

# Board Rules

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Approved and adopted by the Board on 30 July 2025



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## **Definitions and interpretation**

### **1.1 Definitions**

In these rules, and in the schedules to this rules that do not form an integral part of these rules, capitalised terms have the meaning as set out in Schedule 1.

### **1.2 Interpretation**

1.2.1 Words importing the singular number include the plural number and vice versa.

1.2.2 Any reference to a gender, save for clause 2.3.2 in Schedule 2, includes all genders and non-binary individuals.

1.2.3 Any reference to writing includes all modes of representing or reproducing words in a visible form, including in the form of an Electronic Record.

1.2.4 In the event of lack of clarity or difference of opinion on the interpretation of any provision of these rules, the opinion of the Chairperson shall be decisive.

### **1.3 Schedules**

Schedule 1, Schedule 3, Schedule 4, Schedule 5 and Schedule 6 form an integral part of these rules.

## **Composition of the Board**

### **2.1 Board Profile**

2.1.1 The Board prepares a profile of its size and composition, taking into account the nature of the Business and the Board's activities and the Diversity, Equity & Inclusion Policy (the "**Board Profile**"). The current Board Profile is set out in Schedule 2. The Board Profile shall be considered in the preparation of the election or re-election of Directors.

2.1.2 In accordance with and as further set out in the Board Profile, the majority of the Directors shall be Independent Directors.

2.1.3 The Directors being elected upon the (joint) nomination of Javak Investments B.V. and/or Avalon Holding B.V. under the relationship agreement dated 13 January 2023 shall not be considered Independent Directors.

### **2.2 Term**

Directors shall be elected for a fixed period of time. The current terms of election of the Directors are set out in the rotation schedule available on the Company's website.

## **Powers and duties of the Board**

### **3.1 General**

- 3.1.1 Subject to the provisions of the Companies Acts and the Bye-Laws, the Board shall manage the Company and the Business and may exercise all the powers of the Company, except those powers that are required by the Companies Act or the Bye-Laws to be exercised by the shareholders.
- 3.1.2 When exercising the powers of the Company, the Board shall be guided by the interests of the Company and the Business, and shall have regard to Stakeholder Interests.
- 3.1.3 Notwithstanding a possible further allocation of duties among the Directors, the Directors shall jointly be responsible for the general affairs of the Company, which includes setting the Company's strategy (including determining operational and financial, social and environmental objectives), financial management, and risk management (including determining the risk appetite).

### **3.2 Strategy**

- 3.2.1 The Board shall develop a strategy aimed at long-term value creation by the Company and the Business.
- 3.2.2 When developing the Company's strategy, attention is paid to the following:
  - (a) the strategy's implementation and feasibility;
  - (b) the business model applied by the Company and the market in which the Business operates;
  - (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) Stakeholder Interests; and
  - (f) any other aspects relevant to the Company and its Business, such as the environment, social and employee-related matters, the chain within which the Business operates, respect for human rights, and fighting corruption and bribery.

## **Allocation of duties among Directors**

### **4.1 Executive Directors and Non-Executive Directors**

- 4.1.1 Notwithstanding the duties of any Director set out in these rules, each Director acting in his or her capacity as such shall at all times act in accordance with his or her fiduciary duties under Bermuda law.
- 4.1.2 The Executive Directors shall be primarily charged with the Company's day-to-day operations and the Non-Executive Directors shall be primarily charged with the

supervision of the performance of the duties of the Directors and assist the Executive Directors by providing advice and direction. Schedule 3 includes an overview of the Executive Directors' duties.

- 4.1.3 The Board may further allocate the duties of the Executive Directors among the Executive Directors and grant titles to the Executive Directors, including the title *Chief Executive Officer, Chief Financial Officer, Chief Technology officer, Chief Risk Officer and Chief Trading Officer*.
- 4.1.4 The Non-Executive Directors shall be responsible for the oversight of the performance of the Executive Directors and shall assist the Executive Directors by providing advice and direction. Schedule 4 includes an overview of the Non-Executive Directors' duties.
- 4.1.5 Unless provided otherwise by the Companies Act, the Bye-Laws or these rules, the Executive Directors jointly have the authority to adopt resolutions regarding all matters, except if those resolutions which (i) require the consenting vote of the majority of the Independent Directors present or represented at the meeting of the Board as set out in Schedule 6, (ii) concern matters in which the Executive Directors shall not participate in the deliberations and decision-making in accordance with clause 5.7, or (iii) are adopted with only the Independent Directors participating in the deliberations and the decision-making in the Board in accordance with clause 5.8.
- 4.1.6 The Executive Directors may further delegate their authority to adopt resolutions on the basis of clause 4.1.5 to two or more Executive Directors. Such delegation shall be in writing.
- 4.1.7 To the extent the authority to adopt resolutions has been allocated to more than one Executive Director, such resolutions shall be adopted by unanimous vote of all such Executive Directors. If this is not possible, the resolution shall be referred to the Board.

## **4.2 Chairperson and Vice-Chairperson**

- 4.2.1 The Board appoints a chairperson (the "**Chairperson**") from among the Independent Directors that are not former Executive Directors and a vice-chairperson (the "**Vice-Chairperson**"). The Board may dismiss the Chairperson and Vice-Chairperson, provided that such dismissal does not affect the term of election as Director.
- 4.2.2 The Chairperson's and Vice-Chairperson's duties are set out in Schedule 5.
- 4.2.3 If the Chairperson position is vacant or the Chairperson is unable to act, the Vice-Chairperson shall temporarily perform the duties of the Chairperson. If both the Chairperson and Vice-Chairperson are not present at a particular meeting of the Board, the Board shall appoint another Independent Director to exercise the duties of the Chairperson during such meeting.

## **4.3 Committees of the Board**

- 4.3.1 The Board may from time to time establish permanent or ad-hoc committees in accordance with Bye-Law 27.2.
- 4.3.2 Only to the extent explicitly provided by the Board in writing, a committee has the authority to adopt resolutions regarding the matters that fall within the tasks and responsibilities allocated to it on behalf of the Board with due observance of the Bye-Laws, these rules and the relevant committee charter.
- 4.3.3 The Board shall have in any event have the following committees:
  - (a) the Audit Committee;
  - (b) the Remuneration and Appointment Committee
  - (c) the Risk Committee; and
  - (d) the Trading and Technology Committee.
- 4.3.4 The rules governing the permanent committees referred to in clause 4.3.3 shall be published on the Company's website.

#### **4.4 Reporting and information sharing**

- 4.4.1 The Board shall ensure that internal procedures are established and maintained which, in turn, ensure that all relevant information is known to the Board in a timely fashion.
- 4.4.2 Each Director and each committee respectively, shall inform the Board in a clear and timely manner about the way in which he has used delegated powers and about major developments in the area of its responsibilities.

#### **4.5 Executive committee**

- 4.5.1 The Board may establish an executive committee in accordance with Bye-Law 27.3. Each Executive Director shall be a member of the executive committee. In addition, the executive committee shall have such members as the Executive Directors determine from time to time.

## **Board meetings and decision-making**

### **5.1 General**

- 5.1.1 Board meetings are convened in accordance with Bye-Law 28.2.
- 5.1.2 All Directors shall be given reasonable notice of at least 48 hours for all Board meetings, unless a shorter notice is required to avoid a delay which could reasonably be expected to have an adverse effect on the Company and/or its Business.
- 5.1.3 The Director convening a meeting sets the agenda for that meeting. Directors may submit agenda items to the Director convening the meeting. To the extent feasible, the meeting agenda and any written materials relating to each Board meeting will be distributed to the Directors sufficiently in advance of each meeting to allow for meaningful review of such agenda and materials by the Directors. Directors are



expected to have reviewed and be prepared to discuss all materials distributed timely in advance of any meeting.

- 5.1.4 The Non-Executive Directors may meet in a non-executive session without the presence of the Executive Directors. Minutes of the non-executive sessions will not be recorded, unless decided otherwise by the majority of the Non-Executive Directors in attendance of such non-executive session.

## **5.2 Quorum**

- 5.2.1 The quorum necessary for the transaction of business of the Board shall be a majority of the Directors in office, of which a majority must be Non-Executive Directors.
- 5.2.2 Directors represented by proxy shall be considered present at the meeting for these purposes.
- 5.2.3 Directors not entitled to vote on the matter at hand shall be disregarded for establishing whether a quorum is present.

## **5.3 Meeting location**

- 5.3.1 Meetings are normally held at the Company's offices, but may also take place elsewhere in the Netherlands.
- 5.3.2 Meetings may also be held in electronic form with due observance of Bye-Law 28.9.

## **5.4 Attendance**

- 5.4.1 A Director is expected to regularly prepare for and attend meetings of the Board on which the Director sits, with the understanding that, on occasion, a Director may be unable to attend a meeting. A Director who is unable to attend a meeting of the Board is expected to notify the Chairperson in advance of such meeting, and, whenever possible, participate in such meeting via teleconference in the case of an in-person meeting or

otherwise have himself represented by another Director. If a Director is frequently absent, this Director must account for these absences.

5.4.2 A Director may be represented at a meeting by another Director holding a proxy in writing.

5.4.3 The Board encourages the Chairperson to invite Company management and outside advisors or consultants from time to time to participate in Board meetings to: (i) provide insight into items being discussed by the Board which involve the manager, advisor or consultant; (ii) make presentations to the Board on matters which involve the manager, advisor or consultant; and (iii) bring managers with high potential into contact with the Board.

5.4.4 Attendance of non-Directors at Board meetings is at the discretion of the Board. The Auditor may attend the Board meeting at which the Auditor's report on the audit of the financial statements is discussed.

5.4.5 The Secretary ensures that adopted resolutions are communicated to Directors not present at the meeting without delay.

## **5.5 Enhanced voting requirements for special resolutions of the Board**

Notwithstanding the voting requirements set out in Bye-Law 28.1 and these rules and the quorum requirements set out in Bye-Law 28.3 and these rules, the resolutions set out in Schedule 6 can only be adopted with the consenting vote of the majority of the Independent Directors present or represented at the meeting of the Board.

## **5.6 Independent Director Voting Rights in absence of a majority of Independent Directors**

Notwithstanding the voting requirements set out in Bye-Law 28.1 and these rules and the quorum requirements set out in Bye-Law 28.3 and these rules, if the Independent Directors do not form the majority of the Board, the total number of votes that can be cast by the Independent Director shall equal the total number of votes that can be cast by the Non-Independent Directors plus one, and the votes that can be cast by each Independent Director shall equal such total number of votes that can be cast by the Independent Directors divided by the number of Independent Directors in office. The number of votes that can be cast by a Director shall not be rounded.

## **5.7 Resolutions to be adopted by the Non-Executive Directors**

The Executive Directors shall not participate in the deliberations and decision-making process regarding:

- (a) the nomination for election of Directors, the suspension of Directors, and proposals to the General Meeting regarding the suspension or dismissal of Directors;

- (b) proposing the Remuneration Policy to the General Meeting,
- (c) proposing the remuneration of Non-Executive Directors to the General Meeting and setting the remuneration of Executive Directors;
- (d) proposing the appointment of the Auditor to the General Meeting; and
- (e) potential adverse developments regarding outside positions as referred to in clause 12.2; and such other resolutions as specified in the Bye-Laws.

#### **5.8 Resolutions to be adopted by the Independent Directors**

In accordance with the Bye-Laws, certain resolutions of the Board shall be adopted with only the Independent Directors participating in the deliberations and the decision-making in the Board.

#### **5.9 Meeting minutes**

The Secretary or any other person designated for such purpose by the Chairperson (or the individual acting as chairperson at the relevant meeting) shall draw up minutes of the meeting. The minutes shall be adopted by the Board and shall be signed for adoption by the Chairperson (or the individual who acted as chairperson at the relevant meeting) and either one other Director or the Secretary.

#### **5.10 Adopting resolutions without holding a meeting**

The Board may adopt resolutions without holding a meeting with due observance of Bye-Law 28.8.

#### **5.11 Evidence of adopted resolutions**

Resolutions adopted at any meeting can be demonstrated by the minutes, a statement or an extract of the minutes signed by the Secretary or the Chairperson.

### **Company policies**

#### **6.1 General**

The Board shall adopt such policies as are required by Bermuda law, the Bye-Laws these rules or are otherwise deemed desirable by the Board from time to time.

#### **6.2 Standing policies**

The Board shall in any event adopt the following policies:

- (a) a bilateral contacts and stakeholder engagement policy;
- (b) a code of conduct;

- (c) a policy on transactions in securities and insider trading (the *Personal Transactions and Insider Policy* or "**PTIP**");
- (d) a policy on transactions in certain restricted instruments (the *Global Restricted Instruments Policy* or "**GRIP**");
- (e) a dividend policy;
- (f) a policy on the remuneration of directors (the "**Remuneration Policy**")
- (g) a policy setting out principles of responsible tax behaviour;
- (h) a Whistle-Blowers Policy;
- (i) a policy on equal opportunities in the Company's hiring process and throughout the careers of all employed by the Company (including Directors) (the "**Diversity, Equity & Inclusion Policy**"); and
- (j) a policy on related party transactions (the "**Related Party Transaction Policy**").

## **Directors' interests**

### **7.1 General**

Related party transactions, and situations in which a Director has, or potentially has, a conflict of interest shall be dealt with in accordance with Bye-Law 24, and where applicable the Related Party Policy.

### **7.2 Preventing conflicts of interest**

In order to avoid potential conflicts of interests, or the appearance thereof, Directors shall not:

- (a) enter into competition with the Company;
- (b) demand or accept substantial gifts from the Company for themselves or their spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree;
- (c) provide unjustified advantages to third parties at the Company's expense; or
- (d) take advantage of business opportunities that the Company is entitled to, for themselves or for their spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree.

### **7.3 Loans and guarantees**

The Company shall not grant the Directors any personal loans, guarantees or the like unless in the normal course of business and on terms applicable to the personnel as a whole, and after approval by the Board. No remission of loans shall be granted.

## **Secretary**

### **8.1 Appointment, dismissal and remuneration**

The Secretary shall be appointed, dismissed and his remuneration shall be determined in accordance with Bye-Law 31.

### **8.2 Duties of the Secretary**

8.2.1 Notwithstanding the duties of the Secretary prescribed by the Companies Acts, the Secretary:

- (a) ensures that the proper procedures are followed and that any statutory obligations and any obligations under Bermuda law, the Bye-Laws and these rules are complied with;
- (b) facilitates the provision of information to the Board; and
- (c) supports the Chairperson in the organisation of the Board's affairs, including the provision of information, meeting agendas, evaluation and training programmes.

8.2.2 The Secretary may delegate his duties under these rules, or parts thereof, to a deputy appointed by him in consultation with the Chairperson.

## **Auditor**

### **9.1 Appointment, dismissal and remuneration**

The Auditor shall be appointed, dismissed and his remuneration shall be determined in accordance with Bye-Law 38.1 and the Audit Committee charter.

### **9.2 Rotation**

9.2.1 Neither the initial engagement of a particular statutory auditor or audit firm, nor this in combination with any renewed engagements therewith shall exceed a maximum duration of ten years. After the expiry of the maximum durations of engagements referred to in the previous sentence, neither the statutory auditor or the audit firm nor, where applicable, any members of their networks within the European Union shall undertake the statutory audit of the Company within the following four years. The key audit partners responsible for carrying out a statutory audit shall cease their participation in the statutory audit of the Company not later than seven years from the date of their appointment. They shall not participate again in the statutory audit of the audited entity before three years have elapsed following that cessation. The duration of the audit engagement shall be calculated as from the first financial year covered in the

audit engagement letter in which the statutory auditor or the audit firm has been appointed for the first time for the carrying-out of consecutive statutory audits for the same public-interest entity.

- 9.2.2 For purposes of determining the requisite periods under clause 8.2.1 above, an auditor or audit firm which was engaged by Flow Traders N.V. shall be deemed to have been engaged by the Company.

## **Performance of Directors**

### **10.1 Evaluation**

- 10.1.1 The Chairperson is the main contact on behalf of the Board regarding the performance of the Directors.
- 10.1.2 At least annually, the Board shall evaluate – without the presence of the Executive Directors – the functioning of the Board, the committees and the functioning of the individual Directors, shall discuss the conclusions of such evaluations, and shall identify aspects where the Directors require further training or education. When performing the annual evaluation, the Board shall at least consider:
- (a) the mutual interaction among the Board;
  - (b) lessons learned from recent events; and
  - (c) the desired profile, composition competency and expertise of the Board.
- 10.1.3 At least annually, the Executive Directors shall evaluate their own functioning. The Executive Directors may invite one or more Non-Executive Directors to participate in the evaluation or part thereof.

### **10.2 Early retirement**

A Director shall retire early in the event of inadequate performance, structural incompatibility of interests, and in other instances in which the Board deems this necessary. In the event of the early retirement of a Director, the Company shall issue a press release mentioning the reasons for the departure.

## **Misconduct and irregularities, whistle blowers**

### **11.1 Misconduct and irregularities**

- 11.1.1 The Executive Directors shall inform the Chairperson without delay of any signs of actual or suspected material misconduct or irregularities within the Company and the business. If the actual or suspected misconduct or irregularity pertains to the

functioning of an Executive Director, employees may report this directly to the Chairperson.

- 11.1.2 The 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.

## **11.2 Whistle-Blowers**

The Board establishes a procedure for reporting actual or suspected irregularities within the Company and the Business (the "**Whistle-Blowers Policy**"). The procedure is published on the Company's website. The Board ensures that employees have the opportunity to file a report without jeopardizing their legal position.

## **Confidentiality**

No Director shall, during his membership of the Board or afterwards, disclose in any way whatsoever to anyone whomsoever any information of a confidential nature regarding the Business or the Company and/or companies in which it holds a stake, that came to his knowledge in the capacity of his work for the Company and which he knows or should know to be of a confidential nature, unless required by law. A Director is allowed to disclose the above information to Directors as well as to staff members of the Company and of companies in which the Company holds a stake, who, in view of their activities for the Company and/or companies in which the Company holds a stake, should be informed of the information concerned. A Director member shall not in any way whatsoever utilise the information referred to above for his personal benefit.

## **Positions outside the Company**

### **13.1 Outside positions**

- 13.1.1 The Board has not adopted any guidelines limiting or prohibiting Directors from serving on boards and/or committees of other organisations. However, the Board may take into account the nature and time involved in a Director's service on other boards and/or

committees in evaluating the suitability of individual director candidates and current Directors.

- 13.1.2 Serving on other boards and/or committees should be consistent with the Company's policies and all applicable laws and regulations.
- 13.1.3 Directors shall report any new positions they may accept in advance. At least annually, all other positions of Directors will be discussed at a Board meeting.
- 13.1.4 An Executive Director shall not without the prior approval of the Board accept (i) any directorship or similar position, (ii) any remunerated employment position, including in an advisory or supervisory capacity or (iii) any non-remunerated employment position.

### **13.2 Potentially adverse developments**

When a Director becomes aware of circumstances that may adversely reflect upon the Director or the Company, such Director shall notify the Board of such circumstances. The Board will consider the circumstances, in absence of the Director in question, and may request that the Director submit his resignation from the Board if, for example, continuing service on the Board by the individual is not consistent with the criteria deemed necessary for continuing service on the Board.

## **Holding and trading of securities**

### **14.1 Share ownership**

Any shareholding in the Company of Directors is held for the purpose of long-term investment.

### **14.2 Trading**

- 14.2.1 Directors are bound to the policies of the Company, including the PTIP and the GRIP.
- 14.2.2 Subject to any relevant terms of the PTIP, the Company does not impose any limitation on the right of a Director to hold and trade in securities of companies other than the Company, except that the Director will be obliged towards the Company to comply with all legal and regulatory requirements concerning such holding or trading.

## **Miscellaneous**

### **15.1 Acceptance of these rules**

Anyone who accepted a position as Director shall be assumed to have accepted the rules, and to have pledged to the Company that he will comply with the provisions of these rules as they may read from time to time.



## **15.2 Status of these rules**

These rules are complementary to the Bye-Laws and Bermuda law. If these rules conflict with the Bye-Laws or Bermuda law, clause 0 shall apply and for the avoidance of doubt the Bye-Laws shall prevail in the event of any such conflict.

These rules have been adopted by the Board pursuant to Bye-Laws 28.1 (b) and may be amended from time to time by the Board.

The Board may occasionally resolve not to comply with these rules.

If any provision of these rules is held to be or becomes invalid (in each case, either in its entirety or in part) that provision will, to the extent of its invalidity, be deemed not to form part of these rules, and the validity of the remainder of these rules will not be affected.

## **Schedule 1    Definitions**

"**Audit Committee**" means the audit committee of the Board;

"**Auditor**" has the meaning given to such term in the Bye-Laws;

"**Board**" has the meaning given to such term in the Bye-Laws;

"**Board Profile**" has the meaning given to such term in clause 2.1.1;

"**Business**" means the business of the Group;

"**Bye-Laws**" means the Company's bye-laws;

"**Chairperson**" has the meaning given to such term in clause 4.2.1;

"**Companies Acts**" has the meaning given to such term in the Bye-Laws;

"**Company**" means Flow Traders Ltd., an exempted company limited by shares registered in Bermuda;

"**Director**" has the meaning given to such term in the Bye-Laws;

"**Diversity, Equity & Inclusion Policy**" has the meaning given to it in clause 6.2;

"**Electronic Record**" has the meaning given to such term in the Bye-Laws;

"**Executive Director**" has the meaning given to such term in the Bye-Laws;

"**General Meeting**" means the corporate body that consists of shareholders or members of the Company, or the meeting in which such persons ensemble;

"**GRIP**" has the meaning given to it in clause 6.2

"**Group**" has the meaning given to such term in the Bye-Laws;

"**Independent Director**" has the meaning given to such term in the Bye-Laws;

"**Non-Executive Director**" has the meaning given to such term in the Bye-Laws;

"**PTIP**" has the meaning given to it in clause 6.2;

"**Related Party Transaction Policy**" has the meaning given to it in clause 6.2;

"**Remuneration Policy**" has the meaning given to it in clause 6.2;

"**Secretary**" has the meaning given to such term in the Bye-Laws;

"**Stakeholder Interests**" has the meaning given to such term in the Bye-Laws;

"**Vice-Chairperson**" has the meaning given to such term in clause 4.2.1; and

"**Whistle-Blowers Policy**" has the meaning given to such term in clause 10.2.

## **Schedule 2 Board Profile**

### **Introduction**

- 1.1.1 The purpose of this profile is to provide guiding principles for the election of Directors and the composition of the Board and takes into account the nature of the Business and the Company's activities in particular the areas of trading, risk management and internal control, technology, audit, legal matters and compliance, remuneration and human resources.
- 1.1.2 As the Company's situation, markets and environment change, the Board's need for specific competencies will change. Therefore the profile of the Board shall be reviewed each year in the light of changing circumstances and against the background of the Company's prevailing situation.

### **Composition**

#### **2.1 Size**

- 2.1.1 The number of Directors shall be determined in accordance with the Bye-Laws.
- 2.1.2 The desired size of the Board is such that the requisite mix of specific experience, qualifications and skills is present in order to assure that the Board as a whole, has the necessary tools to perform its function effectively in light of the Company's business.
- 2.1.3 The minimum number of Directors on the Board should at all times be seven, of which at least one Executive Director and of which the majority shall at all times be Independent Directors subject to and in accordance with section 21.1 of the Bye-Laws.
- 2.1.4 The Board shall endeavor to create relevant vacancies as and when needed, and nominate candidates for such vacancies at the convocation of the Company's General Meeting of Shareholders.

#### **2.2 Independence**

- 2.2.1 The composition of the Board shall be such that the Directors are able to act critically and independently of one another, the Board and any particular interest. Each Director shall be able to take a clear position on issues without regard to stated interests.
- 2.2.2 Subject to and in accordance with section 21.1 of the Bye-Laws, the majority of the Directors shall be Independent Directors, provided that the Board may deviate from this requirement by resolution, which resolution shall be adopted with only the Independent Directors participating in the deliberations and decision-making. The composition of the Board shall furthermore be such that it complies with mandatory requirements and best practices with regard to board independence. Absent any currently binding legal framework applicable to the Company, the Board shall assess director independence on the basis of the Dutch Corporate Governance Code. For these purposes, Flow Traders N.V. shall be considered the same entity as the Company when the impact of prior positions at the Company has to be considered.

## **2.3 Diversity**

- 2.3.1 The composition of the Board shall be such that it complies with mandatory requirements and best practices with regard to board diversity and the Company's Diversity, Equity & Inclusion Policy.
- 2.3.2 Where less than one-third of the Non-Executive Directors are female, or less than one-third of the Non-Executive Directors are male, a person will not be nominated for election as a Non-Executive Director if their election would further the discrepancy between the number of male and female Non-Executive Directors, unless the election is a re-election within eight years of such person's initial election or such election is for a term not exceeding two years and is, as determined by the Board in its sole discretion, necessary to serve the Stakeholder Interests, other long-term interests of the Company or to safeguard the continuity of the Company and its business. If the number of Non-Executive Directors is not divisible by three, the closest higher number divisible by three shall be taken into consideration for establishing the number of members mentioned in the previous sentence.

## **Desired expertise and experience**

### **3.1 Overall balance of expertise and experience**

- 3.1.1 The Board shall be capable of assessing the broad outline of the overall policy of the Company and of the most important risks incurred. The Board shall have the specific expertise required for the fulfilment of its duties within the frame-work of this profile. The Board shall have sufficient time available for the proper performance of its duties.
- 3.1.2 In addition, there will be a balance in the experience and affinity with the nature and culture of the business of the Company and its Business. The Company strives to realise a diverse Board in the nomination and election process for vacancies of Non-Executive Directors, while taking into account the overall profile and selection criteria for election of suitable candidates. The qualifications of a particular candidate and the requirements for the position in the Board to be filled shall always prevail.
- 3.1.3 The Board shall consist of a mix of Directors with executive experience, preferably gained in the private sector, experience in corporate governance of (large) stock-listed companies and experience in the political and social environment in which the Company operate.

### **3.2 General expertise and experience**

- 3.2.1 The Directors shall preferably possess the general expertise and experience to fulfill the requirements of a Director of a stock-listed company, including but not limited to:
- (a) possessing specific know-how with respect to the various aspects of the business and corporate policy of the Company with regard to the various social and economic connections of the Company in which it is engaged;
  - (b) having an open eye for and being capable of evaluating (international) social, economic, political and other developments relevant to the Company;
  - (c) being capable of operating as a member of the Board as a collegiate body and not as advocates of any specific person, group of persons or party concerned with

the Company;

- (d) not having (perceived) conflicts of interest with, not being employed by, and not directly involved in negotiations on labor issues and relations with (affiliates of) the Company; and/or comprising the basic requirements governing each current and future Director, including independence, objectivity, integrity, prudence, availability, contactability and commitment.

### **3.3 Specific company expertise and experience**

3.3.1 Given the highly specialized and competitive nature of the Company's business activities, certain Directors shall preferably have a broad and in-depth knowledge of its business activities and the fast-paced environment in which it operates, including but not limited to:

- (a) possessing specific knowledge of and experience in the areas of trading, risk management and internal control, technology, audit, legal matters and compliance, remuneration and human resources;
- (b) possessing specific knowledge of the financial and technical aspects of risk management or experience that enables a thorough assessment of relevant risks;
- (c) possessing specific knowledge of financial reporting, financial review and audits;
- (d) possessing specific executive experience in the private sector or experience in, and knowledge of, governance, business and communications;
- (e) possessing specific knowledge of, and experience with, sound, prudent, transparent and fair business practices;
- (f) possessing specific national and international experience with groups of companies;
- (g) possessing specific commercial expertise and experience with organizational processes; and/or
- (h) possessing specific knowledge of and experience and affinity with the business of the Company and its group.

## **Schedule 3 Duties of the Executive Directors**

### **General duties of the Executive Directors**

#### **1.1 General**

- 1.1.1 Each Executive Director follows an introduction programme. This programme covers general financial, social and legal affairs, financial reporting by the Company, specific aspects that are unique to the Company and its Business, the Company's culture and responsibilities of an Executive Director.
- 1.1.2 The Executive Directors shall be primarily responsible for all day-to-day operations of the Company, and developing, proposing to the Board and implementing the Company's strategy.
- 1.1.3 The responsibilities of the Executive Directors include, among other tasks:
  - (a) ensuring the Group has adequate internal risk management and control systems in place and identifying and managing the risks associated with the Group's strategy and activities;
  - (b) structuring and managing internal business control systems;
  - (c) overseeing the Group's financial reporting processes;
  - (d) ensuring the Group's compliance with applicable laws and regulations;
  - (e) ensuring compliance with and maintaining the Group's corporate governance structure;
  - (f) ensuring publication by the Company of any information required by applicable laws and regulations;
  - (g) preparing the annual budget and managing significant capital expenditures;
  - (h) monitoring corporate social responsibility;
  - (i) ensuring that internal procedures are established and maintained which safeguard that all relevant information is known to the Board in a timely fashion;
  - (j) developing a procedure for reporting actual or suspected misconduct or irregularities, and taking appropriate follow-up action on the basis of these reports;
  - (k) playing a facilitating role in the Auditor's engagement process;
  - (l) ensuring that the Auditor receives all necessary information to perform his work in a timely fashion;
  - (m) ensuring that the draft audit plan is discussed with the Auditor before the Auditor presents it to the Audit Committee; and

- (n) assessing the way in which the internal audit function fulfils its responsibility annually, taking into account the Audit Committee's opinion.

## **1.2 Risk management**

- 1.2.1 The Board identifies and analyses the risks associated with the strategy and activities of the Company and the Business. It is responsible for the measures that are put in place in order to counter the risks being taken. Based on the risk assessment, the Executive Directors design, implement and maintain adequate internal risk management and control systems. These systems are integrated into the work processes, and are familiar to those whose work they are relevant to.
- 1.2.2 The Executive Directors monitor 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 covers all material control measures relating to strategic, operational, compliance and reporting risks. Attention is given to observed weaknesses, instances of misconduct and irregularities, indications from whistle-blowers, lessons learned, and findings from the internal audit function and the Auditor. Improvements are made to internal risk management and control systems.

## **Responsibilities assigned to specific Executive Directors**

### **2.1 Chief Executive Officer (CEO)**

The CEO is primarily responsible for:

- (a) the development of the strategy and policy for the Company and the Business;
- (b) monitoring the goals and execution of the strategy while safeguarding the associated risk profile;
- (c) analysing daily operations and performance and implementing procedural and policy changes to improve business operations and systems, including implementation of operational best practices;
- (d) monitoring the development of results and corporate social responsibility matters that are relevant to the enterprise;
- (e) providing direction in setting the Company's objectives, also in the context of investments and financing;
- (f) building relations and collaborating at external meetings, conferences and seminars and with internal and external contacts (including regulators and accountants);
- (g) making sure information distribution and collaboration with the Non-Executive Directors is optimal;
- (h) providing hierarchical leadership to the Corporate Affairs department (Investor Relations, Communications and Public Affairs);
- (i) providing hierarchical leadership to the HR & Recruitment department; and



- (j) ensuring compliance with the Company's policies and procedures and taking correctional measures where necessary.

## **2.2 Chief Financial and Risk Officer (CFRO)**

The CFRO is primarily responsible for:

- (a) formulating and overseeing the Group's general financial strategy, including targets for liquidity management;
- (b) overseeing the financial operations of the Group;
- (c) overseeing finance and risk management function groups;
- (d) the development of the Company's long-term finance and risk strategy, ensuring a leading innovative position;
- (e) analysing market information, future industry practices and development;
- (f) driving continuous improvement, standardisation and (re)engineering of financial processes, policies and controls and implement best practices;
- (g) providing support, advice and counsel to the Board and Committees in respect of finance and risk matters;
- (h) coordinating and managing both internal and external audit review processes, and in consultation with the CEO the (re)design and effectiveness of the processes and internal control systems associated therewith;
- (i) serving as main point of contact within the Board for the external auditor;
- (j) overseeing performance of the Auditor;

## **2.3 Chief Trading Officer (CTrO)**

The CTrO is primarily responsible for:

- (a) developing, formulating, implementing and overseeing the Group's trading strategy by analyzing market trends, future industry practices, issues and business opportunities, evaluating risks, and setting clear objectives;
- (b) providing hierarchical leadership to and monitoring the achievement of strategic objectives and targets of the Group's trading division;
- (c) ensuring effective capital allocation within the Group, optimizing the distribution of resources to maximize trading opportunities and financial returns;
- (d) providing support, advice and counsel to the Board and Committees in respect of matters where trading is a driver;
- (e) facilitating the continuous development of global trading leadership and growth opportunities and implement strong succession management strategies within the Group's trading division;
- (f) coordinating the development of the Group's trading related policies and processes; and

- (g) ensuring compliance with the Company's policies and procedures and taking correctional measures where necessary.

## **Schedule 4 Duties of the Non-Executive Directors**

### **General duties of the Non-Executive Directors**

#### **1.1 General**

- 1.1.1 Each Non-Executive Director follows an introduction programme. This programme covers general financial, social and legal affairs, financial reporting by the Company, specific aspects that are unique to the Company and its business activities, the Company's culture, and the responsibilities of a Non-Executive Director.
- 1.1.2 The Non-Executive Directors supervise how the Executive Directors implement the Company's strategy.
- 1.1.3 The responsibilities of the Non-Executive Directors include supervising and advising the Executive Directors with respect to the duties set out in [Schedule 3](#)
- 1.1.4 In addition, the responsibilities and tasks of the Non-Executive Directors include:
  - (a) preparing the Board Profile;
  - (b) preparing the Company's Diversity, Equity & Inclusion Policy to the extent it relates to the Directors;
  - (c) selecting and nominating individuals for election by the General Meeting as Director;
  - (d) proposing the Remuneration Policy for Directors for adoption by the General Meeting;
  - (e) determining the remuneration and the terms of service for the individual Executive Directors in conformity with the Remuneration Policy;
  - (f) proposing the remuneration for Non-Executive Directors for adoption by the General Meeting;
  - (g) reviewing the performance of the Board, its committees, and individual Directors and discussing the conclusions that must be drawn on the basis of this review at least on an annual basis;
  - (h) selecting and nominating for appointment by the General Meeting of the Auditor;
  - (i) dealing with conflicts of interest regarding Directors and majority shareholders in relation to the Company; and
  - (j) giving the Auditor a general idea of the content of the reports that relate to the Auditor's performance.

**1.2 Duties assigned to the standing committees**

Unless otherwise provided in the rules for such committees, the duties assigned to the committees referred to in clause 4.3.3 shall be considered duties of the Non-Executive Directors. The role of the committees is to prepare the deliberation and decision-making by the Non-Executive Directors on the relevant subjects.

**1.3 Auditor**

The Audit Committee submits a proposal to the Board for the Auditor's engagement to audit the financial statements. In formulating the terms of engagement, attention is paid to the scope of the audit, the materiality to be used and remuneration for the audit. The Board take the decision on the engagement with due observance of clause 5.7 under (d).

## **Schedule 5 Duties Chairperson and Vice-Chairperson**

The Chairperson shall act as the main contact for Directors regarding the functioning of the Board. The Chairperson is primarily responsible for the functioning of the Board and its committees and is responsible for ensuring the proper conduct of business at meetings of the Board in order to promote a meaningful discussing at meetings. As a general rule, the Chairperson presides over the General Meeting.

Without prejudice to the generality of the foregoing, the Chairperson sees to it that:

- (a) Directors, when elected, follow the introduction programme and, as needed, additional education or training programmes;
- (b) the Non-Executive Directors receive all information necessary for the proper performance of their duties in a timely manner;
- (c) there is sufficient time for consultation and decision-making by the Board;
- (d) the committees function properly;
- (e) the evaluation referred to in clause 9.1 take place at least annually;
- (f) the Board elects a Vice-Chairperson;
- (g) the Board performs its duties in respect of culture;
- (h) the Board recognises signs from the Business and ensures that any (suspicion of) material misconduct and irregularities are reported to the Board without delay;
- (i) the General Meeting proceeds in an orderly and efficient manner;
- (j) effective communication with shareholders is assured; and
- (k) the Non-Executive Directors are involved closely, and at an early stage, in any merger or takeover processes.

In addition, the Chairperson is responsible for:

- (a) ensuring the proper discharge by the Board of its duties;
- (b) determining the agenda of Board meetings and chairing such meetings;
- (c) consulting with external advisors engaged to assist the Non-Executive Directors;
- (d) addressing problems related to the performance of individual Directors; and
- (e) addressing internal disputes and conflicts of interest concerning individual Directors and the possible resignation of such members as a result.

The Vice-Chairperson deputises for the Chairperson and is the main contact on behalf of the Board regarding the Chairperson's performance.

## **Schedule 6 Special resolutions of the Board requiring an enhanced majority**

Subject to the Companies Act, the Company's Memorandum of Continuance/Association and any confirmation or consent required by law or the Bye-Laws, the resolutions set out in this Schedule 6 can only be adopted with the consenting vote of the majority of the Independent Directors present or represented at the meeting of the Board:

- (a) to amend the Memorandum of Continuance/Association of the Company or the Bye-Laws or the corresponding constitutional documents of any of its subsidiaries (or any proposal therefor);
- (b) to issue shares or securities convertible into shares or other profit-sharing instruments, any rights or options to subscribe to or acquire any shares, or such securities or other instruments in the capital of the Company or any of its subsidiaries, all other than under an employee share incentive plan, or to limit or exclude pre-emptive rights in this connection (or any proposal therefor);
- (c) to reclassify, split, consolidate, repay, recapitalise, purchase or redeem any shares in the capital of the Company, reduce the share capital of the Company or any of its subsidiaries' shares (or any proposal therefor);
- (d) to distribute, liquidate or offer shares in the capital of the Company or any of its subsidiaries' shares to the public (or any proposal therefor);
- (e) to declare or pay a dividend or any other type of distribution, whether in cash, securities or otherwise (or any proposal therefor);
- (f) to resolve on major decisions regarding an important change in the identity or character of the Company or its Business as referred to in Bye-Law 25.4;
- (g) to transfer the Business or practically the entire Business to a third party;
- (h) to conclude, amend or end any long-term cooperation by the Company or any of its subsidiaries with any other legal person or company other than within the Group (including any joint venture, partnership, consortium or other similar arrangement), or as a fully liable general partner of a limited partnership or a general partnership, provided that such cooperation, amendment or the ending thereof is of material significance to the Company and not in the ordinary course of its business;
- (i) to acquire or dispose of a participating interest in the capital of a company with a value of at least one-third of the sum of the assets according to the balance sheet including the explanatory notes or, if the Company prepares a consolidated balance sheet, according to the consolidated balance sheet including the explanatory notes according to the last adopted annual accounts of the Company, by the Company or any of its subsidiaries;
- (j) for the Company's or on any of its subsidiaries' behalf, (i) to dispose of any asset which is material to the operations of the business or any intellectual property right or (ii) to acquire any asset, undertaking or security exceeding the amount as determined by the Board, other than within the Group or in the ordinary course of its business;

- (k) for the Company's or any of its subsidiaries' account, other than within the Group or in the ordinary course of business, to borrow or incur or lend or extend any indebtedness or other liabilities, as well as to enter into, amend or terminate loan agreements or similar instruments, exceeding the amount as determined by the Board;
- (l) to grant any security (including guarantees, joint and several liability undertakings and rights of set-off), to incur any indemnity or give any other assurance for the benefit of any third party on behalf of the Company or any of its subsidiaries other than within the Group or in the ordinary course of its business;
- (m) to adopt the Company's annual budget and make any material changes thereto;
- (n) to appoint or change accountants or Auditors (or any proposal therefor);
- (o) any resolution regarding a change to the accounting principles;
- (p) to amalgamate, merge, split or convert the Company or any of its subsidiaries (or any proposal therefor);
- (q) to determine the exact number of directors with due observance of the Board Profile and the Bye-Laws (with only the Independent Directors participating in the deliberations and decision-making);
- (r) to deviate from the requirement that the majority of the Board shall be composed of Independent Directors (with only the Independent Directors participating in the deliberations and decision-making);
- (s) to adopt, amend or terminate any board regulations, or regulations for standing committees of the board, for the Company or any of its subsidiaries (including these rules and the charters of the committees of the Board) or to resolve not to comply with these rules or charters of the committees of the Board in a specific case;
- (t) for the Company's or on any of its subsidiaries' behalf, to enter into, amend or terminate agreements or commitments if the aggregate value is higher than as determined by the Board (the latter without the Executive Directors participating in the deliberations or decision-making), except when such agreement or commitment is entered into, amended or terminated (i) within the Group or in the ordinary course of its business and (ii) at arm's length terms;
- (u) for the Company's or on any of its subsidiaries' behalf, to make any change to the organisation or nature of its corporate structure or business;
- (v) to materially amend the remuneration policy for all employees;
- (w) to adopt or amend the Diversity, Equity & Inclusion Policy;
- (x) to determine the annual total incentive compensation pool size of the Company as a whole;

- (y) to appoint or dismiss a senior internal auditor of the Company (or any proposal therefor);
- (z) to adopt the internal audit plan of the Company in place from time to time;
- (aa) to appoint or dismiss the Secretary;
- (bb) to approve transactions as set out in the related party transaction policy of the Company in place from time to time;
- (cc) to adopt or amend the Company's policies referred to in clause 6.2, with the exception of the Remuneration Policy to which clause 5.7 applies; and
- (dd) to change the tax domicile of the Company.