

**Zabka Group**

*Société anonyme*

2, rue Jean Monnet, L-2180 Luxembourg

RCS Luxembourg : B263068

(the “**Company**”)

Internal Rules of the Board of Directors

(approved by the Board of Directors on 20 June 2024)

## 1. General

The Company has a “one-tier” management system with a board of directors (*conseil d’administration*) (the “**Board of Directors**”). The Board of Directors has the power to take all or any action which is necessary appropriate, convenient or deemed fit to implement the corporate objects of the Company, except for the powers reserved to the general shareholders’ meeting (the “**General Meeting**”) by law or by the articles of association of the Company, as amended from time to time (the “**Articles**”).

The present internal rules (the “**Internal Rules**”) regulate the operation of the Board of Directors, as well as the relationship between the Board of Directors and other corporate bodies of the Company, in compliance with the provisions of the Articles.

These Internal Rules enter into force on the date of their approval by the Board of Directors and entirely replace and supersede all prior Internal Rules.

All capitalised terms not otherwise defined herein shall have the meaning set forth in the Articles.

## 2. Composition and Appointment

The Board of Directors is elected as a collegiate body by the general meeting of shareholders of the Company (the “**General Meeting**”).

The Board of Directors is composed in accordance with the provisions of article 15 of the Articles of at least of five (5) members appointed by the General Meeting by simple majority of the votes validly cast at such General Meeting (subject to the rights of certain shareholders to nominate candidates for the appointment as Director, as set forth in article 15 of the Articles) for a term not exceeding six “**Directors**” and individually as a “**Director**”). All Directors may be re-elected.

The Board of Directors shall be composed of one or more executive directors (among which the chief executive officer of the Group (the “**CEO**”)) and non-executive directors. Such non-executive directors shall not have an executive position or executive mandate with the Company or any other company of the Group.

In the event that a Director appointed by a General Meeting ceases to be a Director for any reason, the remaining Directors so appointed may fill the vacancy on a provisional basis in compliance with the Articles. Directors so appointed will (i) have the same powers as other Directors appointed by the General Meeting except where otherwise provided by law and (ii) hold office only until the conclusion of the next General Meeting, unless his/her/its appointment is confirmed by the

shareholders at that General Meeting, in which case he/she/it should finish the mandate of the Director he/she/it replaces.

The Board of Directors shall be composed so as to always (save, temporarily, in case of a vacancy for reasons of death, retirement, resignation, dismissal, removal or otherwise until the appointment of a successor of the relevant prior independent Director) include two independent directors.

In accordance with the Articles, the Board of Directors may entrust a Director or a committee comprising at least one Director who shall be responsible to monitor and report to the Board of Directors on environmental, social and related governance matters, including but not limited, to supervision over climate change prevention and mitigation and adaptation activities of the Group.

Non-executive Directors (including without limitation the independent directors) undertake to disclose to the Company any mandate of a director, officer, member of supervisory board or management board or any other like position held by them during their mandate as Director of the Company.

A legal entity may be a Director (a “**Corporate Director**”), in which case it must designate an individual as a permanent representative to perform that role in its name and for its account. The revocation by a Corporate Director of its representative is conditional upon the simultaneous appointment of a successor.

### **3. Powers, duties and responsibilities of the Board of Directors**

#### **a. General**

The Board of Directors is responsible for the management of the Company and has the duty to manage the affairs of the Company within its corporate object and in its best interest.

The Board of Directors determines the policies of the Company and oversees the implementation of those policies and the Company’s day-to-day affairs, including the implementation of decisions of the General Meeting.

Under the law of 10 August 1915 on commercial companies, as amended (the “**Company Law**”) and the Articles, the Board of Directors shall have the power to take any action necessary or useful to realise the corporate object, with the exceptions of the powers reserved by law or the Articles to the General Meeting.

The Company must be managed in its corporate interest and with the purpose to fulfil the objects of the Company as stated in the Articles. The corporate interest is not the same as, and is not limited to, the combined interests of the shareholders but it is considered that the corporate interest is foremost the interest of the Company itself which may be different from the interest of its shareholders or even the majority of its shareholders. Shareholders’ interests as a whole can generally be taken into account by the Board of Directors who may also consider interests of other stakeholders which include employees, business partners and the communities in which the Company operates.

The Board of Directors, which may seek the recommendations and advice of its committees (to the extent such committees have been established) and such advisers as it deems fit, *inter alia*,

- determines the strategic objectives for the Company within its object, and supervises their implementation,

- regularly reviews the strategy of the Company,
- authorises transactions which are material taking into account the size of the Company and its group,
- determines the values and ethical and other standards of the Company,
- approves the corporate governance framework of the Company,
- assumes ultimate responsibility for the oversight of the Company's activities,
- with the assistance of the Audit Committee (once it has been established), ensures that financial information published by the Company (to the extent such publication is required by the generally applicable laws) is accurate and that the Company has and maintains appropriate, adequate and robust internal audit and disclosure controls and risk management systems and procedures adequate to the size of the Company and its subsidiaries, and the type and scale of their activities, as are required by the generally applicable laws,
- is responsible for the relations between the Company and its shareholders as well as its other stakeholders as the case may be,
- makes an affirmative determination of the independence of the independent directors by evaluating whether such independent directors have any material relationship, directly or indirectly, with the Company;
- sets up and determines the duties of all committees of the Board of Directors and appoints and dismisses their members,
- with the assistance of the Audit Committee (once it has been established), reviews and approves the annual financial reports (the "**Annual Reports**"), the half yearly financial reports and the quarterly statements of the Company (to the extent such reports are required by the generally applicable laws), and presents the annual financial reports to the annual General Meeting,
- reviews and approves all significant policies concerning the application of International Financial Reporting Standards (IFRS) in the preparation of the Company's financial statements upon the recommendation of the Audit Committee (once it has been established),
- convenes the General Meetings, and determines all resolutions to be submitted for approval,
- once required by the generally applicable laws establishes the Company's overall policy with respect to corporate communications, it being understood that communication on behalf of the Company to markets and shareholders are reserved to the Board of Directors, with the right of delegation,
- determines the general corporate structure of the Company,
- approves material disposals of investments, subsidiaries or assets outside the normal course of business,
- reviews the effectiveness of the risk management and internal control systems,

- authorises incentive or option plans for senior management on the recommendation of the Remuneration and Nomination Committee,
- approves any issue of share capital within the authorised share capital,
- formulates the dividend policy of the Company and, on the recommendation of the Audit Committee (once it has been established), proposes the allocation of results, including as to dividends, to the General Meeting and decides on interim dividends.

The Board of Directors has certain specific duties which are however only partially defined by law. The following is an indicative list of specific duties of the Board of Directors under Luxembourg company law (which the Board of Directors cannot delegate, some of which will apply from the time the shares in the Company are listed on the regulated market):

- approval of non-consolidated and consolidated financial statements for publication and submission to the annual General Meeting,
- adoption of the non-consolidated and consolidated management reports for publication and submission to the annual General Meeting,
- convening of the annual General Meeting in accordance with the Articles,
- convening of a General Meeting either ad hoc or at the request of shareholders representing at least 10% of the share capital,
- determination of agenda of General Meetings,
- addition of an agenda item to any General Meeting on the request of shareholders representing 10% (or, from the time the shares in the Company are listed on the regulated market, 5%) of the share capital,
- adjournment of a General Meeting in session either on its own decision, or on the request of shareholders representing 10% of the share capital,
- decision to issue shares within the authorised share capital and to limit or suspend the preferential subscription rights of existing shareholders or in case of issue of shares against cash (subject to prior authorisation by the General Meeting);
- decision to purchase the Company's own shares and reporting on any purchase of own shares in the Annual Report,
- reporting to the General Meeting of any transaction to be approved by the Board of Directors where a Director had a conflict of interest.

The Directors shall use reasonable endeavors to participate to General Meetings, taking into account the presence of the members of the management committee (*comité de direction*), at the location of the General Meeting or through the medium of video-conferencing equipment or telecommunication, as necessary, to speak on matters discussed by the General Meeting and answer questions asked at the General Meeting. The Board of Directors presents to participants of the annual General Meeting the financial results of the Company and other relevant information, including non-financial information, contained in the financial statements to be approved by the General Meeting. The Board of Directors presents key events of the previous financial year, compares presented data with previous years, and presents the degree of implementation of the

plans for the previous year.

The Annual Reports shall, in addition to the requirements set out by applicable law, contain the following information:

- information about the members of the Board of Directors and its committees (including without limitation the Audit Committee and the Remuneration and Appointment Committee, once they have been established), including indication of the independent directors and of the Directors who have no actual and material relations with any shareholder who holds at least 5% of the share capital in the Company, and information about the Directors in the context of diversity;
- a summary of the activity of the Board of Directors and its committees (including without limitation the Audit Committee and the Remuneration and Appointment Committee, once they have been established);
- an assessment of the Company's standing on a consolidated basis, including an assessment of the internal control, risk management and compliance systems and the internal audit function, and information about measures taken by the Board of Directors to perform such assessment; such assessment should cover all significant controls, in particular reporting and operational controls;
- information regarding the degree of implementation of the Diversity Policy (as defined below) applicable to the Board of Directors, including the achievement of goals defined therein.

#### **b. Reserved Matters**

In addition, the matters set out in article 22 of the Articles (the "**Reserved Matters**") require the prior consent and/or approval of the Board of Directors before they can be undertaken by the Company or any member of the Group.

#### **c. Diversity Policy**

The Company may implement a diversity policy applicable to the Board of Directors, approved by the Board of Director, respectively (the "**Diversity Policy**"). The Diversity Policy defines diversity goals and criteria, among others including gender, education, expertise, age, professional experience, and specifies the target dates and the monitoring systems for such goals. With regard to gender diversity of the Board of Directors, women should represent at least 30% of the members of the Board of Directors.

### **4. Duties of the Directors**

Directors have a duty of loyalty to the Company and the Group and shall not, unless formally agreed otherwise by the Board of Director, disclose documents or information regarding the Company, the Group, or other corporate bodies or employees of the Company or the Group to third parties. All relevant, strategic or privileged information of the Company or the Group, obtained by virtue of his/her/its office, shall be kept confidential.

Each Director has the duty, in addition to those provided by law:

- i to attend the meetings of the Board of Directors (the "**Board Meetings**") duly prepared, having examined the documents made available and participating actively

and diligently. Each Director shall endeavour to participate personally (either in person, or, to the extent permitted pursuant to the Articles, through video-conferencing equipment or telecommunication) to at least seventy percent (70%) of the Board Meetings of a given financial year;

- ii to refrain from intervening or interfering, either alone or not, directly or indirectly by the use of third parties, in any business with the Company, its shareholders or the Group, unless having a formal delegation from the Board of Directors to so act; and
- iii to abstain from discussing and/or voting on the ratification or approval of any matter which is defined as a related party transaction according to the Company's applicable related party transaction policy and in which the Director has a direct or indirect interest.

## **5. Representation of the Company**

The Board of Directors represents the Company.

In addition, pursuant to article 16 of the Articles, towards third parties the Company shall be bound by the joint signatures of any two (2) Directors or by the joint or individual signature of those persons to whom such power shall have been delegated by the Board of Directors.

Pursuant to article 17 of the Articles, the Board of Directors may delegate its management powers to a management committee. Such delegation may not include the general strategy of the Company or any other acts that are reserved to the Board of Directors pursuant to Luxembourg law and the Reserved Matters. If a management committee is established, the Board of Directors is entrusted with its supervision. In case of delegation of powers to a management committee, the Board of Directors may determine the internal rules of such committee, which shall include the division of responsibilities between committee members and the rules of its operations.

In addition, the Board of Directors may delegate any of their powers for specific tasks to any Director or one or more ad hoc agents and may remove any such agent and determine any such agent's powers and responsibilities and remuneration (if any), the duration of the period of representation and any other relevant conditions of his/her agency.

## **6. Chairperson of the Board of Directors**

The Board of Directors appoints among its members nominated by the Main Shareholder (as such term is defined in the Articles) a chairperson (the "**Chairperson**"). The period of office of the Chairperson shall be determined by the Board of Directors and shall not exceed his/her/its appointment as Director.

The Chairperson of the Board of Directors shall preside all General Meetings or shall appoint another person to act as chairperson at a General Meeting. If at a meeting the Chairperson is not present within fifteen (15) minutes after the time fixed for the start of the meeting and the Chairperson has not appointed another person to chair the General Meeting, the Directors present shall select one of them to be chairperson of the meeting. If only one Director is present and willing and able to act, he/she/it shall be the chairperson of the General Meeting. In the absence of any Director, the Shareholders present and entitled to vote shall choose one of them to be the chairperson at a simple majority of the votes cast.

The Chairperson will be responsible for the effective operation of the Board of Directors, and shall ensure that Directors receive adequate information in advance of Board Meetings, promote debate

and the active involvement of Directors during Board Meetings, safeguard their rights to freely take a position and express their opinion, and, working with the chairs of the appropriate committees, organise and coordinate regular evaluations of the Board of Directors and, where appropriate, of the CEO.

The Chairperson's responsibility is specifically to:

- set the agenda of Board Meetings, which shall take into account all issues of relevance to the Company and which need to be considered by the Board of Directors or which are raised by Directors. The agenda shall also concern strategic matters and other matters of importance that require consideration by the Board of Directors.
- ensure that procedures relating preparatory work before Board of Directors meetings, the proceedings at such meetings and its deliberations, the passing of the resolutions and the implementation of decisions taken are properly prepared and followed;
- ensure that Directors receive accurate, timely and clear and appropriate information to enable the Board of Directors to take well-informed decisions and be in a position to effectively fulfil its duties;
- ensure that Board of Directors meetings are planned so that sufficient time is allowed for discussion of complex or contentious issues;
- take the lead to enhance the overall effectiveness of the Board of Directors and to ensure a proper induction programme for new Directors;
- to ensure proper communication of the Board of Directors' decisions to the external community and ensure the effective implementation of the Board of Directors' decisions.

## **7. Secretary of the Board of Directors**

The Board of Directors may appoint a secretary of the Company, who need not be a member of the Board of Directors, and determine his or her responsibilities, powers and authorities. The secretary shall prepare minutes summarising the deliberations during the Board Meetings and noting any decisions taken by the Board of Directors.

## **8. Board Meetings**

Board Meetings shall take place in Luxembourg, at the place indicated in the convening notice.

### a. Frequency

The Board of Directors shall meet as often as required by the interests of the Company, upon notice by the Chairman or two Directors. The Board of Directors shall meet at least once every quarter.

### b. Chair

Board Meetings are chaired by the Chairperson. In the Chairperson's absence, the Board of Directors will appoint another Director as chairperson *pro tempore* by majority vote by those Directors present or duly represented at such meeting.

### c. Convening Notices

Notice of any meeting of the Board of Directors shall be given at least ten (10) business days before the relevant meeting (except in the event of emergency, in which case the nature and the motives of the emergency shall be mentioned in the notice, which shall be given at least twenty-four (24) hours before the time set for the meeting) by letter, facsimile transmission, e-mail or similar means of communication to each Director. The Board of Directors may validly debate and take decisions at a meeting without complying with all or any of the convening requirements and formalities if all the Directors have waived the relevant convening requirements and formalities either in writing or, at the relevant meeting, in person or by an authorised representative.

d. Presence, representation and voting

Directors may validly participate in a meeting of the Board of Directors through the medium of video-conferencing equipment or telecommunication means allowing the identification of each Director so participating, provided that at least half of the Directors are present in Luxembourg. Any video-conferencing equipment or telecommunication means must have technical features which ensure an effective participation in the meeting allowing all the persons taking part in the meeting to hear one another on a continuous basis and allowing an effective participation of such persons in the meeting. A person participating in this way is deemed to be present in person at the meeting and shall be counted in the quorum and entitled to vote.

While Directors shall endeavour to participate personally in Board Meetings, any Director may appoint any other Director (but not any other person) to act as his/her/its representative at a meeting of the Board of Directors to attend, deliberate, vote and perform all his functions on his/her/its behalf at that meeting. A Director cannot act as representative for more than one other Director at a meeting of the Board of Directors.

The Board of Directors can only validly debate and take decisions if at least half of the Directors (other than those which cannot participate in the vote because of a conflict of interest or because the matter concerned qualifies as a related party transaction) are present or represented or participate otherwise in the meeting. Decisions of the Board of Directors shall be adopted by a simple majority of the Directors present or represented/simple majority vote. In the event of a tie, the Chairperson shall have a casting vote.

Votes during a meeting of the Board of Directors shall be carried out by open ballot. Directors voting against a resolution during a meeting of the Board of Directors may request that their dissenting vote be recorded in the minutes of such meeting. Where a Director concludes that a resolution adopted by the Board of Directors is in conflict with the corporate interest of the Company, such Director shall request that the minutes of the meeting at which was adopted such resolution show his or her dissenting opinion.

The Board of Directors may also in all circumstances with unanimous consent pass resolutions by circular means and written resolutions signed by all members of the Board of Directors will be as valid and effective as if passed at a meeting duly convened and held. Such circular resolution may consist of one or several documents in the like form each signed by or on behalf of one or more of the Directors concerned. Resolutions adopted in accordance with this procedure are deemed to have been taken at the registered office.

e. Minutes

The minutes of a Board Meeting shall be signed by the Chairperson and, if one is appointed, the secretary and extracts of the minutes of a Board Meeting may be certified by the Chairperson and



the secretary (if one is appointed). The original signed copies of such minutes shall be maintained at the registered office.

f. Conflicts of Interest

In accordance with applicable law and provisions of the Procedure for Managing the Conflicts of Interest as adopted from time to time (if any), any Director having a direct or indirect financial interest opposed to the interest of the Company in a transaction (a “**Conflicted Transaction**”) shall advise the Board of Directors thereof and cause a record of his/her/its statement to be included in the minutes of the meeting. He or she may not take part in the deliberations relating to that transaction.

Directors shall under no circumstances derive personal advantages from transactions of one or more Group companies.

**9. Periodic Assessment**

The Board of Directors shall carry out annually an ongoing assessment of the activities developed by the Board of Directors and the Directors during a determined period. The Board of Directors shall examine, in particular, its composition, the way in which it is organised and its effectiveness as a collective body, as well as its relations with the executive Directors, the management committee (*comité de direction*), if any, and other stakeholders. The Board of Directors shall review, among others, the presence of each Director at duly convened meetings, including the presence of Directors appointed based on personal appointment rights to assure proper representation of the shareholders having personal appointment rights at the meetings.

The Board of Directors shall further make an assessment of the efficiency of its internal audit and disclosure controls and risk management systems and procedures.

The Board of Directors shall draw the requisite conclusions from this assessment and shall take the appropriate measures, where necessary, to improve the way in which it operates. The Board of Directors shall periodically require that such ongoing assessment be made by an independent expert.

**10. Board Committees**

a. General

The Board of Directors may establish committees, including an audit committee (the “**Audit Committee**”) and a remuneration and nomination committee (the “**Remuneration and Nomination Committee**”) and may appoint other committees, in order for certain tasks and functions expressly delegated to such committee to be performed by it. The committees will examine and deal with specific topics allocated to them by the Board of Directors and report thereon to the Board of Directors. The Board of Directors will determine the composition of such committees in accordance with the Articles and these Internal Rules. Such committees exercise their duties under the supervision and responsibility of the Board of Directors.

b. Audit Committee

The Audit Committee shall in particular assist the Board of Directors in fulfilling its oversight responsibilities relating to the integrity of the financial statements, including periodically reporting to the Board of Directors on its activities and the adequacy and the effectiveness of the internal controls systems, the risk management system and the internal audit systems; and to make recommendations for the appointment, compensation, retention and oversight of, and consider the

independence of, the external auditors and perform such other duties imposed by applicable laws and regulations including those regulations of the regulated market or markets on which the Shares may be listed, as well as any other duties entrusted to the committee by the Board of Directors. The Audit Committee shall have a minimum of three (3) members, a majority of whom (including the chairperson of the Audit Committee) shall be independent directors.

At least one member of the Audit Committee shall have competence in accounting and/or auditing.

The members of the Audit Committee as a whole shall have competence relevant to the sector in which the Company is operating.

The chairman of the Audit Committee shall be appointed by its members or by the supervisory body of the Company, and shall be independent of the Company.

c. Remuneration and Nomination Committee

The purpose of the Remuneration and Nomination Committee shall in particular be to make proposals of the appointment and/or removal of Directors, to review the remuneration policy of the Company, to make proposals as to the individual remuneration of Directors and to advise on any benefit or incentive schemes for the Group. This committee will have a minimum of three (3) members, out of which at least one (1) shall be an independent director.

d. ESG committee

The Board of Directors may entrust a committee comprising at least one Director who shall be responsible to monitor and report to the Board of Directors on environmental, social and related governance matters, including but not limited, to supervision over climate change prevention and mitigation and adaptation activities of the Group.