Dutch Corporate Governance Code

The Company is required to apply the Dutch Corporate Governance Code 2022 because its shares are admitted to trading on an EU regulated market. The Dutch Corporate Governance Code 2022 (DCGC) was prepared by the Dutch Corporate Governance Code Monitoring Committee (Committee) which adopted a revised text, taking effect from 1 January 2023. The full text is available at the Committee's website at https://www.mccg.nl/publicaties/codes/2022/12/20/corporate-governance-code-2022. The DCGC was updated in areas such as focus on sustainable, long-term value creation, diversity and the role of the Supervisory Board and stakeholder dialogue. The application of the principles and best practice provisions of the DCGC is not compulsory and is subject to the "comply or explain" (*pas toe of leg uit*) principle.

Principle / Best Practice	Explanation of Departure from the Dutch Corporate Governance Code
Chapter 1. Long-Term Value Creation	
Internal Audit Function (Principle 1.3)	**Partially applied.** The Company partially adheres to this principle. An explanation of how the Company departs from the principle is based on the analysis of the individual best practises below.
Appointment and dismissal (Best practice 1.3.1) and assessment of the internal audit function (Best practise 1.3.2)	**Not applied.** The Company does not apply this best practice as there is no formal internal audit unit in the Company. As of the date of this report the function of internal audit unit is performed by one senior employee ("audit specialist") with competence and knowledge of accounting and auditing procedures who is tasked with the role by the Board of Directors. These procedures are being supervised by the Board of Directors. The Supervisory Board performed an annual assessment of internal audit procedures and included its conclusions with regards to the existing alternative measures, along with any resulting recommendations, in the report of the Supervisory Board. The Risk Manager who reports directly to the Board of Directors supports Internal Audit function.
Internal Audit Plan (Best practise 1.3.3)	**Not applied.** The Internal audit plan is not formally drawn up
Appointment and assessment of the functioning of the external auditor (Principle 1.6)	**Partially applied.** An explanation of how the Company departs from this principle is based on the analysis of the individual best practises discussed below.
Engagement (Best practise 1.6.3)	**Not applied.** The Supervisory Board has not formally engaged the external auditor. According to the Company's Articles of Association, the Company's General Meeting decides (or the Board of Directors, should the General Meeting fail to do so) on appointment of the external auditor. The external auditor was appointed by the Board of Directors in accordance with Article 31.2 of the Articles of Association. The Supervisory Board expressed approval with its engagement and the Audit Committee has kept close contact with the external auditor, meeting several times during the financial year.
Chapter 2. Effective Management and Supervision	
Composition and size (Principle 2.1)	**Partially applied.** An explanation how the Company deviates from this principle is based on the analysis of the individual best practises discussed below.
Policy on Diversity and Inclusion (Best practise 2.1.5)	**Not applied.** The Company's Policy on Diversity and Inclusion for the entire enterprise is in the preparatory stage and will be finalized in the first half of 2024, it has however not been formally adopted yet.
Diversity Policy and accountability about diversity (Best practise 2.1.6)	**Partially applied.** The diversity requirements for the Supervisory Board are listed in the Profile of the Supervisory Board adopted in 2021 and amended in 2023.The Diversity Policy for the Board of Directors was adopted in 2022. Due to the size of the Board of Directors, which consists of two members who are the founders and major shareholders of the Company, the target minimum participation of the minority group of at least 30% was not achieved. The Diversity Policy assumes that in case of an enlargement of the Board of Directors from the current size, the Supervisory Board shall make best efforts to nominate a person in order to reflect the following ratio: at least 30% of the Board of Directors will be comprised of women and at least 30% of the Board of Directors will be comprised of men. The Company complies with Article 2:142b of the Dutch Civil Code with regard to statutory quota for the Supervisory Board ((at least 1/3 of the Supervisory Board members are male and at least 1/3 are female) The Company's enterprise D&I Policy has not been implemented yet and therefore the Company is not able to report on its goals and results; however please see the discussion in the Diversity section above.
Appointment, succession and evaluation (Principle 2.2)	**Partially applied.** An explanation how the Company deviates from this principle is based on the analysis of the individual best practises discussed below. The Company believes that it adheres to this principle partially as transparency of the procedures is ensured by the formal rules set out in the current regulations of the Company, i.e. in Articles of Association.
Succession (Best practise 2.2.4)	**Partially applied.** The succession plan for the Supervisory Board was implemented in 2022. Succession plan for the Board of Directors has not been implemented.
Duties of the selection and appointment committee (Best practice 2.2.5)	**Not applicable.** This best practice has not been applied as there is no selection and appointment committee appointed in the Supervisory Board due its limited size. The entire Supervisory Board performs the function of the committee. It should be noted that the Articles of Association allow that such committees are appointed by the Supervisory Board in the future, at the discretion of the Supervisory Board and according to the needs of the Company.
Culture (Principle 2.5)	**Partially applied.** An explanation how the Company deviates from this principle is based on the analysis of the individual best practises discussed below.
Employee participation (Best practice 2.5.3)	**Not applied.** The limited size of the Company, its distribution over several countries of operation and its flat managerial structure does not justify implementation of an employee participation body.

Principle / Best Practice	Explanation of Departure from the Dutch Corporate Governance Code
Preventing conflict of interest (Principle 2.7)	**Partially applied.** An explanation how the Company deviates from this principle is based on the analysis of the individual best practises discussed below.
Personal loans (Best practice 2.7.6)	**Not applied.** This best practice has not been applied as the Company has granted such loans to its Board of Directors' members and companies controlled by them. All details about the loans are disclosed in the annual report.
Chapter 3. Remuneration	
Determination of Board of Directors remuneration (Principle 3.2)	**Not applied.** The Supervisory Board has not submitted the remuneration proposal to the General Meeting and the remuneration was not discussed. .
Accountability for implementation of remuneration policy (Principle 3.4)	**Partially applied.** An explanation how the Company deviates from this principle is based on the analysis of the individual best practises discussed below.
Agreement of Board of Directors member (Best practice 3.4.2)	**Not applied.** This best practice is not applicable as there are no Board of Directors' agreements in place between the Company and Board of Directors members. The Board of Directors was appointed by notarial deed of incorporation in 2010 and re-appointed for the term of 4 years by the General Meeting on 4 December 2020.
Chapter 4. The General Meeting	
Provision of information (Principle 4.2)	**Partially applied.** An explanation how the Company deviates from this principle is based on the analysis of the individual best practises discussed below.
Policy on bilateral contacts with shareholders (Best practice 4.2.2)	**Partially applied.** The Company adopted the Stakeholder Dialogue Policy in which it describes the means of communication with various stakeholders, including shareholders. The Company does not formulate a separate bilateral policy of dialogue between the Company and shareholders. The Company however keeps a dialogue with its shareholders and provides extensive reports to its shareholders and investors, also with a quarterly online presentation of business update and financial results during which questions from shareholders are answered. In addition, two Company's major shareholders serve on the Board of Directors and some of Company employees are Company's shareholders through Employee Share Purchase Program. This unique set up allows for more communication channels between the Company and its shareholders.
Outline of anti-takeover measures (Best practice 4.2.6)	**Not applied.** This best practise has not been applied as there are no anti-takeover measures implemented by the Company. The Articles of Association state that anti-takeover measures may be adopted by the Supervisory Board, when necessary.
Casting votes (principle 4.3)	**Partially applied.** An explanation how the Company deviates from this principle is based on the analysis of the individual best practises discussed below.
Voting right on financing preference shares (Best practice 4.3.4)	**Not applicable.** There are no preference shares.
Publication of institutional investors' voting policy (Best practice 4.3.5)	**Not applied.** The Company has not implemented a voting policy for institutional investors as there are currently no institutional investors who have expressed an interest in participation in the Company's general meetings and a need for such policy to be implemented.
Report on the implementation of institutional investors' voting policy (Best practice 4.3.6)	**Not applied.** See explanation above in point 4.3.5.
Abstaining from voting and Share lending 4.3.7 and 4.3.8	**Not applicable.** No shareholders have short position in the Company and no Company shares were lent.
Issuing depositary receipts for shares (Principle 4.5)	**Not applicable.** The Company has not issued depository receipts for shares.