
KIADIS PHARMA B.V.

RULES OF PROCEDURE FOR THE SUPERVISORY BOARD

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1. INTRODUCTION

- 1.1 The Supervisory Board supervises the policies, management and general affairs of the Company and assists the Management Board with advice.
- 1.2 These amended Rules were adopted by the Supervisory Board on June **[date]**, 2021 and approved by the General Meeting in accordance with article 19.10 of the Articles on June 28, 2021.
- 1.3 These Rules are complementary to (i) the provisions regarding supervisory boards contained in Dutch law and regulations and (ii) the Articles.
- 1.4 The Supervisory Board and each Supervisory Director shall observe and comply with these Rules and action shall be taken by the Supervisory Board and each Supervisory Director to ensure that the Supervisory Board shall observe and comply with the principles set out in the Rules.
- 1.5 In these Rules, the following expressions shall have the following respective meanings:

Articles mean the articles of association of the Company.

Chairman means the chairman of the Supervisory Board.

Committee means each committee of the Supervisory Board as referred to in Clause 8, if and when established.

Company means Kiadis Pharma B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of The Netherlands, whose corporate seat is at Amsterdam.

Company Secretary means the Company secretary.

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

Independent Supervisory Board Member means a member of the Supervisory Board, qualifying as independent within the meaning of section 7.1.1. b) of the Merger Agreement.

Management Board means the management board (*raad van bestuur*) of the Company.

Management Team means the senior management team that supports the Management Board in the day-to-day management of the Company, as appointed by the Management Board from time to time.

Merger Agreement means the merger agreement between the Company and Sanofi dated November 1, 2020.

Non-Financial Covenants means the Non-Financial Covenants as defined in section 6.2.1 of the Merger Agreement.

Rules mean these rules of procedure governing the Supervisory Board's internal affairs.

Supervisory Board means the supervisory board (*raad van commissarissen*) of the Company.

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

Vice-Chairman means the vice-chairman of the Supervisory Board.

2. **RESPONSIBILITIES AND DUTIES**

2.1 The role of the Supervisory Board is to supervise the policies of the Management Board and the general course of affairs of the Company, as well as to assist the Management Board in the execution of its duties by providing advice. In performing its role, the Supervisory Board shall be guided by the interests of the Company and the business connected with it and, to that end, shall take into account the relevant interests of the Company's stakeholders.

2.2 The Supervisory Board and each individual Supervisory Director have their own responsibility for obtaining from the Management Board and the external auditor all the information that the Supervisory Board may need for the proper performance of its duties as a supervisory body. The Supervisory Board may obtain information from officers and external advisors of the Company as it deems necessary. The Company shall make the necessary resources available for this purpose. In addition, the Supervisory Board may, at the Company's expense, seek the advice which it deems desirable for the correct performance of its duties.

2.3 The Supervisory Board shall ensure that the Company has a sound plan in place for the succession of members of the Management Board.

3. **COMPOSITION, EXPERTISE AND TERM**

3.1 The composition of the Supervisory Board shall be such that it is able to carry out its duties properly and that the Supervisory Directors are able to act critically and independently of one another and of the Management Board and any particular interests.

3.2 Each Supervisory Director shall be capable of assessing the broad outline of the Company's strategy and corporate objectives and shall have the specific expertise required for the fulfillment of the duties assigned to the role designated to him/her.

3.3 Pursuant to articles 18.1 and 18.2 of the Articles, the Company shall have a Supervisory Board consisting of one (1) or more natural persons, such number being determined by the General Meeting. For as long as Clause 5.3 applies, the

Supervisory Board will consist of five (5) members, in accordance with the provision of section 7 of the Merger Agreement.

3.4 If a newly appointed Supervisory Director considers it to be necessary or desirable, he/she may follow an induction program which shall cover general financial and legal affairs, financial reporting by the Company, any specific aspects that are unique to the Company and its business activities, and the responsibilities of a Supervisory Director. If the Supervisory Board considers it necessary or desirable, it shall conduct an annual review to identify any aspects with regard to which the Supervisory Directors require further training or education during their period of appointment. The Company shall play a facilitating role in this respect.

3.5 Supervisory Directors may be appointed for a certain period of time or for an indefinite period, to be decided by the General Meeting. The Supervisory Board shall ensure that the Company has a sound plan in place for the succession of Supervisory Directors.

4. **APPOINTMENT, RESIGNATION, SUSPENSION AND DISMISSAL**

4.1 The General Meeting shall appoint the Supervisory Directors and may at any time suspend or remove any Supervisory Director, in accordance with article 18.3 of the Articles.

4.2 Pursuant to article 18.4 of the Articles, the Supervisory Board may draw up a roster in accordance with which Supervisory Directors shall resign.

5. **INDEPENDENT SUPERVISORY BOARD MEMBERS**

5.1 Two (2) members of the Supervisory Board shall be Independent Supervisory Board Members.

5.2 All members of the Supervisory Board shall monitor and protect the interests of the Company and all of its stakeholders in accordance with their obligations under Dutch law. The Independent Supervisory Board Members shall be particularly tasked with monitoring the compliance with the Non-Financial Covenants and, when material transactions between the Company and Sanofi or an Affiliate of Sanofi (as defined in the Merger Agreement) are considered, the fair treatment of minority shareholders of the Company (if any).

5.3 In accordance with section 6.4.1 of the Merger Agreement and until April 16, 2022, any deviation from the Non-Financial Covenants requires the prior written approval of the Supervisory Board, including the affirmative vote of at least one (1) Independent Supervisory Board Member.

5.4 The Independent Supervisory Board Members will be entitled to engage, for the account of the Company, their own financial and legal advisors, if and to the extent they reasonably believe that the advice of such advisors is necessary to assist them in reviewing and assessing the matters that come before the Supervisory

Board.

6. **CHAIRMAN AND VICE-CHAIRMAN**

- 6.1 The Supervisory Board shall appoint a Chairman from among its members and may elect a Vice-Chairman. In the absence of the Chairman and the Vice-Chairman, if elected, in a meeting, the meeting shall appoint a chairman from among those present.
- 6.2 The Chairman of the Supervisory Board shall ensure the proper composition and functioning of the Supervisory Board and its Committees (if any), and shall act on behalf of the Supervisory Board as the main point of contact for shareholders regarding the functioning of the Supervisory Board. In his/her capacity of Chairman, he/she shall ensure the orderly and efficient conduct of the General Meeting.
- 6.3 The Chairman shall see to it that:
- (a) Supervisory Directors receive in good time all information which is necessary for the proper performance of their duties;
 - (b) there is sufficient time for consultation and decision-making by the Supervisory Board; and
 - (c) the Supervisory Board has proper contact with the Management Board.

7. **COMPANY SECRETARY**

- 7.1 The Supervisory Board shall be assisted by the Company Secretary.
- 7.2 The Company Secretary shall see to it that correct Supervisory Board procedures are followed and that the obligations of the Supervisory Board under Dutch law and the Articles are complied with. The Company Secretary shall support the Chairman of the Supervisory Board in the organization of the affairs of the Supervisory Board.

8. **COMMITTEES**

- 8.1 The Supervisory Board may appoint standing and/or ad hoc Committees from among its members, which are charged with tasks specified by the Supervisory Board. The composition of any Committee is determined by the Supervisory Board.
- 8.2 The Supervisory Board remains collectively responsible for decisions prepared by Committees from among its members. A Committee may only exercise such powers as are explicitly attributed or delegated to it and may never exercise powers beyond those exercisable by the Supervisory Board as a whole.
- 8.3 The Supervisory Board can at all times revoke any powers granted by it to a Committee.

8.4 The Supervisory Board shall establish a Charter for each Committee and may amend these Charters at any time. A Charter shall indicate the role and responsibilities of the Committee concerned, its composition and the manner in which it performs its duties.

9. **MEETINGS**

9.1 The Supervisory Board shall hold meetings as often as one (1) or more of the Supervisory Directors desire, as often as the Management Board shall request, or as often as necessary in pursuance of the provisions of the Articles. The Supervisory Board shall in any event hold at least three (3) meetings a year.

9.2 The meetings will generally be held at the offices of the Company, but may also take place elsewhere. Meetings are in principle called by the Company Secretary, in consultation with the Chairman.

9.3 Meetings shall be convened taking into account a notice period of at least five (5) business days, the day on which the meeting is convened and the date of the meeting itself not included, and shall provide an agenda identifying in reasonable detail the matters to be discussed at the meeting. The Supervisory Board may unanimously agree to waive any notice requirements. Shorter notice periods will also be permitted in cases of urgency, urgency being a situation where a failure to meet before the expiry of the notice period could reasonably be expected to have a material adverse impact on the Company.

9.4 The meetings shall be chaired by the Chairman. The Company Secretary or any other person designated for such purpose by the Chairman shall draw up minutes of the meeting recording the proceedings of the meeting, which minutes shall be sent by the Company Secretary to the Supervisory Directors within three (3) weeks after the meeting and shall be adopted by the Supervisory Board in the following meeting and signed to that effect by the Chairman.

9.5 The Supervisory Board may require that certain officials and external advisors be present at its meetings.

9.6 A simultaneous telephone or video link with sound between Supervisory Directors, wherever they may be in the world, will be deemed to form a meeting of the Supervisory Board for the duration of this link. The minutes signed by the Chairman, recording the proceedings of the meeting, shall form sufficient evidence of the proceedings of the meeting and the due observance of all necessary formalities.

9.7 All resolutions of the Supervisory Board shall be adopted by a majority of the votes cast. In the event of a tie in voting, the Chairman will have a deciding vote. In meetings of the Supervisory Board each Supervisory Director shall be entitled to cast one (1) vote. Resolutions of the Supervisory Board shall only be valid if taken at a meeting at which at least half of the Supervisory Directors are present or

represented.

9.8 A Supervisory Director may only be represented in meetings of the Supervisory Board by another Supervisory Director pursuant to a written power of attorney. This written power of attorney can only be granted to another Supervisory Director for a specified resolution in respect of which both the Supervisory Director granting the power of attorney and the Supervisory Director to whom the power of attorney is granted have not notified a conflict of interest in accordance with Clause 10.

9.9 Resolutions of the Supervisory Board may, instead of at a meeting, be passed in writing – which shall include an electronic message, a facsimile and a message transmitted by any other accepted means of communication and received or capable of being produced in writing – provided that all Supervisory Directors are familiar with the resolution to be passed and none of them objects to this decision-making process.

10. **CONFLICT OF INTEREST**

10.1 A Supervisory Director shall immediately report any conflict of interest or potential conflict of interest that is of material significance to the Company and/or to him/herself, to the Chairman and shall provide all relevant information, including information concerning his/her spouse, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree as defined under Dutch law. If the Chairman has such a (potential) conflict of interest, he/she shall report this immediately to the Vice-Chairman, if elected, and in absence of a Vice-Chairman, to the other Supervisory Directors, and provide all information as described above.

10.2 The Supervisory Board shall decide, without the Supervisory Director concerned being present, whether there is a conflict of interest.

A conflict of interest exists, in any event, if the Company intends to enter into a transaction with a legal entity: (i) in which a Supervisory Director personally has a material financial interest; (ii) which has a management board member who has a relationship under Dutch family law with a Supervisory Director; or (iii) in which a Supervisory Director has a management or supervisory position.

10.3 A Supervisory Director may not participate in deliberating or decision-making within the Supervisory Board, if with respect to the matter concerned he/she has a conflict of interest with the Company.

10.4 All transactions in which there is a conflict of interest with a Supervisory Director shall be agreed on terms that are customary in the sector concerned. Decisions to enter into transactions in which there is a conflict of interest with a Supervisory Director require the approval of the Supervisory Board.

11. **REMUNERATION AND EXPENSES**

11.1 Pursuant to article 18.6 of the Articles, the General Meeting is authorized to determine the remuneration of each Supervisory Director.

11.2 Reasonable expenses incurred by the Supervisory Directors in their capacity as such shall be reimbursed by the Company.

12. **RELATIONS WITH THE MANAGEMENT BOARD AND THE MANAGEMENT TEAM**

12.1 The Supervisory Board shall supervise that the Management Board takes account of the checks and balances that are part of the two-tier system, that the Management Board's expertise and responsibilities are safeguarded and that the Supervisory Board is informed adequately. In this context, the Supervisory Board shall pay specific attention to the dynamics and the relationship between the Management Board and the Management Team.

12.2 The approval of the Supervisory Board shall be required for such resolutions of the Management Board as the Supervisory Board shall have specified in a resolution to that effect and notified to the Management Board.

12.3 The Supervisory Board shall be entitled to request from the Management Board financial and managerial information, strategic and business plans, corporate governance and compliance reports, and all other kinds of reports or information in the format and timeframe so requested. The information provided by the Management Board shall include information provided by the Management Team.

12.4 The Supervisory Board shall receive in a timely manner from the Management Board written information on all the facts and developments relating to the Company which the Supervisory Board requires to allow it to function properly and perform its tasks satisfactorily.

13. **RELATIONS WITH THE GENERAL MEETING**

The Supervisory Board, together with the Management Board, shall provide the General Meeting with all: (i) information that it requires for the exercise of its powers, and (ii) all requested information, unless this would be contrary to an overriding interest of the Company and its business. If the Management Board and the Supervisory Board invoke an overriding interest, they must state its reasons.

14. **RELATIONS WITH THE WORKS COUNCIL**

The Chairman will act on behalf of the Supervisory Board as main contact for the works council or other employee participation body, if and to the extent a works council or employee participation body has been established at the Company, and will ensure that contact with any works council or employee participation body is proper and productive and that the results thereof are timely and properly communicated to the other members of the Supervisory Board.

15. **FINANCIAL REPORTING AND EXTERNAL AUDITOR**

The Supervisory Board shall supervise publication of the annual report and ad hoc financial information. The Supervisory Board shall see to it that the internal procedures for financial reporting are established, maintained and complied with.

16. **CONFIDENTIALITY**

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

17. **AMENDMENT**

Pursuant to article 19.10 of the Articles, these Rules may be amended by the Supervisory Board, with the approval of the General Meeting.

18. **GOVERNING LAW**

These Rules shall be governed by and be construed in accordance with the laws of The Netherlands.