better manage their health. These values and the Company's identity and mission are reflected in this Remuneration Policy. With the share based remuneration opportunities, an environment is created where the members of the Managing Board can really make a difference in

achieving the Company's ambitions in accordance with the Company's identity, mission and values.

- 2.7 The Company aims to have a fair balance between the remuneration of the members of the Managing Board and the remuneration of the employees of the Company, and, therefore, the Company strives to use the same benchmark methods (grading, market medians, etc.) for both groups. Additionally, the members of the Managing Board are not entitled to any special or additional benefits or allowances that are not standardly applied by the Company to the employees of the Company.

Determining remuneration

- 2.8 When determining the remuneration levels of the members of the Managing Board, the Supervisory Board considers the remuneration arrangements for the employees of the Company, the internal remuneration ratios and the views within society, to ensure that the remuneration of the members of the Managing Board remains fair, reasonable and aligned with the Company's values and purpose.

- 2.9 Furthermore, the views of the Company's shareholders, as expressed during an AGM or in bilateral contacts, are considered when implementing this Remuneration Policy. When implementing this Remuneration Policy, the Supervisory Board analyses the possible outcomes of a variable remuneration element (i.e. annual cash bonus, if awarded) and the share based remuneration element (i.e. granting of stock options) and how those elements may affect the total remuneration of the Managing Board. In this respect, regular scenario analysis will be undertaken, whereby the development of the underlying share price of the Company's shares is considered with due regard for the risks to which the variable remuneration and the share based remuneration may expose the Company. The variable remuneration will be linked to predetermined and assessable targets of the Company, which are predominantly of a long-term nature and linked to the Company's strategy. In determining the actual remuneration of a member of the Managing Board, the Supervisory Board will assess the actual performance delivered by that member, based on the Company's strategy and taking into account the impact of the Managing Board's overall remuneration on the remuneration differentials within the Company.

Remuneration elements

- 2.10 The remuneration structure of the members of the Managing Board can consist of one or more of the following elements:

- (a) fixed compensation, i.e. an annual base salary;
- (b) short-term incentive, i.e. an annual cash bonus (to the extent applicable);
- (c) long-term incentive plan, i.e. granting of stock options; and
- (d) pension allowance and other benefits (to the extent applicable).

- 2.11 When implemented, these remuneration elements will be regularly compared to a balanced remuneration reference group of selected companies and are benchmarked against external market data (such as data of European headquartered online pharmacies of comparable size and scope of operations and European headquartered companies of similar scale listed on a European regulated market).

- 2.12 Although the external market data provides useful context, it is ultimately the responsibility of the Supervisory Board to determine the appropriate level of the remuneration packages of the Managing Board that reflect the specific context and requirements of the Company, and the skills and capability of the individual members of the Managing Board. As such,

external market data will be used to provide the Supervisory Board with the relevant information to determine and evaluate the remuneration of the Managing Board, rather than drive the Supervisory Board's decision-making process.

- 2.13 The ratio between fixed remuneration, variable remuneration and share based remuneration (i.e. the annual base salary, the annual cash bonus (if awarded) and the long-term incentive plan, respectively) for the members of the Managing Board will be influenced by (i) the extent to which the Company's financial targets are achieved and (ii) the strategic goals of the Company.
- 2.14 In accordance with the Code, the Company takes into account the remuneration ratios and employment conditions of the employees within the Company's organisation when determining the remuneration of the Managing Board in accordance with this Remuneration Policy.

Fixed compensation (annual base salary)

- 2.15 The annual base salary is a fixed compensation, and is determined by the Supervisory Board taking into account a variety of factors (including the benchmark of the companies set forth in paragraph 2.11). The base salary will be evaluated periodically, at the end of each year, taking into account factors such as (i) the development, experience, capability and marketability of the Company and of the individual members of the Managing Board, (ii) the nature of the roles and responsibilities and the historic salary levels of the individual members of the Managing Board, (iii) remuneration levels within the Company and (iv) general market developments relevant to the Company.
- 2.16 Annually, the Supervisory Board reviews the base salary of the members of the Managing Board. After that review process, the Supervisory Board may increase the base salary levels of the members of the Managing Board, taking into account (in view of transparency and clarity) the average percentage of the increase in base salary of the employees of the Company.
- 2.17 When the annual base salary of a member of the Managing Board will be adjusted, the new base salary will become effective as of 1 January of the next calendar year.

Short-term incentive (annual cash bonus)

- 2.18 Each year, the Supervisory Board can decide to award the members of the Managing Board an annual, performance related bonus in cash if the performance targets and conditions are met. The objective for such an award is to incentivise strong financial and personal performance in line with the Company's strategy and targets.
- 2.19 Each year, the Supervisory Board will set the applicable performance targets and conditions for the short-term incentive opportunity of the members of the Managing Board. The performance related targets will typically include financial, as well as qualitative and quantitative non-financial objectives, which are consistent with the Company's strategy. The Supervisory Board may vary the exact percentages, targets and conditions for the short-term incentive opportunity from time to time.
- 2.20 Annually, the Supervisory Board will determine the performance ranges for the applicable performance targets and conditions. Those annual performance ranges will include (i) the values below which no bonus pay-out will occur (i.e. no annual bonus pay-out if performance falls below threshold performance levels), (ii) the 'at target' short-term incentive opportunity and (iii) the maximum at which the annual bonus pay-out will be capped (set at a certain percentage of the annual base salary of a member of the Managing Board). At the date of the AGM to be held on 30 April 2020, the employment

agreement for Mr. Jasper Eenhorst (the Company's Chief Financial Officer) contains a maximum annual bonus pay-out of 50% of his annual base salary. No other annual performance related bonuses have been awarded to members of the Managing Board for the year financial year 2020.

- 2.21 After the end of each calendar year, the achievement of the predetermined short-term objectives set for each member of the Managing Board are evaluated and determined by the Supervisory Board. Pay-out of the annual bonus, if any, will be made after adoption of the Company's annual accounts by the General Meeting.

Long-term incentive plan (granting of stock options)

- 2.22 The new long-term incentive plan that has been proposed by the Supervisory Board (the "**2020 Stock Option Plan**") will also be presented to be adopted by the General Meeting at the AGM to be held on 30 April 2020. If approved, the 2020 Stock Option Plan will be implemented in addition to the stock option plan that has been effective as from 1 January 2018 (the "**2018 Stock Option Plan**"). Eligible participants under the 2018 Stock Option Plan are members of the Managing Board and certain, selected employees of the Company. The maximum number of stock options that can be granted under the 2018 Stock Option Plan has been reached. The 2018 Stock Option Plan is, however, still in effect with respect to outstanding stock options (i) that have been granted, but have not yet been exercised, or (ii) of which the exercise rights have not yet expired.
- 2.23 The 2018 Stock Option Plan is included in the Company's remuneration policy that was effective as from the Company's financial year 2018, which remuneration policy is available on the Company's website.
- 2.24 The purpose of the 2020 Stock Option Plan is to (i) align the interests of the Company, its shareholders and other stakeholders with the interests of the Managing Board for the medium-term and the long-term, (ii) foster and reward sustainable performance of the Managing Board and (iii) provide an incentive for long-term commitment and retention of the members of the Managing Board.
- 2.25 The 2020 Stock Option Plan only allows members of the Managing Board to be granted rights to acquire shares in the share capital of the Company, in bearer form having a nominal value of EUR 0.02 each ("**Shares**"), subject to the determination and approval of the Supervisory Board. The 2020 Stock Option Plan is designed to incentivise and reward sound, long-term decision making of the Managing Board, and to align the interests of the members of the Managing Board with those of the Company, its shareholders and other stakeholders.

Number of Shares available

- 2.26 Subject to the adjustment provisions set forth in the 2020 Stock Option Plan, the maximum number of Shares that may be issued pursuant to the stock options under the 2020 Stock Option Plan in any calendar year will be 1.5% of the total number of issued shares in the share capital of the Company, calculated on a fully diluted basis on the date of each AGM in such calendar year.

Vesting schedule

- 2.27 The members of the Managing Board will have the right to exercise the stock options granted under the 2020 Stock Option Plan in accordance with the following vesting schedule:

- (a) 1/2 of the stock options after the lapse of three years starting on the date of grant of the stock options; and
- (b) 1/2 of the stock options after the lapse of four years starting on the date of grant of the stock options.

Holding and Share ownership requirements

2.28 In accordance with the Code:

- (a) the members of the Managing Board cannot exercise the stock options granted to them under the 2020 Stock Option Plan during a period of at least three years after the date of the grant of the stock options; and
- (b) after exercise of the stock options in Shares, the members of the Managing Board will be required to hold those Shares for an additional period of two years after the date of issue of the Shares; notwithstanding the restriction set forth in the preceding sentence, a sale of Shares to cover taxes is permitted to ensure that the members of the Managing Board can meet their tax obligations or liabilities.

Legacy arrangements

2.29 The following members of the Managing Board have been granted stock options under the 2018 Stock Option Plan:

- (a) Mr. Stefan Feltens, has been granted 35,000 stock options;
- (b) Ms. Theresa Holler, 25,000 stock options;
- (c) Mr. Stephan Weber, 25,000 stock options; and
- (d) Mr. Marc Fischer, 25,000 stock options.

Pension allowance and other benefits

2.30 Ms. Theresa Holler (the Company's Chief Operating Officer and the Company's responsible pharmacist) receives an employer's contribution to the Dutch Stichting Pensioenfonds Openbare Apothekers. Mr. Jasper Eenhorst (the Company's Chief Financial Officer) participates in the Company's defined contribution plan. In the future, the Supervisory Board may determine that the other members of the Managing Board will also be entitled to participate in the Company's defined contribution plan.

2.31 The members of the Managing Board are entitled to customary fringe benefits (such as a company car and allowances) as determined by the Supervisory Board. Other benefits, if any, will be provided in line with the existing agreements and practices of the Company, or as determined by the Supervisory Board.

Employment agreements and severance arrangements

2.32 The existing employment agreements with the current members of the Managing Board have been entered into by Shop Apotheke Service B.V. or Shop Apotheke B.V., each a subsidiary of the Company, for an indefinite period of time.

2.33 In compliance with the Code, the employment agreements for the members of the Managing Board do not contain any severance payment obligations of more than one year's base salary in the event of involuntary termination. The employment agreement for Mr. Stefan Feltens (the Company's Chief Executive Officer) contains a termination notice period of six months for both him and the employer. The employment agreement for Mr.

Jasper Eenhorst (the Company's Chief Financial Officer) contains statutory termination notice periods for him and the employer. The employment agreements for the other members of the Managing Board contain notice periods of one month for the member of the Managing Board and two months for the employer.

Adjustments to variable remuneration (including clawback)

- 2.34 In accordance with the Dutch Civil Code and the Code, the variable remuneration awarded to a member of the Managing Board may be adjusted or recovered from that member of the Managing Board if certain circumstances apply, including, but not limited to, if variable remuneration was awarded based on incorrect financial data.

Loans

- 2.35 The Company does not provide any personal loans, advance payments or guarantees to the members of the Managing Board.

3. REMUNERATION POLICY FOR THE SUPERVISORY BOARD

Authority

- 3.1 The remuneration of the individual members of the Supervisory Board is determined by the General Meeting.
- 3.2 Any proposed changes to the compensation structure or elements for the Supervisory Board set forth in this Remuneration Policy, will be submitted to the General Meeting for approval.

Objectives and principles

- 3.3 This Remuneration Policy aims to attract and retain members of the Supervisory Board with the required background, skills and experience.
- 3.4 The remuneration of the members of the Supervisory Board will:
- (a) be set at a level which is considered appropriate to attract individuals with the necessary international experience and ability to make an important contribution to the Company's business and operations;
 - (b) take into account the level of responsibility of each Supervisory Director and the remuneration paid by other European headquartered companies of similar scale listed on a European regulated market;
 - (c) be designed to fairly compensate the members of the Supervisory Board and reflects the time spent in, and the responsibilities of, each of their roles;
 - (d) be based on fixed amounts paid in cash; and
 - (e) be regularly assessed against European market levels.
- 3.5 The compensation for the Supervisory Board set forth in this Remuneration Policy is designed to ensure the independence of the members of the Supervisory Board and their effectiveness from a corporate governance perspective.

Fixed compensation (annual base fee)

- 3.6 All members of the Supervisory Board are paid a fixed annual base fee to compensate them for their services for the Company. In addition, as part of this Remuneration Policy,

the Company will reimburse any extraordinary travel expenses incurred by the members of the Supervisory Board when performing their services for the Company.

- 3.7 The fixed compensation paid to the members of the Supervisory Board is not linked to the financial results of the Company. Furthermore, the members of the Supervisory Board do not (i) receive any performance related remuneration or remuneration in the form of Shares or stock options and (ii) accrue any pension rights with the Company. In accordance with the Code, any Shares held by a member of the Supervisory Board will be a long-term investment.
- 3.8 If approved by the General Meeting at the AGM to be held on 30 April 2020, members of the Supervisory Board will be entitled to the following fees:
- (a) EUR 30,000 for the chairman of the Supervisory Board; and
 - (b) EUR 20,000 for the other members of the Supervisory Board.

Service agreements and severance arrangements

- 3.9 Currently, none of the members of the Supervisory Board has a service agreement with the Company.

Loans

- 3.10 The Company does not provide any personal loans, advance payments or guarantees to the members of the Supervisory Board.