

MANAGEMENT BOARD RULES



BASIC-FIT

RULES FOR THE MANAGEMENT BOARD

OF

BASIC-FIT N.V.

These Rules were adopted by the adopted by the Management Board on 30 October 2017 and approved by the Supervisory Board on 30 October 2017.

1. DEFINITIONS

The words and expressions used in these Rules have the following meaning:

- "**Articles of Association**": the articles of association of the Company;
- "**Audit Committee**": the audit committee of the Supervisory Board;
- "**Chairman**": the chairman of the Management Board;
- "**Code**": the Dutch Corporate Governance Code, as amended from time to time;
- "**Company**": the company with limited liability Basic-Fit N.V., with seat in Hoofddorp, the Netherlands;
- "**Company Secretary**": the secretary of the Company, as appointed in accordance with the Articles of Association;
- "**Dutch Law**": Netherlands law;
- "**General Meeting**": the Company's general meeting;
- "**Group**": the Company and its Subsidiaries;
- "**Management Board**": the management board of the Company;
- "**Management Report**": the management report (*bestuursverslag*) of the Company as drawn up by the Management Board;
- "**Relationship Agreement**": the relationship agreement between the Company and certain of its Shareholders;
- "**Rules**": these Management Board rules;
- "**Share**": a share in the capital of the Company;
- "**Shareholder**": a holder of one or more Shares;
- "**Subsidiary**": has the meaning as referred to in section 2:24a of the Dutch Civil Code;
- "**Supervisory Board**": the supervisory board of the Company.

2. STATUS AND CONTENTS OF THE RULES, ADHERENCE TO RELATIONSHIP AGREEMENT

- 2.1. The Rules have been drawn up pursuant to article 15.2 of the Articles of Association and complement the rules and regulations that are applicable to the Management Board under Dutch Law and the Articles of Association. The Rules shall be published on the Company's website.
- 2.2. Where the Rules are inconsistent with Dutch Law or the Articles of Association, Dutch law or, as the case may be, the Articles of Association shall prevail. Where the Rules are in accordance with the Articles of Association but are inconsistent with Dutch law, the latter shall prevail. If one or more provisions of the Rules are or become invalid, this shall not affect the validity of the remaining provisions. The Management Board shall use its best efforts to replace the invalid provisions with provisions which are valid and the effect of which is, given the contents and purpose of the Rules, to the greatest extent possible, similar to that of the invalid provisions.

- 2.3. The Management Board and each member of the Management Board shall observe and comply with these Rules and the Relationship Agreement (as long as it's in force). Upon their appointment to the Management Board, new members shall receive a copy of these Rules and the Relationship Agreement (as long as it's in force) and shall return a signed copy of these Rules and the Relationship Agreement (as long as it's in force) to the Company Secretary confirming that he/she will observe and comply with these Rules and the Relationship Agreement (as long as it's in force).
- 2.4. Capitalised terms not defined herein shall have the meanings given to them in the Articles of Association.
- 2.5. The Rules can only be amended by a resolution of the Management Board to that effect. Any amendment of these Rules shall be laid down in writing. Any such amendment to the rules requires the approval of the Supervisory Board.
- 2.6. Save as otherwise provided in the Articles of Association or by Dutch Law, the Management Board may in exceptional cases, as the circumstances may require, at its discretion unanimously decide to deviate from the Rules.

3. RESPONSIBILITIES OF THE MANAGEMENT BOARD

- 3.1. The members of the Management Board are collectively responsible for the continuity of the Company and the business affiliated with it. The Management Board focuses on long-term value creation for the Company and the business affiliated with it, and takes the stakeholder interests that are relevant in this context into account.
- 3.2. The Management Board adopts values for the Company and the business affiliated with it that contribute to a culture focused on long-term value creation, and is responsible for the incorporation and maintenance of these values within the Company.
- 3.3. The Management Board promotes a culture of openness and accountability within the Management Board.
- 3.4. The Management Board develops a view on long-term value creation by the Company and the business affiliated with it and should develop a strategy which will take the following into account:
 - (a) the strategy's implementation and feasibility;
 - (b) the business model applied by the Company and the market in which the Company and the business affiliated with it operate;
 - (c) opportunities and risks for the company;
 - (d) the Company's operational and financial goals and their impact on its future position in relevant markets;
 - (e) the interests of the stakeholders; and
 - (f) any other aspects relevant to the Company and the business affiliated with it, such as the environment, social and employee-related matters, the chain within which the

Company operates, respect for human rights, and fighting corruption and bribery.

- 3.5. The Management Board identifies and analyses the risks associated with the strategy and activities of the Company and the business affiliated with it. It is responsible for establishing the risk appetite, and also the measures that are put in place in order to counter the risks being taken. Based on the risk assessment, the Management Board designs, implements and maintains adequate internal risk management and control systems. To the extent relevant, these systems should be integrated into the work processes within the Company and the business affiliated with it, and should be familiar to those whose work they are relevant to.
- 3.6. The Management Board monitors the operation of the internal risk management and control systems and carries out a systematic assessment of their design and effectiveness at least once a year. This monitoring should cover all material control measures relating to strategic, operational, compliance and reporting risks. Attention should be given to observed weaknesses, instances of misconduct and irregularities, indications from whistle-blowers, lessons learned and findings from the internal audit function and the external auditor. Where necessary, improvements should be made to internal risk management and control systems.
- 3.7. The Management Board appoints and dismisses the senior internal auditor, who performs the internal audit function. The internal audit function has the duty to assess the design and the operation of the internal risk management and control systems, taking into account the Audit Committee's opinion. The internal audit function will draw up an audit plan and will involve the Management Board, Audit Committee and external auditor. The Management Board, subsequently the Supervisory Board will be asked to approve the audit plan. The internal audit function will report the audit results to the Management Board.
- 3.8. The Management Board ensures that internal procedures are established and maintained which safeguard that all relevant information is available to the Management Board and the Supervisory Board in a timely fashion. The Management Board is responsible for setting up and maintaining internal procedures to ensure that it is kept abreast of all important financial information, in order to safeguard timely, complete and accurate external financial reporting. In connection with this, if applicable, the Management Board ensures that the financial information from Subsidiaries of the Company, if any, is reported directly to it and that the integrity of the information is safeguarded.
- 3.9. The Management Board shall attach the Management Report to the annual accounts. This Management Report shall in any event contain the information required by law and the Code.
- 3.10. To the extent possible and permitted by applicable law, regulation and other regulatory requirements to which the Company or the Management Board is subject at any time, the Management Board shall carry out its duties and responsibilities with due recognition of the fact that the Company is part of the Group and with due observance of any and all Group policies and practices, except as provided otherwise in these Rules.
- 3.11. The Company Secretary shall, either on the recommendation of the Supervisory Board or otherwise, be appointed and dismissed by the Management Board, after the approval of the Supervisory Board has been obtained.
- 3.12. The members of the Management Board and the Supervisory Board shall consider and treat the Company Secretary as being independent from the Management Board and the Supervisory Board.

4. COMPOSITION AND SUITABILITY OF THE MANAGEMENT BOARD

- 4.1. It is noted that in accordance with the Articles of Association, the Company shall be managed by a Management Board consisting of two or more members.
- 4.2. The Management Board shall in any event comprise of the CEO, who will act as Chairman.
- 4.3. Members of the Management Board must meet the requirement, if any, under applicable law. The Management Board should be composed such that the requisite expertise, background and competencies are present to carry out its duties properly.
- 4.4. Before accepting a position on the Management Board, a candidate will determine together with the chairman of the Supervisory Board whether the candidate would be allowed to accept the position under provisions that limit the number of positions a member of the management board may hold under Dutch law or regulatory provisions.
- 4.5. Members of the Management Board will annually provide the Supervisory Board and the Company Secretary, if applicable, with an overview of the additional functions (*nevenfuncties*) they perform, which will be discussed at the Supervisory Board meeting. New appointments to additional functions will be disclosed to the Supervisory Board and the Company Secretary in advance, with details about the function and the size and other relevant characteristics of the company involved. Members of the Management Board shall not accept a position as a non-executive board member or supervisory board member or other important positions at another company without the prior approval of the Supervisory Board and in accordance with applicable legislation and regulation.
- 4.6. If a member of the Management Board takes on a position in addition to those disclosed when first appointed to the Management Board, he or she shall ensure that he/she is still able to properly fulfil his/her responsibilities as a member of the Management Board.
- 4.7. The Management Board holds an evaluation once a year.
- 4.8. Members of the Management Board shall be appointed, suspended or dismissed in accordance with the applicable provisions of the Articles of Association.
- 4.9. A member of the Management Board should retire early in the event of inadequate functioning, structural incompatibility of interests, and in other instances in which this is deemed necessary by the Supervisory Board
- 4.10. By signing a statement to that effect provided by the Company Secretary, members of the Management Board shall declare that they shall act in accordance with the rules regarding securities transactions by members of the Management Board.

5. CHAIRMAN OF THE MANAGEMENT BOARD

- 5.1. The Chairman shall ensure the proper functioning of the Management Board.
- 5.2. In addition to his responsibility for ensuring that the Management Board's policies are properly implemented, the Chairman shall, without limitation, also be responsible for:
 - (a) supporting the other members of the Management Board and mediating in any

differences of opinion between them;

- (b) ensuring that there is ample time for consultation, consideration and other aspects of the decision-making process during Management Board meetings, and supervising the implementation of resolutions;
- (c) drawing up the Company's (standalone and consolidated) annual accounts and the Management Report, and sending these documents to the Supervisory Board and to others as directed by the Supervisory Board;
- (d) chairing Management Board meetings;
- (e) ensuring (in respect of the Supervisory Board: together with the chairman of the Supervisory Board) the timely and adequate provision of information to members of the Management Board and the Supervisory Board, as necessary for the proper performance of their respective duties;
- (f) maintaining close, frequent contact with the Supervisory Board, in particular its chairman, and informing the other members of the Management Board in a timely and adequate manner of the outcome of such contact;
- (g) maintaining close, frequent contact with the senior management of the Group, and informing the other members of the Management Board in a timely and adequate manner of the outcome of such contact;
- (h) ensuring the timely and adequate provision of information to any General Meeting, where appropriate; and
- (i) taking care of the annual evaluation and assessment of the functioning of the Management Board and its individual members.

6. MANAGEMENT BOARD MEETINGS

- 6.1. The Management Board shall meet on a regular basis and also whenever one or more of its members request a meeting. Management Board meetings are generally held at the offices of the Company, but may take place elsewhere, as decided by the Chairman when convening the meeting. In addition, meetings may be conducted by telephone or via videoconferencing facilities provided that each member of the Management Board taking part in such meeting is able to hear the deliberations and can be heard by the other members of the Management Board and no member of the Management Board objects thereto.
- 6.2. The Chairman shall chair the meeting. In his absence, the meeting shall appoint another member of the Management Board to chair the meeting.
- 6.3. The meetings shall be convened in good time by the Chairman. There shall be at least five (5) days between the date on which notice is given of any meeting of the Management Board and the date on which it is held, unless the Chairman decides that a shorter notice period is reasonably required in the circumstances at hand.
- 6.4. Management Board meetings shall in principle be attended by all members of the Management Board. If members are unable to attend and the minutes require explanation, the

Chairman shall inform the absent members about the resolutions passed and the discussions held in the meeting in question. The Chairman may invite other persons to attend Management Board meetings in whole or in part.

- 6.5. If a member of the Management Board cannot attend a meeting, he can give a proxy to another member of the Management Board, each time for a particular Management Board meeting.
- 6.6. If there is insufficient consensus at the meeting about a certain item on the agenda, the Chairman may postpone the consideration of the matter until a subsequent meeting.
- 6.7. Minutes will be kept of each meeting by the Company Secretary or incidentally by a secretary of the meeting, appointed for that purpose. This secretary of the meeting may but need not be a member of the Management Board. The minutes of a Management Board meeting shall be adopted in the next meeting. Adopted minutes shall constitute evidence of proceedings.

7. MANAGEMENT BOARD RESOLUTIONS

- 7.1. The Management Board shall adopt resolutions by absolute majority of the votes cast by the members of the Management Board present or represented at the meeting.
- 7.2. Each member of the Management Board may cast one vote. Blank votes, invalid votes and abstentions shall be considered as not cast. In the event the Management Board consists of two members and the votes are tied, the proposed resolution is rejected unless the Chairman voted in favour of such resolution in which case the Supervisory Board shall decide. In the event the Management Board consists of three or more members and the votes are tied, the Chairman shall have a casting vote.
- 7.3. Members of the Management Board who have a conflict of interest shall not be considered present or represented at the meeting for the agenda item for which he or she has a conflict of interest.
- 7.4. The Management Board may adopt resolutions outside a formal meeting provided that this is done in writing, by telefax, or by electronic mail and provided that all members of the Management Board have had the opportunity to express their opinion in respect of the proposal concerned and none of the members of the Management Board has declared himself against this form of decision-making. The adoption of Management Board resolutions outside a meeting must be reported at the following meeting of the Management Board. Resolutions thus adopted shall be recorded by the Company Secretary in writing and kept with the minutes of the previous meetings of the Management Board.
- 7.5. The following resolutions and/or actions by the Management Board shall be subject to the prior approval of the Supervisory Board:
 - (1) any of the matters referred to section 2:164 of the Dutch Civil Code, at the date hereof being:
 - (a) issue and acquisition of Shares and debentures at the expense of the Company or of debentures at the expense of a limited partnership (*commanditaire vennootschap*) or general partnership (*vennootschap onder firma*) in respect of which the Company is a partner with full liability;
 - (b) cooperation in the issue of registered depositary receipts for Shares;

- (c) the application for admission of the securities under (a) and (b) above to a regulated market or a multilateral trading facility as referred to in section 1:1 of the Financial Supervision Act (*Wet op het financieel toezicht*) or a system comparable to a regulated market or multilateral trading facility from a state that is not a member state, or, as the case may be, the application for the cancellation of such admission;
 - (d) entering into or termination of a long term cooperation of the Company or a dependent company (as referred to in section 2:152 of the Civil Code) with another legal entity or company or as a partner with full liability in a limited partnership or general partnership, if such cooperation or termination is of major significance for the Company;
 - (e) participation by the Company or a dependent company in the capital of another company if the value of such participation is at least one quarter of the amount of the issued capital plus reserves of the Company according to its balance sheet and explanatory notes, as well as significantly increasing or reducing such participation;
 - (f) investments requiring an amount equal to at least one quarter of the issued capital plus reserves of the Company according to its balance sheet and explanatory notes;
 - (g) proposal to amend the Articles of Association;
 - (h) proposal to dissolve the Company;
 - (i) petition for bankruptcy or a request for suspension of payments (*surseance van betaling*);
 - (j) termination of the employment of a considerable number of employees of the Company or of a dependent company simultaneously or within a short period of time;
 - (k) radical change in the employment conditions of a considerable number of the employees of the Company or of a dependent company;
 - (l) proposal to reduce the Company's issued capital;
- (2) adoption of the Company's business plan (including budget), and any material amendment thereto or deviation therefrom (material means representing a value in excess of EUR 1,000,000);
 - (3) all transactions between the Company and natural or legal persons who hold at least 10% of the Shares in the Company;
 - (4) all transactions in which there are conflicts of interest with Management Board members that are of material significance to the Company and/or the relevant Management Board members;
 - (5) all transactions in which there are conflicts of interest with Supervisory Board members that are of material significance to the Company and/or the relevant

Supervisory Board members;

- (6) the acquiring, alienating, encumbering, leasing, letting and in any other way obtaining and giving the use or benefit of real estate property, other than real estate transactions within the Group;
- (7) entering into agreements, whereby the Company or any of its Subsidiaries is granted credit by a bank;
- (8) lending and borrowing money, with the exception of (i) acquiring money under a credit already granted to the Company or any of its Subsidiaries by a bank and (ii) intra-group lending and borrowing within the Group;
- (9) direct or indirect investments and divestitures of any shares in any company, assets or rights, other than within the Group;
- (10) entering into agreements by which the Company or any of its subsidiaries binds itself as guarantor or as severally-liable co-debtor, or otherwise guarantees or agrees to bind itself as security for a debt of a third party;
- (11) making litigation settlements;
- (12) initiating legal proceedings, including initiating arbitration proceedings, with the exception of taking legal measures that cannot be delayed;
- (13) granting remuneration for executive officers of the Company with a monetary value in excess of EUR 150,000 per annum per individual; or
- (14) all other acts that require the Supervisory Board's approval by applicable legislation and/or the Articles.

The approval of the Supervisory Board only needs to be obtained if the value of the resolution subject contemplated in (3) through (14) exceeds an amount of EUR 5,000,000, or such higher amount as determined by the Supervisory Board and notified to the Management Board in writing.

Where any of the abovementioned resolutions and/or actions has been expressly included in the Company's business plan as approved by the Supervisory Board, no further approval shall be required in respect of such resolution or action.

8. CONFLICT OF INTEREST

- 8.1. The members of the Management Board shall avoid, as much as possible, all conflicts of interest between themselves and the Company.
- 8.2. A member of the Management Board may not participate in the deliberation and the decision-making process of the Management Board if it concerns a subject in which this member of the Management Board has a direct or indirect personal interest which conflicts with the interest of the Company and the enterprise affiliated with it. In such event, the other members of the Management Board shall be authorised to adopt the resolution (without prejudice to any quorum and/or qualified majority requirements). If all members of the Management Board have a conflict of interest as referred to above, the resolution shall be adopted by the Supervisory Board. A member of the Management Board shall notify the chairman of the Supervisory Board and the other members of the Management Board of an actual or potential conflict of interest as soon as possible.

- 8.3. A member of the Management Board shall not be deemed to have a conflict of interest with the Company within in the meaning of section 2:129(6) of the Dutch Civil Code by reason only of his or her affiliation with a direct or indirect shareholder of the Company.
- 8.4. A member of the Management Board should report any actual or potential conflict of interest in a transaction that is of material significance to the Company and/or to such Management Board member to the chairman of the Supervisory Board and to the other members of the Management Board without delay.
- 8.5. Members of the Management Board shall not:
- (a) enter into competition with the Company or the Group, it being understood that Mr. R.M. Moos' involvement with HealthCity and acts performed in that capacity will not qualify as competition for purposes of this clause;
 - (b) accept or stipulate any commission, concessions or similar payments for themselves from third parties in connection with the performance of his duties as a member of the Management Board, other than in accordance with the applicable compliance policy of the Group;
 - (c) accept any gifts or other benefits of any kind from third parties in connection with the performance of his duties as a member of the Management Board, other than in accordance with the applicable compliance policy of the Group;
 - (d) provide unjustified advantages to third parties to the detriment of the Company;
 - (e) take advantage of business opportunities to which the Company is entitled for themselves or for their spouses, registered partners or other life companions, foster children or relatives by blood or marriage up to the second degree, except for those permitted under contractual arrangements made in the Relationship Agreement; or
 - (f) accept personal loans, guarantees or the like from the Company other than in the ordinary course of business and on terms applicable to the personnel of the Company as a whole and with the approval of the Supervisory Board.

9. ABSENCE OF MEMBERS OF THE MANAGEMENT BOARD

- 9.1. In the event that one or more members of the Management Board are absent or prevented from acting, the remaining members of the Management Board or the sole remaining member of the Management Board shall be entrusted with the management of the Company. In the event that all the members of the Management Board or the sole member of the Management Board is absent or prevented from acting, a person to be appointed for that purpose by the Supervisory Board, whether or not from among its members, shall be temporarily entrusted with the management of the Company.
- 9.2. In the event that all but one members of the Management Board are absent or prevented from acting, a person to be appointed for that purpose by the Supervisory Board, whether or not from among its members, shall be temporarily entrusted to temporarily aid the sole member of the Management Board with the management of the Company.

10. WHISTLE-BLOWERS

The Management Board shall ensure that employees are able to report allegations of irregularities within the Company of a general, operational and financial nature in accordance with the procedure laid down in the Group's whistle blowing policy (or any other policy applicable at that time), without jeopardizing their legal position. The arrangements for whistle-blowers shall be posted on the Company's website.

11. PROVISION OF INFORMATION AND COMPLIANCE WITH THE CODE

- 11.1. The Management Board shall provide the necessary means for the Supervisory Board to obtain the information necessary for the proper performance of its duties from officers and external advisors of the Company.
- 11.2. Without prejudice to the above, at least once a year, and in any event by the last meeting of the year, the Management Board shall provide the Supervisory Board with a budget of the Company for the following year and an overview of the main features of strategic policy, the general and financial risks run by the Company, the Company's management and control systems, and any detected material non-compliance of the Company with any applicable laws and regulations.
- 11.3. The Management Board ensures that the external auditor will receive all information that is necessary for the performance of his or her work in a timely fashion. The Management Board gives the external auditor the opportunity to respond to the information that has been provided. The external auditor should discuss the draft audit plan with the Management Board before presenting it to the Audit Committee.
- 11.4. The members of the Management Board shall participate in General Meetings unless there are serious grounds preventing them from doing so.
- 11.5. The Management Board shall provide the General Meeting with any information it may require concerning an item on the agenda, unless it is prevented from doing so in view of important interests (*zwaarwegende belangen*) of the Company, or by a law, rules or regulations applicable to the Company. The Management Board shall specify the reasons why important interests are considered to apply.
- 11.6. Without prejudice to contractual arrangements made in the Relationship Agreement and other contractual arrangements that may exist from time to time, the Management Board shall treat Shareholders in equal circumstances in the same way when supplying information.
- 11.7. The Management Board and the Supervisory Board are responsible for the corporate governance structure of the Company and for compliance with the Code. They are accountable for this to the General Meeting.
- 11.8. Each substantial change in the Company's corporate governance structure or compliance with the Code shall be submitted to the General Meeting for discussion under a separate agenda item.

12. CONFIDENTIALITY

Every member of the Management Board shall treat all information and documentation obtained in connection with his or her position with the necessary discretion and, in the case of confidential information, with the appropriate secrecy. Without prejudice to contractual arrangements made in the

Relationship Agreement and other contractual arrangements that may exist from time to time, confidential information shall not be disclosed outside the Group, made public or otherwise made available to third parties, even if the member resigns from the Management Board, unless (i) such disclosure is requested or required by applicable law, by a competent court, by any competent securities exchange or by any competent regulatory or governmental body, or (ii) it has been made public by the Company, or (iii) it has been established that the information is already in the public domain without breach of the provisions of this clause 11 by the relevant incumbent or former member of the Management Board, or (iv) the Company has given its written consent to disclosure, such consent not to be unreasonably withheld or delayed.

13. GOVERNING LAW AND JURISDICTION

- 13.1. These Rules shall be governed by and construed in accordance with the laws of the Netherlands.
- 13.2. The courts of Amsterdam shall have exclusive jurisdiction over any disputes arising from or in connection with these Rules, including any dispute regarding the existence, validity or termination of these Rules.

VERSION	LAST CHECK	LAST AMENDMENT	CHANGES AT LAST AMENDMENT	APPROVED BY
2.0	2017	2017	ALIGNMENT WITH THE NEW DUTCH CORPORATE GOVERNANCE	MANAGEMENT BOARD AND SUPERVISORY BOARD 30 OCTOBER 2017