

PHOTON ENERGY N.V.

**RULES OF PROCEDURE OF THE SUPERVISORY
BOARD**

I. INTRODUCTION

- 1.1 The Supervisory Board is created and appointed in accordance with the Articles and is a body that supervises the policies of the Company and gives advice to the Management Board.
- 1.2 These Rules, drafted in accordance with Article 24.13 of the Articles, were adopted by the Supervisory Board on December 4, 2020 and may be later amended by the Supervisory Board.
- 1.3 The Supervisory Board and each Supervisory Director shall observe and comply with these Rules.
- 1.4 These Rules are complementary to (i) the applicable provisions of Dutch law and regulations, and (ii) the Articles. In the event of inconsistency of these Rules with binding Dutch law, Dutch law prevails. In the event of inconsistency of these Rules with the Articles, the Articles shall prevail. If one or more provisions of these Rules are invalid, it will not affect the validity of the remaining provisions.
- 1.5. These Rules shall be governed by and construed in accordance with Dutch law and shall be published on the Company's website.
- 1.6 In these Rules, the following expressions shall have the following meaning:

Articles mean the valid Articles of Association of the Company as they may be adopted by the General Meeting.

Chairman means the chairman of the Supervisory Board.

Close Relative is defined in Article III.

Company means Photon Energy N.V., a public limited liability company (*naamlooze vennootschap*), incorporated under the laws of The Netherlands under KvK number 51447126 and having its corporate seat in Amsterdam.

Delegated Supervisory Board member means a Supervisory Board member who has a special task.

General Meeting means the Company's general meeting of shareholders.

Management Board means the management board of the Company.

Rules mean these rules of procedure of the Supervisory Board.

Supervisory Board means the supervisory board of the Company.

Supervisory Director means one of the members of the Supervisory Board.

II.

TERM, COMPOSITION, PROFILE AND APPOINTMENT

- 2.1. In accordance with the Articles, the Supervisory Board shall consist of two (2) or more natural persons. The General Meeting shall decide upon the number of Supervisory Directors, on a proposal made by the Supervisory Board. At least half of the Supervisory Directors shall be independent within the meaning of these Rules.
- 2.2. The Supervisory Board shall prepare a profile taking account of the nature and the activities of the Company, which shall be posted on the Company's website. The profile shall address the size and the composition of the Supervisory Board which shall be such that the requisite expertise, background and competences are present for them to carry out their duties properly. Given the current limited size of the Management Board and the Supervisory Board, a separate diversity policy regarding the composition of the Management as per the Dutch Corporate Governance Code shall not be drawn up by the Supervisory Board. Should the Supervisory Board or Management Board become larger, the Supervisory Board shall consider drawing up such diversity policy.
- 2.3. Each Supervisory Director shall be able to act critically and independently vis-à-vis one another, the Management Board and any particular interest. At least one Supervisory Director shall be a financial expert having relevant knowledge and experience in financial reporting or auditing the annual accounts.
- 2.4. In accordance with the Articles, the General Meeting shall appoint the Supervisory Directors for a maximum period of four (4) years and his/her term of office shall lapse on the day of the annual General Meeting to be held in the fourth year after the year of his/her appointment. A Supervisory Director may only be re-appointed once for another period of four (4) years after which he/she may be only re-appointed once for a maximum period of two (2) years, which term may only be extended once for a maximum period of two (2) years.
- 2.5. The General Meeting may, at any time, suspend or dismiss each Supervisory Director.
- 2.6. A Supervisory Director shall step down from his/her position as Supervisory Director during the period that he/she is designated as a person to temporarily manage the Company as referred to in Article 22 of the Articles.

- 2.7. The Supervisory Board shall ensure that the Company has a sound plan in place for the succession of the Management Board and the Supervisory Board members that is aimed at retaining the balance in the requisite expertise, experience and diversity. Due regard shall be given to the elements referred to under 2.2 in drawing up the plan for Supervisory Board members. The Supervisory Board shall also draw up a retirement schedule in order to avoid, as much as possible, Supervisory Board members retiring simultaneously. The retirement schedule shall be published on the company's website.
- 2.8. A newly appointed Supervisory Director may follow an induction program in the event that it shall be considered necessary or desirable which shall include introduction to the general financial and legal affairs, financial reporting of the Company, aspects of the Company's business activities and the responsibilities of a Supervisory Director.
- 2.9. The number of positions in supervisory boards of listed or large companies which a Supervisory Director holds shall be limited to such extent that the proper performance of his/her duties is assured.

III. INDEPENDENCE

- 3.1 A Supervisory Director is not independent if he/she or their spouse, registered partner or life companion, foster child or relative by blood or marriage up to the second-degree (the „**Close Relative**“):
- (A) has been an employee or member of the Management Board;
 - (B) receives personal financial compensation from the Company or companies associated with the Company, other than the compensation received for the work performed as a Supervisory Director and in so far as this is not in keeping with the normal course of business;
 - (C) has had an important business relationship with the Company or a company associated with it in the year prior to the appointment. This includes cases where the Supervisory Director or the firm of which he/she is a shareholder, partner, associate or advisor, has acted as advisor to the Company and the case where the Supervisory Director is a management board member or an employee of a bank with which the Company has a lasting and significant relationship;
 - (D) is a member of the Management Board

- (E) has temporarily performed management duties during the previous 12 months in the absence or incapacity of Management Board members;
 - (F) has a shareholding in the Company of at least 10%, taking into account the shareholding of natural persons or legal entities cooperating with him/her on the basis of an expressed or tacit, verbal or written agreement;
 - (G) is a member of a management board or a supervisory board of a legal entity which holds at least 10% of the shares in the Company unless the entity is a group company.
- 3.2 Management Board members and Supervisory board Members 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.

IV. RESPONSIBILITIES AND RIGHTS

- 4.1 In accordance with the Articles, the duty of the Supervisory Board shall be to supervise the policies of the Management Board and the general course of affairs of the Company and its affiliated business. It shall give advice to the Management Board, asked or un-asked for. In the course of performing their duties, the Supervisory Directors shall be guided by the interests of the Company and its affiliated business.
- 4.2 The Management Board shall engage the Supervisory Board early on in formulating the strategy for realising long-term value creation. The Management Board renders account to the Supervisory Board of the strategy and the explanatory notes to that strategy.
- 4.3 The supervision of the Management Board shall include the following areas:
- (a) the Company's strategy and achievement of the Company's objectives
 - (b) the financial reporting process
 - (c) functioning and effectiveness of the internal risk management and control systems
 - (d) the internal audit function
 - (e) compliance with and maintaining of the Company's corporate governance structure
 - (f) preparation of the annual accounts.

- 4.4 If there is no separate department for the internal audit function, the Supervisory Board shall assess annually whether adequate alternative measures have been taken, partly on the basis of a recommendation issued by the audit committee, and shall consider whether it is necessary to establish an internal audit department. The Supervisory Board includes the conclusions, along with any resulting recommendations and alternative measures, in the report of the Supervisory Board.
- 4.5 Pursuant to the Articles, the Management Board shall in time provide the Supervisory Board with the information required for the performance of its duties. At least once a year, the Management Board shall inform the Supervisory Board in writing in respect of the principles of the strategic policy, general and financial risks, and the management and control system of the Company.
- 4.6 The Supervisory Board shall be authorized to inspect the books, records and other carriers of data of the Company and get acquainted with the acts that have taken place. While the Chairman will coordinate the communication and information exchange between the Management Board and the Supervisory Board, each individual Supervisory Director shall have his/her own responsibility for obtaining the information from the Management Board.
- 4.7 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. In order to safeguard the independence of the investigation in cases where the Management Board itself is involved, the Supervisory Board shall have the option of initiating its own investigation into any irregularities that have been discovered and to coordinate this investigation.
- 4.8 With the prior approval of the Management Board, the Supervisory Board may seek assistance of one or more experts in performing its duties at the expenses of the Company.
- 4.9 The Supervisory Board shall prepare a report on its functioning and activities during the preceding year, the composition of committees of the Supervisory Boards, the independence of its members, the number of meetings held by the Supervisory Board and committees, and will address other matters as required by Dutch law and regulations and the Dutch Corporate Governance Code. The Supervisory Board's report shall be included in the Company's annual accounts.
- 4.10 At least once per year, outside the presence of the Management Board, the Supervisory Board shall evaluate its own functioning, the functioning of the

various committees of the Supervisory Board and that of the individual Supervisory Board members, and shall discuss the conclusions that are attached to the evaluation. In doing so, attention should be paid to:

- i. substantive aspects, the mutual interaction and the interaction with the Management Board;
- ii. events that occurred in practice from which lessons may be learned; and
- iii. the desired profile, composition, competencies and expertise of the Supervisory Board.

- 4.11 The Supervisory Board shall each conduct an annual review for its own body to identify any aspects with regard to which the Supervisory Board members require training or education.
- 4.12 At least once per year, outside the presence of the Management Board, the Supervisory Board shall evaluate both the functioning of the Management Board as a whole and that of the individual Management Board members, and shall discuss the conclusions that must be attached to the evaluation, such also in light of the succession of Management Board members.
- 4.13 In accordance with Article 22 of the Articles, in the event that all members of the Management Board, or the only managing director, fails or is prevented from acting, the Company shall be temporarily managed, at the latest until the date of the next general meeting, by one or more persons to be designated for that purpose by the Supervisory Board from its midst.
- 4.14 Decisions to enter into transactions with legal or natural persons who hold at least ten percent of the shares in the company that are of material significance to the company and/or to such persons shall require the approval of the Supervisory Board.
- 4.15 The Supervisory Board shall be authorized to convene a General Meeting. The Supervisory Directors are entitled to attend the General Meeting, and they shall as such have an advisory vote at the General Meeting.
- 4.16 The annual accounts shall be signed by all managing directors and all Supervisory Directors; if the signature of one or more is missing, it shall be disclosed, stating the reasons thereof.
- 4.17 The Supervisory Board presents a proposal of a remuneration policy for the Management Board to the General Meeting for adoption. The aspects of such remuneration policy are defined in the Dutch Corporate Governance Code.
- 4.18 The Supervisory Board nominates an external auditor, based on the proposal from the Audit Committee (established according to Article VII of these Rules)

for appointment by the General Meeting, also taking into account the auditor's independence.

- 4.19 The Supervisory Board supervises the external auditor's functioning.
- 4.20 The Supervisory Board is permitted to examine the most important points of discussion arising between the external auditor and the Management Board based on the draft management letter or the draft audit report.
- 4.21 In the event that a Management Board resolution cannot be adopted due to the existing conflict of interest under Article 19.7 of the Articles, the relevant Management Board resolution shall be adopted by the Supervisory Board.
- 4.22 Supervisory Board can delegate its member to perform a function of delegated Supervisory Board member. Delegation to a delegated Supervisory Board member may not extend beyond the responsibilities of the Supervisory Board itself and may not include the management of the company. Its purpose is more intensive supervision and advice and more regular consultation with the Management Board. The delegation shall be of a temporary nature only. The delegation may not detract from the duties and powers of the Supervisory Board. The delegated Supervisory Board member continues to be a member of the Supervisory Board and shall report regularly on the execution of his special duty to the plenary Supervisory Board

V. CHAIRMAN

- 5.1 The Supervisory Board shall appoint a Chairman, who shall be independent in the sense of Article III, from among its members.
- 5.2 The Chairman shall ensure that the Supervisory Board has proper contact with the Management Board, the General Meeting and the employee participation body (if any). He/she shall ensure that the Supervisory Board and committees function properly and that the members receive all information that is necessary for the proper performance of their duties.
- 5.3 The Chairman ensures proper composition and functioning of the Supervisory Board and its committees. He/she further ensures that there is sufficient time for consultation and decision-making by the Supervisory Board.
- 5.4 The Vice-Chairman of the Supervisory Board shall deputise for the Chairman when the occasion arises

VI Company Secretary

- 6.1 The Supervisory Board shall be supported by the Company Secretary. The Company Secretary:
- i. shall facilitate that the proper procedures are followed and that the statutory obligations and obligations under the articles of association are complied with;
 - ii. shall facilitate the provision of information of the Management Board and the Supervisory Board; and
 - iii. shall support the Chairman in the organisation of the affairs of the Supervisory Board, including the provision of information, meeting agendas, evaluations and training programmes.
- 6.2 The Company Secretary shall, either on the motion of the Supervisory Board or otherwise, be appointed and dismissed by the Management Board, after the approval of the Supervisory Board has been obtained.
- 6.3 If the Company Secretary also undertakes work for the Management Board and notes that the interests of the Management Board and the Supervisory Board diverge, as a result of which it is unclear which interests the Company Secretary should represent, the Company Secretary shall report this to the Chairman.

VII. MEETINGS

- 7.1 The Supervisory Board shall meet, in accordance with Article 24.12, whenever a Supervisory Director considers appropriate and as often as it is required for the proper performance of the Supervisory Board's duties. The Supervisory Board shall, in any event, hold at least one meeting per year.
- 7.2 The meetings shall be in principle convened by the Chairman, or the company secretary (if any), in consultation with the Chairman. The Chairman shall also convene, without delay, a Supervisory Board meeting at the request of the Management Board.
- 7.3 Meetings shall be convened with at least a five (5) business days' notice, and shall provide an agenda identifying the matters to be discussed and voted on at the meeting. The Supervisory Board may unanimously agree to waive the notice requirement. In urgent cases when a failure to meet before the expiry of the notice period could be reasonably expected to have a material adverse effect on the Company, a shorter notice period shall be permitted.
- 7.4 The meetings may take place at the seat of the Company, or elsewhere. A simultaneous telephone or video link with sound among all Supervisory Directors will be deemed to form a meeting of the Supervisory Board for the duration of the video/phone conference.

- 7.5 The Supervisory Board may require that certain officials and external advisors are present at the meeting. The external auditor shall attend the meeting of the Supervisory Board in which the audit report is discussed.
- 7.6 In accordance with Article 24.16, each Supervisory Director shall have one vote. All resolutions shall be adopted by an absolute majority of votes cast at a meeting at which more than half of the Supervisory Directors is present or represented. In the event of a tie vote, the proposal shall have been rejected.
- 7.7 A Supervisory Director may only be represented at a meeting by a co-Supervisory Director authorized in writing. The requirement of written form for the authorization is met if the authorization has been recorded electronically.
- 7.8 The meetings shall be chaired by the Chairman. The company secretary or Chairman shall draft minutes of the meeting recording the proceedings, agenda and voting at the meeting. The minutes of the meetings shall be sent to the Supervisory Directors within the latest 3 weeks after the meeting.
- 7.9 The Supervisory Board may adopt resolutions without holding a meeting provided that all Supervisory Directors have consented to this manner of adopting resolutions and the votes are cast in writing or by electronic means. Articles 6.6 and 6.7 of these Rules shall apply by analogy.

VIII. COMMITTEES

- 8.1 The Supervisory Board may appoint standing and/or ad hoc committees from among its members which are charged with tasks specified by the Supervisory Board. The composition of any committees is determined by the Supervisory Board.
- 8.2. In the event that the Supervisory Board consists of 3 members or less, the Supervisory Board as a whole shall perform function of these committees.
- 8.3 If the Supervisory Board consists of more than four members, it shall appoint from among its members an audit committee, a remuneration committee and a selection and appointment committee. Without prejudice to the collegiate responsibility of the Supervisory Board, the duty of these committees is to prepare the decision-making of the Supervisory Board. If the Supervisory Board decides not to establish an audit committee, a remuneration committee or a selection and appointment committee, the best practice provisions under the Dutch Corporate Governance Code applicable to such committee(s) shall apply to the entire Supervisory Board.
- 8.4 The audit committee or, to the extent applicable, the remuneration committee shall not be chaired by the Chairman of the Supervisory Board or by a former member of the Management Board of the company. More than half of the

members of the committees should be independent within the meaning of Chapter III.

- 8.5 To the extent applicable, the selection and appointment committee shall prepare the Supervisory Board's decision-making and report to the Supervisory Board on its deliberations and findings. The selection and appointment committee shall in any event focus on:
- i. drawing up selection criteria and appointment procedures for Management Board members and Supervisory Board members;
 - ii. periodically assessing the size and composition of the Management Board and the Supervisory Board, and making a proposal for a composition profile of the Supervisory Board;
 - iii. periodically assessing the functioning of individual Management Board members and Supervisory Board members, and reporting on this to the Supervisory Board;
 - iv. drawing up a plan for the succession of Management Board members and Supervisory Board members;
 - v. making proposals for appointments and reappointments; and
 - vi. supervising the policy of the Management Board regarding the selection criteria and appointment procedures for senior management.
- 8.6 To the extent applicable, the Supervisory Board shall receive from each of the committees a report of their deliberations and findings. In the report of the Supervisory Board it shall comment on how the duties of the committees were carried out in the financial year. In this report, the composition of the committees, the number of committee meetings and the main items discussed at the meetings shall be mentioned.
- 8.7 The Supervisory Board remains collectively responsible for decisions prepared by the committees. A committee may only exercise such powers as are explicitly attributed or delegated to it and may never exercise powers beyond those exercisable by the Supervisory Board as a whole.
- 8.8 The Supervisory Board can at all times revoke any powers granted by it to a committee.
- 8.9 The Supervisory Board shall adopt terms of reference for each committee and may amend these rules at any time. The terms of reference of each committee and the composition of the committee shall be posted on the Company's website.

IX.

CONFLICT OF INTEREST

- 9.1 The Supervisory Directors are alert to conflict of interest and should refrain from the following:
- (a) competing with the Company,
 - (b) demanding or excepting substantial gifts from the Company for themselves or their Close Relatives,
 - (c) providing unjustified advantages to third parties at the Company's expense,
 - (d) taking advantage of business opportunities to which the Company is entitled for themselves or Close Relative.
- 9.2 A conflict of interest exists if the Company intends to enter into a transaction with a legal entity
- (a) in which a Supervisory Director personally has a material financial interest;
 - (b) which has a management board member who is related under Dutch family law to a Supervisory Director.
- 9.3 A Supervisory Director shall immediately report any conflict of interest or potential conflict of interest that is of material significance to the Company and/or to him/herself, to the Chairman and shall provide all relevant information, including information concerning his/her Close Relative. If Chairman has a (potential) conflict of interest, he/she will report to the other Supervisory Directors, and provide all information as described above.
- 9.4 The Supervisory Board shall decide, without the Supervisory Director concerned being present, whether there is a conflict of interest.
- 9.5 All transactions in which there is a conflict of interest with a Supervisory Director shall be agreed on terms that are customary in the sector concerned and disclosed in the Company's management report. Decisions to enter into transactions in which there is a conflict of interest with a Supervisory Director requires the approval of the Supervisory Board.
- 9.6 In the event that there is a conflict of interest, the Supervisory Director shall not be authorized to participate in the discussion and the decision making process. If as a result thereof no Supervisory Board resolution can be adopted, the relevant resolution shall be adopted by the Supervisory Board after all, pursuant to the Article 24.17 of the Articles, taking into account the relevant principles of corporate governance under Dutch law.

X.

REMUNERATION AND EXPENSES

- 10.1 In accordance with Article 24.11 of the Articles, the General Meeting shall determine the remuneration of each Supervisory Director individually, on a proposal made by the Supervisory Board.
- 10.2 Reasonable expenses incurred by the Supervisory Directors in their capacity as such shall be reimbursed by the Company.

XI.

CONFIDENTIALITY

Each Supervisory Director shall treat all information he/she receives in his/her position as a Supervisory Director in the strictest of confidence and not make public or in any other way provide such information to third parties, unless the Company has already published the information or it is determined that the public is aware of this information.

XII.

RELATIONSHIP WITH THE MANAGEMENT BOARD, GENERAL MEETING AND WORK COUNCIL (IF ANY)

- 12.1 The Chairman shall be the main point of contact with the Management Board, General Meeting and work council provided that it is established.
- 12.2 The Supervisory Board shall provide adequate information the General Meeting requests unless this would be contrary to an overriding interest of the Company and its business. If the overriding interest is invoked, the Supervisory Board must state its reasons.
- 12.3. The Supervisory Directors shall participate in the meetings of the General Meeting unless in the case of absence for legitimate reasons.
- 12.4 The Supervisory Board may request from the Management Board financial and other information, strategic and business plans, corporate governance and compliance reports. The Supervisory Board shall receive the information in a timely manner to allow it to function properly and perform its tasks satisfactorily.
- 12.5 The Chairman will ensure that contact with work council is proper and productive.