

FNG NV

Public limited liability company ("*Société Anonyme*" / "*Naamloze Vennootschap*")
incorporated under the laws of Belgium

Listed company whose shares are admitted to trading on a regulated market within the meaning of article 1:11 of the
Code on Companies and Associations

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Register of Legal Entities Antwerp, section Mechelen

FNG

Corporate Governance Charter

of 5 February 2020

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INTRODUCTION

On 9 May 2019 the Belgian Corporate Governance Committee published its 2020 edition of the Belgian Code on Corporate Governance (the "**CGC**"), which is a code of best practice applying to listed companies ("*comply or explain*" approach).

As a company organized under Belgian law and with Euronext Brussels as its market of reference, FNG NV ("**FNG**" or the "**Company**") has adopted the CGC as its reference code and is committed to follow the ten (10) corporate governance principles set forth in the CGC, *i.e.* :

1. The Company shall make an explicit choice regarding its governance structure and clearly communicate it.
2. The board and the executive management shall remain within their respective remits and interact constructively.
3. The Company shall have an effective and balanced board.
4. Specialised committees shall assist the board in the execution of its responsibilities.
5. The Company shall have a transparent procedure for the appointment of board members.
6. All board members shall demonstrate independence of mind and shall always act in the best interests of the company.
7. The Company shall remunerate board members and executives fairly and responsibly.
8. The Company shall treat all shareholders equally and respect their rights.
9. The Company shall have a rigorous and transparent procedure for evaluating its governance.
10. The Company shall publicly report on the application of the code.

As required by CGC, FNG has prepared this Corporate Governance Charter in order to describe the main aspects of its corporate governance policy. This Corporate Governance Charter was approved by the Company's supervisory board in this meeting of 5 February 2020 and shall be updated from time to time.

However, the supervisory board is of the opinion that it is justified that the Company does not adhere to certain principles of the Belgian Code on Corporate Governance. Such deviations include:

- The Company currently does not find it expedient to modify the remuneration of the board members and to partly remunerate the board members in the form of shares in the Company (**principle 7.6**), since certain board members do have a relationship with a particular shareholder and being a personal shareholder would not create added value. The other (independent) board members are of the opinion that being a shareholder of the Company would not influence the manner in which they exercise their mandate. The Company will annually review whether this decision is still appropriate.
- The Company has no intention to enter into a relationship agreement with the significant or controlling shareholders (**principle 8.7**), since there are already sufficient safeguards in place to prevent pressure from the significant or controlling shareholder, to protect the minority shareholders and to ensure the independence of the Company.
- Considering the nature and size of the Company, the board members are currently appointed for a duration of five (5) years instead of four (4) years (**principle 5.6**). The Company has the intention to (re)appoint (new) board members for a duration of four (4) years;

The Corporate Governance Charter is available, together with FNG's Articles of Association, on FNG's website (www.fng.eu) and will be updated as required in case of any change made to FNG's corporate governance policy.

In addition, FNG will provide, in its annual report, a corporate governance statement containing factual information relating to its corporate governance policy, including changes to the Corporate Governance Charter together with relevant events that took place during the year under review. If necessary, the supervisory board shall explain in what manner the Company has deviated from a provision laid down in the Corporate Governance Charter or the CGC, describe the reasons for this deviation, where the deviation is limited in time, explain when the Company envisages complying with a particular provision and, where applicable, describe the measure taken instead of compliance and explain how that measure achieves the underlying objective of the specific provision or of the CGC as a whole, or clarify how it contributes to good governance of the Company.

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1. STRUCTURE AND ORGANIZATION OF FNG

1.1 General information and legal structure

FNG NV is a public limited liability company ("*société anonyme*"/ "*naamloze vennootschap*") organized and existing under the laws of Belgium. It is a listed company whose shares are admitted to trading on a regulated market within the meaning of article 1:11 of the Code on Companies and Associations ("CCA").

FNG is listed on Euronext Brussels (FNG) since 29 June 2018 and changed its reference market from Euronext Amsterdam to Euronext Brussels.

FNG is a fast-growing Benelux fashion group with activities across the entire European continent. FNG designs and distributes clothing and shoes for women, children and men through its own concept stores at high-end locations in Belgium and the Netherlands, but also via a network of multi brand stores in Belgium and abroad.

1.2 Governance structure

The Company has opted for a “two-tier” governance structure. As a result, the Company's principal governance structure is based on a distinction between:

- the Company's management board ("*conseil de direction*"/"*directieraad*") (hereafter, the "**Executive Management**") within the meaning of 7:107 of the CCA, which is in charge of the management (including daily management) of the Company, within the framework of the general strategy defined by, and under the supervision of, the Company's supervisory board;
- the Company's supervisory board ("*conseil de surveillance*"/"*raad van toezicht*") (hereafter, the "**Board**"), which is in charge of the definition of the Company's general policy and strategy, the supervision of the Executive Management and all actions that are specifically reserved to it pursuant to the CCA.

The choice for the two-tier governance structure was prompted by the fact that the previous two-tier governance structure under the Belgian Company Code was considered appropriate for the well-functioning of the Company. The two-tier governance structure under the CCA maintains a clear separation between both organs and their range of tasks, without losing sight of close interaction and cooperation between them.

The Company shall reassess its decision for a two-tier governance structure at regular intervals, and at least once every five (5) years, in the light of the Company's development and changes to the environment in which it operates. The Board shall review whether the chosen governance structure is still appropriate, and if not, it should propose a new governance structure to the general shareholders' meeting.

The Executive Management's terms of reference including its responsibilities, duties, composition and operation are set out hereafter in Article 6.2.

The Board's terms of reference including its responsibilities, duties, composition and operation are set out hereafter in Article 3.

The Board appointed a Chairman (who must always be different from the CEO(s) or CFO) and can appoint a Company Secretary whose responsibilities are described hereafter in respectively Articles 4 and 5.

By decision of the Board, a person who must not be a board member may be given a particular mandate to act on behalf of the Company.

By decision of the Executive Management, a person who must not be an executive may be given a particular mandate to act on behalf of the Company.

The Executive Management has delegated the Company's daily management to one executive, which is also referred to as the CEO. His powers are further described in Article 6.1.

The Board has established an Audit and Risk Committee and a Nomination and Remuneration Committee. These Committees have an advisory function. They assist the Board in specific situations it being understood that the final decision making power remains with the Board. Their functioning is described hereafter in Articles 7.2 and 7.1.

1.3 Website of the Company

The Board ensures that all information which the Company is obliged to publish pursuant to legal provisions (including the CCA) and this Corporate Governance Charter is posted on and updated in a clearly recognizable part of the Company's website separate from the commercial information.

Any amendments to this Corporate Governance Charter must be promptly reflected in the Company's website. The domain name of the Company's website is www.fng.eu.

2. SHARE CAPITAL AND SHAREHOLDERS

2.1 Share capital

The detailed number of FNG shares currently outstanding and the amount of FNG issued and paid-up capital can be found on www.fng.eu.

2.2 Form of shares

FNG shares can be held as either registered shares or dematerialized shares at the discretion of shareholders.

For registered shares, the names and addresses of all shareholders or holders of a right of usufruct or pledge are recorded in the shareholder register. The Executive Management can decide to hold the shareholder register in electronic form. On request, holders of registered shares will be provided with an extract from the register at their expense.

Any shareholder can request the conversion of his shares into another form at its own expenses.

Any requests should be made in writing and sent by ordinary mail, duly signed to the registered office of FNG for the attention of the Chairman of the Board.

2.3 Identity of the major shareholders of the Company and description of their voting rights, special control rights and any shareholders agreements, if any

Each natural or legal person acquiring or transferring shares of FNG, is required to notify FNG and the Financial Services and Markets Authority in Belgium ("*Autoriteit voor financiële diensten en markten*" / "*Autorité des services et marchés financiers*") ("**FSMA**") each time their shareholding crosses, as a result of an acquisition or transfer, a threshold of five percent (5 %) or a multiple of five percent (5 %).

To the best of the Company's knowledge, based on (i) the transparency declarations most recently received by the Company pursuant to Title II of the law of 2 May 2007 and the Royal Decree of 14 February 2008 on the disclosure of major holdings and (ii) information available from private placement, the shareholders' structure is as follows on 5 February 2020:

Shareholder	Number of votes	% of votes rights
Mr Dieter Penninckx, Ms Anja Maes and Mr Emmanuel Bracke directly and indirectly via Greenway District BVBA, GW2 BVBA, MANco GDM BVBA and 3NG NV	5,118,256	43.96%
Participatiemaatschappij Vlaanderen (PMV) NV	823,783	7.08%
Cidron-eCom S.à.r.l	1,174,080	9.63%

This overview is based on the amount of shares as notified to the FSMA (Financial Services and Markets Authority) as at 5 February 2020, and could therefore not be accurate anymore.

The number of votes and percentage of voting rights attached to the shares set out in the table concern the number of votes and percentage of voting rights attached to the shares as indicated in, and at the time of, the most recent transparency notification of the relevant principal shareholder. Therefore the number of votes and percentage of voting rights attached to the shares set out in the table may not correspond to the actual number of votes and the actual percentage of voting rights attached to the shares on 5 February 2020. In addition, even if a relevant shareholder did not transfer any of its shares since the transparency notification to the FSMA, the number of votes and percentage of voting rights attached to the shares set out in the table could have been impacted by capital movements of FNG, and could therefore not be accurate anymore. Furthermore, the Company has adopted the double voting right, meaning that shares registered in the shareholders' register in the name of the shareholder for a continuous period of two (2) years give right to a double vote at the shareholders' meeting. Therefore, the number of votes and percentage of voting rights attached to the shares set out in the table could not be accurate anymore due to changes in the denominator.

The above table is kept up-to-date based on the most recent transparency notification to the Company. It is recommended to always consult the most recent overview on the Company's website www.fng.eu.

The Board shall encourage the significant or controlling shareholders to clearly express their strategic objectives to the Board and to make a considered use of their position and to take special care to prevent conflicts of interests and to respect the rights and interests of minority shareholders. The Company has not entered into a relationship agreement with the significant or controlling shareholders of the Company.

2.4 Any other direct or indirect relationship between the Company, its subsidiaries and its major shareholders

No direct or indirect relationships exist(ed) between the Company or one of its subsidiaries and its major shareholders.

2.5 Authorised capital

The general meeting of 20 November 2018 has granted the Board the authority to increase the Company's share capital, in one or more transactions, for a total amount of sixty million six hundred seventy nine thousand two hundred and eight euro and thirty six cent (EUR 60.679.208,36) , for a period of five years as of the publication of the general meeting's decision in the annexes to the Belgian State Gazette. This authority may also be used for capital increases by way of incorporation of reserves.

In addition to the issue of shares, convertible bonds and warrants, capital increases resolved upon by the Board may also occur by way of issue of non-voting shares, shares with preferential right to dividends and liquidation proceeds and of convertible shares which convert in a larger or smaller number of ordinary shares under certain circumstances.

This authority can be renewed.

Within the framework of the authorised capital, the Board is authorised to limit or cancel the preferential right of the existing shareholders, in the interest of the Company and in accordance with the provisions of Article 7:190 and following of the CCA. The Board may cancel or limit the preferential right to the benefit of one or more specific persons, who are not employees of the Company or its subsidiaries.

On the occasion of a capital increase within the limits of the authorised capital, the Board can order the payment of a share premium. In this case, the premium must be booked in a non-distributable reserve which can only be decreased or cancelled pursuant to a decision of the general meeting at which the quorum and majority required to amend the Articles of Association are met.

Further, the general meeting of 20 November 2018 has expressly authorised the Board to increase the share capital in one or more transactions, following a notification by the FSMA that the latter has been informed of a public takeover bid on the Company's securities, by means of contributions in cash with cancellation or limitation of the existing shareholders' preferential right or by contributions in kind and/or by issuing securities carrying voting rights, which may or may not represent the share capital, or by issuing securities giving right to subscribe to or acquire such securities, whether or not these securities are offered to the existing shareholders in proportion to the share capital represented by their shares. The transaction needs to comply with the requirements of Article 7:202, second paragraph, 2° of the CCA. This authorisation is granted for a period of three years as from 20 November 2018 and can be renewed.

2.6 Share redemption

The Company has been authorised by means of a decision of the general meeting of 20 November 2018, to acquire its own shares or bonus shares or certificates which relate thereto, or to divest them in accordance with the Articles 7:215 and following of the CCA.

The general meeting of 20 November 2018 has explicitly granted the authority to the Board, in accordance with the provisions of Article 7:215 and following of the CCA, to acquire by sale or exchange its own shares, bonus shares or certificates which relate thereto or to divest those, without the requirement of a prior decision of the general meeting, either directly or through a person which acts in its own name but on behalf of the company, or through a direct subsidiary in the meaning of Article 7:221 of the CCA, if the acquisition or divestment is necessary to avoid a threatening serious disadvantage for the company. This power is valid for a period of three (3) years as from the publication of this decision in the Annexes to the Belgian State Gazette, and can be renewed.

The general meeting of 20 November 2018 has moreover granted the Board the power to acquire by sale or exchange the maximum number of shares, bonus shares or certificates which relate thereto as set forth in Article 7:215§1 and 7:218 of the CCA, and to divest those, either directly or through a person which acts in its own name but on behalf of the company, or through a direct subsidiary in the meaning of Article 7:221 of the CCA, against a consideration which cannot be lower than 50% of the average closing share price over the ten (10) preceding trading days and cannot be higher than 150% of the average closing share price over the ten (10) preceding trading days. This power is valid for a period of five (5) years as from the resolution of the general meeting of 20 November 2018, i.e. until 20 November 2023 and can be renewed.

The Board is furthermore also empowered in accordance with Article 7:226§1 of the CCA, to take a pledge, directly or indirectly through a subsidiary or a person who acts in its own name but on behalf of that subsidiary or the company, as stipulated in Article 7:226§1 of the CCA, on its own shares, bonus shares or certificates which relate thereto and this in accordance with the conditions and duration for acquisition and divestment of own shares set forth above. In accordance with Article 7:215§2 of the CCA the company should, for as long as it is listed or as long as its securities are admitted to an MTF as defined in Article 3, 10° of the Act of 21 November 2017 on market infrastructures for financial instruments and transposing Directive 2014/65/EU, to the extent that it works with at least one daily trading and with a central order book, inform the FSMA of acquisitions that it is considering by application of Article 1 7:125§1 of the CCA. The Board is furthermore empowered to divest shares or certificates of the company in accordance with Article 7:218 of the CCA.

2.7 Existing stock option plans

The Company has not yet set up any stock option plans for its employees, executives and consultants, as well as for persons who in the scope of their professional activity have made themselves useful to the Company. However, the Company has the intention to set up a stock option plan for the management of the Company.

2.8 Shareholders' Meetings

FNG encourages its shareholders to participate in its Shareholders' Meetings. In order to facilitate this, voting may take place by proxy voting. Agendas and all other relevant information are available on the Company's website in advance of Shareholders' Meetings.

The annual Shareholders' Meeting of FNG is held each year on the last Friday of May at 11 AM. If this date is a public holiday, the meeting is held at the next working day.

For all further information regarding Shareholders' Meetings (including organization, quorum and majority requirement) reference is made to the Articles of Association of the Company and the specific section of the Company's website describing the shareholders' rights to participate and vote at the Shareholders' Meeting and containing a timetable on periodic information and Shareholders' Meetings.

Notices of all Shareholders' Meetings and all related documents, such as specific Board and auditor's report, are published on www.fng.eu.

2.9 Agenda of the Shareholders' Meetings

One or more shareholders together representing at least 3% of the share capital of the Company, may place additional items to be discussed on the agenda, and submit draft resolutions on subjects for discussion included or to be included in the agenda, but only at the time of the first calling of a Shareholders' Meeting.

The shareholder must prove that, on the date on which he submits a draft resolution or topic, he holds the required share capital and this by submitting a certificate of registration of the relevant shares in the share register of the Company or by submitting a certificate from a recognised demat institution or clearing institution showing that the corresponding number of dematerialised shares is registered in his name in the account.

The Company should receive the written request for inclusion in the agenda, and the text of the topics to be discussed and/or draft resolutions, along with proof that the applicant holds at least 3% of the capital, as described above, at the email address to be communicated in the notice or by post at its registered office, no later than on the 22nd day preceding the Shareholders' Meeting. The shareholder(s) must specify a postal or e-mail address in their request. The Company shall confirm the receipt of the request within 48 hours of receipt.

If the Company has received additional issues and/or proposed resolutions, it shall publish the new agenda and the draft resolutions as per the statutory requirements no later than on the 15th day preceding the date of the Shareholders' Meeting. A completed proxy form, and if applicable, a completed form to vote by letter shall in such case be provided on the Company website.

The proposed topics and/or draft resolutions may only be considered at the relevant Shareholders' Meeting if the relevant shareholder(s) still hold(s) 3% of the capital on the record date and this has been registered, as per Article 7:134§2 of the CCA, on the record date, i.e. on the 14th day preceding the Shareholders' Meeting (at 12 PM (Belgian time)).

3. FNG'S BOARD

3.1 Role, powers and responsibilities of the Board

3.1.1 Role

As provided by article 7:105 of the CCA, the Company is headed by a Board, that should function as a collegial body. No individual or group of board members should dominate the Board's decision-making.

The Board's role is to pursue sustainable value creation by the Company, by setting the Company's strategy, putting in place effective, responsible and ethical leadership and monitoring the Company's performance. The Board should approve the framework of internal control and risk management proposed by the Executive Management and review the implementation of this framework.

In order to effectively pursue such sustainable value creation, the Board should develop an inclusive approach that balances the legitimate interests and expectations of shareholders and other stakeholders who are essential to a successful business: the Company's partners, shareholders and employees as well as the community and the environment in which the Company operates.

The Board shall ensure an effective dialogue with shareholders and potential shareholders through appropriate investor relation programmes, in order to achieve a better understanding of their objectives and concerns. Feedback of such dialogue shall be given to the Board, on at least an annual basis.

The Company shall discuss with institutional investors the implementation of their policy on the exercise of institutional investors' voting rights in the relevant financial year and ask institutional investors and their voting agencies for explanations on their voting behaviour.

The Board shall approve and regularly review the Company's medium and long-term strategy based on proposals from the Executive Management. The Board shall monitor the operational plans and main policies developed by the Executive Management to give effect to the approved Company strategy and determine the risk appetite of the Company on the proposal of the Executive Management in order to achieve the Company's strategic objectives.

The Board is of the opinion that the above includes a primary focus on long-term financial returns, while remaining sensitive to the interests of the stakeholders.

3.1.2 Responsibilities

The Company has opted for a "two-tier" governance structure. Therefore, the principal governance structure of the Company is based on the distinction between the Executive Management and the Board, as set out under Article 1.2.

The Board is responsible for the general policy and strategy of the Company and for all actions that are specifically reserved to it pursuant to the CCA. Such powers and responsibilities include among others :

- to approve and oversee the Company’s principal objectives and strategy, as recommended by the CEO;
- to appoint and dismiss the members of the Executive Management and ensure there is a succession plan in place for the Executive Management and review this plan periodically;
- determine the Company's remuneration policy for the Supervisory Board and Executive Management, taking into account the overall remuneration framework of the Company;
- to appoint and dismiss members of the board committees and the chairman of the Nomination- and Remuneration Committee;
- to review and approve the annual and six-monthly, financial and consolidated statements, and where required by law, present those to the Shareholders’ Meeting;
- to review, evaluate and approve the Company's budget, forecasts, major resource allocation and capital investments;
- to monitor and evaluate the Company's performance against the strategic goals, plans and budgets set;
- to supervise and evaluate the Executive Management's performance and the realisation of the Company's strategic objectives against agreed performance measures and targets;
- make proposals to the Shareholder's Meeting for the appointment and the re-appointment of board members and ensure that there is a succession planning for board members in place;
- draw up a procedure on how to choose a replacement Chairman for board meetings in the absence of the chair and for chairing discussions and decision-making by the Board on matters where the Chairman has a conflict of interest;
- to convene the Shareholders’ Meetings and submit resolutions for approval; and
- to oversee the Company’s policy with respect to corporate communications, it being understood that communication on behalf of the Company to the outside world is reserved to the Chairman of the Board and the CEO, with the right of delegation.

With respect to its monitoring responsibilities the Board shall :

- review Executive Management performance and the realisation of the Company’s strategy;
- monitor and review the effectiveness of the board committees;
- take all necessary measures to ensure the integrity and timely disclosure of the Company’s financial statements and other material financial and non-financial information disclosed to the shareholders and potential shareholders;
- ensure that the Company presents an integrated view of the Company's performance in its annual report and that it contains sufficient information on issues of societal concern and the relevant environmental and social indicators;
- ensure that there is a process in place for monitoring the Company's compliance with laws and other regulations, as well as for the application of internal guidelines relating thereto;
- approve a code of conduct setting out the expectations for the Company's leadership and employees in terms of responsible and ethical behaviour and monitor compliance with such code of conduct at least once a year;
- approve a framework of internal control and risk management set up by the Executive Management;
- review the implementation of this framework, taking into account the review made by the Audit and Risk Committee;
- supervise the performance of the external auditor and supervise the internal audit function, taking into account the review made by the Audit and Risk Committee; and
- describe the main features of the Company’s internal control and risk management systems.

Any system of internal control and risk management will be in line with the size of the Company.

3.2 Composition of the Board - appointment - duration

The Company is managed by the Board, consisting of a minimum of three (3) board members who can be individuals or legal entities and who need not be shareholders. Board members cannot be executives and vice-versa. The board members are currently appointed for a term of five (5) years by the Shareholders' Meeting, which is entitled to dismiss them at any time. The Company has the intention to (re)appoint (new) board members for a duration of four (4) years.

The Board should have a composition appropriate to the Company's purpose, its operations, phase of development, structure of ownership and other specifics. The Board should be small enough for efficient decision-making. It should also be large enough for its board members to contribute experience and knowledge from their different fields and for changes to the Board's composition to be managed without undue disruption.

The Board shall draw up nomination procedures and objective selection criteria for the appointment of board members. For any appointment to the Board, the skills, knowledge and experience already present or required on the Board should be evaluated and, in light of that evaluation, a description of the role and skills, knowledge and experience required should be prepared.

When dealing with a new appointment, the Chairman of the Board and the chair of the Nomination and Remuneration Committee shall ensure that, before considering the candidate, the Board has received sufficient information such as the candidate's curriculum vitae, an assessment of the candidate based on the candidate's initial interview(s), a list of the positions currently held by the candidate and, if applicable, any necessary information about the candidate's independence.

The Board shall ensure that, when considering nominating the former CEO as a board member, the necessary safeguards are in place so that the new CEO has the required autonomy. If the Board envisages appointing a former CEO as Chairman of the Board, it should carefully consider the positive and negative implications of such a decision and disclose in the corporate governance statement why such appointment will not hamper the required autonomy of the CEO.

Pursuant to Article 14 of the Articles of Association, the majority of the board members is appointed amongst the candidates proposed by Dieter Penninckx and/or Anja Maes and/or Emmanuel Bracke (each a "**Principal Shareholder**"), for as long as they, individually or jointly, directly or indirectly through affiliated persons or companies within the meaning of Article 1:20 of the CCA, hold at least fifteen percent (15%) of the shares in the Company. If the Principal Shareholders (individually or jointly, directly or indirectly through affiliated persons or companies within the meaning of Article 1:201 of the CCA) hold less than fifteen percent (15%) of the shares in the Company, but more than five percent (5%), they shall have the right to propose candidates for at least three memberships.

Without prejudice to applicable legal provisions, proposals for the appointment of board members should be communicated to the Board at least 40 days before the annual Shareholders' Meeting, so as to allow the Nomination and Remuneration Committee to investigate and discuss such proposal and to advise the Board accordingly.

Whenever a legal entity is appointed as a board member, it must specifically appoint an individual as its permanent representative, who will carry out the office of board member in the name and on behalf of such behalf. The legal entity may not revoke its permanent representative without simultaneously appointing a successor. The appointment and termination of the office of the permanent representative are governed by the same disclosure rules as if he/she were exercising the office on his/ her own behalf.

The board members may be re-elected for a new term subject to the provisions hereafter regarding independent board members. Before proposing any board member for re-election the Board shall take into account the evaluations made by the Nomination and Remuneration Committee.

The duties of board members who are not appointed for a new term terminate immediately after the Shareholders' Meeting which decided on any re-election.

Should any of the offices of board member become vacant, whatever the reason may be, the remaining board members shall have the right to temporarily fill such vacancy until the next Shareholders' Meeting, which shall make a final appointment. In the case of more than one vacancy, the remaining board members shall have the right to fill all such vacancies simultaneously.

As long as the Shareholders' Meeting or the Board has not filled a vacancy, whatever the reason may be, the board members whose term has expired continues to carry out his/her duties if it is necessary for the Board to consist of the legal minimum number of members.

The composition of the Board should be determined so as to gather sufficient expertise in the Company's areas of activity as well as sufficient diversity of skills, background, age and gender.

Adequacy of size and composition will be regularly assessed by the Board upon the initiative of the Chairman and upon recommendation of the Nomination and Remuneration Committee.

3.3 Independent board members

The Board should include an appropriate number of independent board members. At least three (3) members should qualify as independent according to the criteria described in the CGC.

All independent board members appointed in accordance with the CCA shall meet the criteria set out in article 7.87 of the CCA and article 3.5 of the CGC.

The Company shall disclose in the corporate governance statement of the annual financial report which board members it considers to be independent board members and the reasons why it considers nevertheless a board members as being independent even if one or more of the criteria set out above are not met.

3.4 Gender Diversity

The Board considers gender diversity an important topic, in which it is willing to invest in the future. Gender diversity should be achieved throughout the entire group.

The Nomination and Remuneration Committee strives to select both, men and women for the membership in order to have at least one third of the membership exercised by the opposite gender. Within the Board and Executive Management, one third of the members are of the opposite gender.

3.5 Individual requirements of the board members

The board members shall be specifically chosen for their particular professional experience, knowledge and skills upon a recommendation of the Nomination and Remuneration Committee. Any proposal for the appointment of a board member by the Shareholders' Meeting shall be accompanied by a recommendation from the Board, based upon such Committee's advice, even if the proposals for appointments originates from the shareholders. The Board shall propose that the annual Shareholders' Meeting votes on each proposed appointment separately.

Board members undertake that they have sufficient time to exercise their duties, taking into consideration the number and importance of their other commitments. They shall not hold more than five (5) memberships in listed companies, including the membership in FNG, provided that the Board can advise the Shareholders' Meeting to deviate from this rule. Changes in the memberships held by the board members shall immediately be reported to the Chairman of the Board.

The board members are individually responsible for acquiring and maintaining their skills and knowledge so as to allow them to carry out their function in the Board and its Committees. The Company shall for that purpose make the necessary resources available.

3.6 Induction

The Chairman shall ensure that the newly appointed board members receive an appropriate induction to ensure their contribution to the Company and the Committees to whom they belong.

3.7 Evaluation

Periodically, the Board will undertake a formal evaluation of its own size, composition and performance and that of its Committees and of its interaction with the Executive Management, in order to (i) assess how the Board and its Committees operate, (ii) check whether important issues are suitable prepared and discussed, (iii) evaluate whether each board member makes a constructive contribution to the decision making, (iv) check the Board's or Committee's current composition against the Board's or Committee's desired composition. Such evaluation will be done at least once every three (3) year by the Nomination and Remuneration Committee at the initiative of the Chairman and, if required, with the assistance of external advisors.

The board members shall not attend the discussions on their evaluation.

At the end of each board member's term, the Nomination and Remuneration Committee shall evaluate this board member's presence at the Board or Committee meetings, their commitment and their constructive involvement in discussions and decision-making in accordance with a pre-established and transparent procedure. The Nomination and Remuneration Committee shall also assess whether the contribution of each board member is adapted to changing circumstances. The number of Board and Committee meetings and the individual attendance record of board members shall be disclosed in the corporate governance statement of the annual report.

3.8 Board meetings

The Board shall meet as frequently as the interests of the Company shall require, but in any case not less than four (4) times a year. The date, hour and place of such meetings will be agreed upon by the Board, upon a proposal of the Chairman, for the next financial year at the last Board meeting of each financial year.

The Board can meet by a conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other. Moreover, decisions may be adopted, without a meeting, by the unanimous written consent of the board members. However, the procedure may not be used for the approval of the annual accounts or the use of the authorised capital.

In addition, special meetings of the Board may be called and held at any time upon the call of the Chairman or of any of its members, by giving written notice to each board member at least two (2) business days before the meeting. Where duly justified by emergency and by the corporate interest of the Company, the above notice period of two (2) business days may be waived by the unanimous consent of the board members expressed in writing. If necessary, the convocation of the meeting can also be done by telephone call. If all board members are present or represented at such meeting, they shall be deemed to have waived the above notice period.

Board meetings are based on a detailed agenda specifying the topics for decision and those for information. Board members have the power to raise any question which they consider appropriate concerning the Company and its operations.

The Board can only deliberate if a majority of its members are present or represented, each board member can appoint another member of the Board to represent him and vote in his name. Any board member can represent more than one other board member. Decisions are made by a simple majority of votes cast.

At the request of any board member and subject to the approval of the Board, any third party may be invited to attend the whole or any part of a Board meeting.

The Company Secretary or a person appointed for such purposes drafts minutes of each meeting reflecting the issues which were discussed, the decisions which were taken and, if any, the reservations which were voiced by dissenting board members. The names of the interveners shall only be recorded if specifically requested by them. The minutes will be approved by the Chairman and subsequently by the Board.

Board members should arrange their personal and business affairs so as to avoid conflicts of interest with the Company.

3.9 Special meeting of board members

Once a year, the board members shall meet without the presence of the CEO or any other executive. In such meeting the board members shall assess their relationship with the executives; no formal board decisions can be taken at such meeting.

3.10 Access to management

The Chairman of the Board shall establish a close relationship with the CEO, providing support and advice, while fully respecting the executive responsibilities of the CEO.

The Board shall support the Executive Management in the fulfilment of their duties and shall be prepared to constructively challenge the executives whenever appropriate. The board members shall be available to give advice, also outside of board meetings. Interaction between board members and executives shall take place in a transparent way. The Chairman of the Board shall always be informed.

The board members shall not intervene directly in the operations of the Company other than in exceptional circumstances and on a “needs only” basis.

The Board ordinarily shall not give instructions to, or interfere with the activities of Company management and employees. By exception to this principle, members of the Audit and Risk Committee shall at all times have full and free access to the CFO and any other employee to whom they may require access in order to carry out their responsibilities.

3.11 Access to advisors

The Board and the Committees shall have the authority, at the reasonable expense of the Company, to retain such independent accounting, financial, legal and other advisors as they deem necessary or appropriate to carry out their mandate after informing and consultation with the Chairman of the Board with due consideration for the financial consequences for the Company.

3.12 Information for board members

Board members have access to all corporate information needed to fulfil their fiduciary duties. This right of access is subject, in the case of personal information concerning employees of the Company, to applicable privacy laws.

Board members will only use the information they receive for the purpose of exercising their duties and must preserve the confidentiality of such information. To this effect they will be required to sign confidentiality undertakings before the commencement of their mandate.

3.13 The remuneration of board members

The Board shall adopt, upon the advice of the Nomination and Remuneration committee, a remuneration policy designed to attract, reward and retain the necessary talent, to promote the achievement of strategic objectives in accordance with the Company’s risk appetite and behavioural norms and to promote sustainable value creation. The Board shall ensure that the remuneration policy is consistent with the overall remuneration framework of the Company. The remuneration policy shall be submitted to the general shareholders’ meeting. When a significant proportion of the votes have been cast against the remuneration policy, the Company shall take the necessary steps to address the concerns of those voting against it, and consider adapting its remuneration policy.

For the board members, the remuneration policy should take into account their role as board members, and specific roles such as chair of the board, or chair or member of board committees, as well as their resulting responsibilities and commitment in time.

The board members should not receive any performance-related remuneration, that is directly related to the results of the Company. Upon advice of the Nomination and Remuneration Committee, the Board may propose to the Shareholders' Meeting to deviate from the latter principle in case in the Board's reasonable opinion the granting of any performance related remuneration would be necessary to attract or retain independent board members with the most relevant experience and expertise.

The board members shall not receive part of their remuneration in the form of shares in the Company. Moreover, no stock options shall be granted to the board members.

3.14 Corporate governance in the annual report

As set out in article 3:5 and 3:6 of the CCA, each year the Board draws up a report in which they account for their management over the previous year.

This report shall also contain a corporate governance statement in accordance with article 3:6§2 of the CCA describing all relevant corporate governance events that took place during the year under review. The corporate governance statement shall include at least the elements listed in Article 3:6§2 of the CCA.

If the Company does not fully comply with one or more provisions of the CGC, it shall explain the reasons thereof in this corporate governance statement.

The Board shall encourage shareholders, and in particular, institutional investors, to communicate their evaluation of the company's corporate governance prior to the annual Shareholders' Meetings and at least through participation in the annual Shareholders' Meeting. The Company shall discuss with institutional investors the implementation of their policy on the exercise of institutional investors' voting rights in the relevant financial year and ask institutional investors and their voting agencies for explanations on their voting behaviour.

3.15 Representation of the Company by its board members

In the areas of competence of the Board, the Company is validly represented by any two (2) of its board members acting jointly. For acts within the scope of their specific powers, the Company is also validly represented by special representatives who are appointed by the Board.

4. CHAIRMAN OF THE BOARD

4.1 Appointment

The Board elects the Chairman of the Board from amongst its members. For the appointment of the Chairman of the Board, the Nomination and Remuneration Committee will prepare a job specification, including an assessment of the commitment expected, recognizing the need for availability in the event of crises. The Chairman of the Board should be a person trusted for his professionalism, independence of mind, coaching capabilities, ability to build consensus, and communication and meeting management skills.

4.2 Powers and responsibilities

The Chairman of the Board is responsible for the proper and efficient functioning of the Board.

The Chairman of the Board is responsible for the leadership of the Board. He takes the necessary measures to develop a climate of trust within the Board, contributing to open discussion, constructive challenge and support for the decisions of the Board. The Chairman shall ensure that there is sufficient time for consideration and discussion before decision-making. Once decisions are taken, all board members should be supportive of their execution.

The Chairman of the Board promotes effective interaction between the Board and the Executive Management. He establishes a close relationship with the CEO, providing support and advice, while fully respecting the executive responsibilities of the CEO.

The Chairman of the Board determines the agenda of the Board meetings in consultation with the Company Secretary (and taking into account the request from the board members) and chairs Board meetings. The Chairman shall ensure that procedures relating to preparatory work, deliberations, the passing of resolutions and the implementation of decisions are properly followed. The agenda should specify which topics are for information, for deliberation or for decision-making purposes.

He ensures that board members receive prior to each meeting accurate, concise, timely and clear information and where necessary, between meetings. The Chairman will also make sure that all board members receive the same Board information and that there is sufficient time for consideration and discussion before making decisions.

The Chairman will ensure that newly appointed board members receive an appropriate induction geared to their role, including an update on the legal and regulatory environment, to ensure their capacity to swiftly contribute to the Board.

The Chairman of the Board represents the Board from a public relations standpoint to the shareholders and the public at large and chairs the shareholders' meetings. The Chairman of the Board will serve as interface between the Board and shareholders or other significant stakeholders of the Company.

5. COMPANY SECRETARY

The Board can appoint a Company Secretary and can also decide to dismiss him/her at any time. The Board shall oversee that the Company Secretary has the necessary skills and knowledge of corporate governance matters.

The role of the Company Secretary shall include:

- supporting the Board and its Committees on all governance matters;
- preparing the CG Charter and the CG Statement;
- ensuring a good information flow within the Board and its Committees and between the Board and Executive Management;
- ensuring that the essence of the discussions and decisions at board meetings are accurately captured in the minutes; and
- facilitating induction and assisting with professional development as required.

6. EXECUTIVE MANAGEMENT

The Company's Executive Management is composed of the CEO and other executives (the "**Executive Management**").

6.1 Chief Executive Officer ("CEO")

6.1.1 Appointment

The Executive Management appoints and removes the person(s) in charge of daily management ("*persoon belast met dagelijks bestuur*" / "*personne chargée de la gestion journalière*"), which shall also be referred to as the Chief Executive Officer(s) (or CEO(s)).

6.1.2 Role

The role of the CEO(s) of FNG is, together with the other executives, to implement the approved mission, strategy and targets set by the Board and to represent the Company with its major partners, the financial community, the government and the public. The CEO(s) report(s) directly to the Executive Management.

6.1.3 Responsibilities

As the Chief Executive Manager of FNG, the CEO(s), with the assistance of the other executives, is/are responsible for:

- examining, analysing and proposing to the Board strategic business opportunities that can contribute to the further growth of the group;
- executing the decisions of the Board;
- preparing proposals to the Nomination and Remuneration Committee concerning the appointment, remuneration and evaluation of the members of the management team;
- setting up, chairing and leading the management team;
- managing the members of the management team as they discharge of their individual responsibilities, as determined by the CEO(s);
- determining the objectives to be achieved by the management;
- communicating with the outside world;
- ensuring the day-to-day management of the Company and accounting to the Executive Management for such management at regular intervals;
- maintaining a continuous dialogue and interaction with the other executives in an atmosphere of openness and a climate of trust;
- maintaining excellent relationships with important customers, suppliers and the authorities.

In addition, the CEO(s) must enable the Board and the Chairman to exercise their responsibilities as board members. The CEO(s) must therefore:

- prepare proposals on topics for which decision-making is the preserve of the Board;
- meet the Chairman of the Board at regular intervals, consult him/her and involve him/her in strategic projects from the outset;
- provide the Board with all the possible relevant information it needs to exercise its powers.

The Board allocates to the CEO(s) the powers that are appropriate and necessary for the correct discharge of its tasks and responsibilities. The CEO(s) is accountable to the Executive Management for the discharge of the tasks and responsibilities allocated to him/her.

6.2 Executive Management

6.2.1 Role

The Executive Management is charged with the management of the Company, with the exception of the determination of the Company's strategy, the supervision of the Executive Management, and the powers explicitly reserved to the Board and the Shareholders' Meeting, by law, the Articles of Association or this Corporate Governance Charter.

In general, the role of the Executive Management is to run the Company in accordance with the values, strategies, policies, plans and budgets endorsed by the Board. The Executive Management shall be collectively responsible for the Company's management and the general affairs of the Company's business. In discharging its duties, the Executive Management shall be guided by the interests of the Company and its business; it shall take into account the relevant interests of all those involved in the Company, including the Company's shareholders. The Executive Management is responsible for the quality of its own performance.

In the exercise of this role, the Executive Management is responsible for complying with all relevant legislation and regulations, the Articles of Association and this Corporate Governance Charter.

6.2.2 Powers

The Executive Management is responsible for, inter alia:

- studying, defining and preparing, under the leadership of the CEO, the strategic options and proposals that may contribute to the development of the Company. This responsibility includes amongst others:
 - strategic planning: analysing the strategies, business plans and budgets and developing a plan and budget for proposal to, discussion with and approval by the Board;
 - organisation: organising activities consistent with the Company's strategy and recommending changes to the Board when necessary;
 - external development: making recommendations to the Board for the entering into, revision or termination of any alliance, spin-offs or mergers, investments, acquisitions and divestitures or any transaction which in the judgment of the CEO should be decided by the Board because of the nature or importance of the risks involved;
- developing proposals for policies to be submitted to Board's approval and implementing such policies, which include amongst others:
 - financial management: financial strategy policies including funding and solvency matters;
 - without prejudice to the tasks of the Audit and Risk Committee, risk management: policies related to the risk profile of the Company, systems to identify, assess, manage and monitor financial and other risks;
 - business conduct: key policies on private investments, general business conduct, etc;
 - any other matter where the Board or the CEO consider that the Board should set a policy;

- under the leadership of the CEO, ensuring the management of the Company by:
 - developing and implementing policies that fall within the Executive Management’s remit;
 - giving direction, guidance and support to the Company;
 - be responsible and accountable for the complete, timely, reliable and accurate preparation of the Company’s financial statements, in accordance with the accounting standards and policies of the Company;
 - present the Board with a balanced and understandable assessment of the Company’s financial situation;
 - provide the Board in due time with all information necessary for the Board to carry out its duties;
 - approving or deciding the entering into, revision or termination of any alliance, spin-offs or mergers, investments, acquisitions and divestitures, which are not reserved to the Board;
 - monitoring: performance as against strategic goals, plans and budgets; and compliance with applicable laws, regulations and policies and standards;
 - managing and organising the support functions covering matters such as: human resources (implementing group wide human resources strategy, policies and standards) and legal, compliance and tax matters;
- risk management: managing the different risks within the framework of the risk policies; this includes setting up risk management systems and internal controls;
- reporting: preparing the external financial statements, as well as other financial and non-financial external reports and management information;
- internal and external communication, including investor relations;
- audit: without prejudice to the tasks of the Audit and Risk Committee, deciding whether to set up, and if so, setting up of internal audit systems and concurring with the nomination of the statutory auditor;
- appoint and dismiss the CEO, ensure that there is a succession plan in place for the CEO and review this plan periodically;
- assisting the CEO in fulfilling his other responsibilities;
- exercising other powers and duties entrusted by the Board in specific matters determined by the Board upon proposal by the CEO.

The Executive Management may sub-delegate its specific powers and responsibilities.

6.2.3 Composition

The Executive Management is composed of at least three (3) members, including the CEO(s), who can be individuals or legal entities and who need not be shareholders. The Executive Management shall be chaired by the/a CEO. The executives cannot be members of the Board and vice-versa.

The members of the Executive Management, are appointed on proposal of the Chairman of the Board and may be dismissed by the Board at any time.

The Executive Management shall meet regularly.

6.2.4 Secretary

The secretary of the Executive Management or another person designated by the Chairman of the meeting prepares a report on the findings and recommendations of the meeting of the Executive Management. The report needs to be signed by all members present or represented at the meeting.

6.2.5 Operation

Meetings of the Executive Management are in principle called by the Chairman of the Executive Management. Each executive may request that a meeting be called.

Except in cases requiring rapid action, the agenda for the meeting as well as all supporting documentation is sent to the executives at least three (3) calendar days in advance of the meeting.

A meeting is validly constituted if at least the majority of the members of the Executive Management is present or represented. Any executive may grant a power of attorney to another executive to represent him/her at the meeting.

Decisions are taken by a majority of votes cast by the members of the Executive Management. The Executive Management invites other persons to attend its meetings, at its discretion.

6.2.6 Interaction with the Board

The Executive Management shall timely provide the Board with information, if possible in writing on all facts and developments concerning the Company which the Board may need to function as required and to properly carry out its duties. The Executive Management shall provide the Board with a written report on the general strategy policy, the financial and other risks, and internal control and risk management systems at least once a year.

The CEO (or, in the event the CEO should not be able to attend a meeting of the Board, another representative of the Executive Management designated by him/her) shall report at every meeting of the Board on the material deliberations and material decisions of the previous meeting(s) of the Executive Management. The Board may at any time invite members of the Executive Management to attend the meetings of the Board to question them on the policy they pursue.

The Executive Management shall draft at the end of each fiscal year a proposal for a budget and a business plan of the Company for the next fiscal year. The proposal for a budget and a business plan shall be submitted to the Board by the CEO. The Board may invite the members of the Executive Management to Board meetings to question them on the content of the budget and business plan and to request additional information.

The Executive Management shall each year draft an annual activity report which contains the information that should be included in the annual report, to be drawn up by the Board in accordance with 3:5 and 3:6 of the CCA. This annual activity report shall be submitted to the Board by the CEO. The Board may invite the members of the Executive Management to Board meetings to question them on the content of the annual activity report and to request additional information.

6.3 Representation of the Company by the Executive Management

The Company is duly represented by the CEO, in all matters relating to day-to-day management. In case there is more than one CEO, each CEO can act individually unless the Board has decided that they should act jointly. A CEO can delegate authority for daily management matters to one or more persons (irrespective whether or not they are employees).

The Company is duly represented by each member of the Executive Management, acting solely. For acts within the scope of their specific powers, the Company is also validly represented by special representatives who are appointed by the Executive Management.

6.4 Appointment

The executives are appointed on the basis of a recommendation by the Nomination and Remuneration Committee.

6.5 Remuneration of the CEO and other members of the Executive Management

The remuneration of the executives is determined by the Board on the basis of recommendations of the Nomination and Remuneration Committee which shall benchmark such remuneration to ensure that it is competitive and allows to attract the best person for the job.

The remuneration policy for the executives shall describe the different components of and determine an appropriate balance between fixed and variable remuneration, and cash and deferred remuneration. The variable part of the executive remuneration package should be structured to link reward to overall corporate and individual performance, and to align the interests of the executives with the sustainable value-creation objectives of the Company. In addition, the Board shall set a minimum threshold of shares to be held by the executives.

When the Company awards short-term variable remuneration to the executives, this remuneration shall be subject to a cap. Stock options shall not vest and be exercisable within less than three years. The Company shall not facilitate the entering into derivative contracts related to such stock options or to hedge the risks attached, as this is not consistent with the purpose of this incentive mechanism.

The severance pay in case of early termination of the contract with the CEO or a member of the Executive Management shall in principle not exceed twelve (12) months' basic and variable remuneration.

Special prior approval by the next annual Shareholders' Meeting shall be required before payment of severance pay exceeding twelve (12) months' basic and variable remuneration, or eighteen (18) months' basic and variable remuneration, upon the reasoned recommendations of the Nomination and Remuneration Committee to this effect. Such a request must be notified to the works council at least 30 days before the date of publication of the convening notice for the next annual Shareholders' Meeting, or if no works council exists, to the employee representatives on the committee for prevention and protection at work or, if there is none, to the union delegation.

At the request, as the case may be, of one of the parties in the works council, or respectively, the employee representatives on the committee for prevention and protection at work, or the trade union delegation, they shall make a recommendation to the Shareholders' Meeting. The request for a recommendation must be submitted at least 20 days before the date of convening the Shareholders' Meeting. The recommendation shall be submitted no later than the date of publication of the convening notice, and published on the website of the Company. In any case, if the person vacating office has not met the performance criteria referred to in his agreement, the severance pay should not exceed the basic remuneration for twelve (12) months, and the variable remuneration shall not be taken into account.

6.6 Evaluation

Each year, the Nomination and Remuneration Committee evaluates the performance of the executives and makes proposals to the Board for the targets to be achieved by the executives in the following year. The Board and the Executive Management shall agree on whether the executives may accept memberships of other corporate boards. Time constraints and potential conflicts of interests should be considered and balanced against the opportunity for the executive's professional development.

7. BOARD COMMITTEES

Apart from the Executive Management, the Board is assisted by several Committees in the execution of its responsibilities, i.e. the Audit and Risk Committee and the Nomination and Remuneration Committee. The Committees shall advise the Board in respect of decisions to be taken, give comfort to the Board that certain issues have been adequately addressed and, if necessary, bring specific issues to the attention of the Board.

7.1 Nomination and Remuneration Committee

7.1.1 Role

The Nomination and Remuneration Committee makes recommendations to the Board on the appointment and remuneration of the members of the Board, the CEO(s), and other members of the Executive Management.

7.1.2 Powers

The Nomination and Remuneration Committee is authorised to:

(a) For the purpose of appointments and assessments:

- prepare objective selection criteria and nomination procedures for the appointment of members of the Board, the CEO(s), and the other members of the Executive Management;
- review appropriate candidates for vacant memberships as proposed by the CEO(s) or a shareholder in accordance with the Articles of Association;
- review appropriate candidates for vacant top executive management positions as proposed by the CEO(s);
- make recommendations to the Board with regard to the appointment of board members and executives;
- prepare plans for the orderly succession of board members and executives;
- prepare reappointment proposals;

- periodically evaluate the size and composition of the Board and, if applicable, prepare recommendations for changes to its size and composition;
- ensure that appropriate talent development programmes and programmes to promote diversity in leadership are in place.

(b) With respect to the remuneration policy:

- prepare proposals to the Board concerning the remuneration policy for board members and executives, as well as, where appropriate, on the resulting proposals to be submitted by the Board to the Shareholders' Meeting;
- prepare proposals to the Board concerning the remuneration of board members and executives, including, depending on the situation, variable remuneration and long term incentives, whether or not stock related, in the form of stock options or other financial instruments and regarding the arrangements on early termination, and where applicable on the resulting proposals to be submitted by the Board to the Shareholders' Meeting;
- prepare proposals on the annual review of the Executive Management's performance and on the realisation of the Company's strategy against agreed performance measures and targets.

7.1.3 Composition

The Nomination and Remuneration Committee comprises at least three (3) board members. The majority of the Nomination and Remuneration Committee must be independent. The composition of the Nomination and Remuneration Committee may deviate from the above if, in the reasonable opinion of the Board, a different composition can bring more relevant experience and expertise to the Committee.

The members of the Nomination and Remuneration Committee are appointed and may be dismissed at any time by the Board. The duration of the appointment of a member of the Nomination and Remuneration Committee must not exceed the duration of his/her membership.

The Nomination and remuneration Committee is chaired by the Chairman of the Board or by another board member appointed by the Board.

7.1.4 Secretary

The secretary of the Nomination and Remuneration Committee or another person designated by the Chairman of the meeting prepares a report on the findings and recommendations of the meeting of the Nomination and Remuneration Committee. The secretary sends the report to all the members of the Board as soon as possible after a meeting.

7.1.5 Operation

The Nomination and Remuneration Committee meets as frequently as is necessary for the efficient operation of the Nomination and Remuneration Committee and is called at least twice a year. The meetings are as far as possible arranged in advance for each year. Where necessary and appropriate the meeting may be organised using video, telephone or internet-based means.

Meetings of the Nomination and Remuneration Committee are in principle called by the Chairman of the Nomination and Remuneration Committee. Each member of the Nomination and Remuneration Committee may request that a meeting be called.

Except in cases requiring rapid action, the agenda for the meeting as well as all supporting documentation is sent to the members of the Nomination and Remuneration Committee at least seven (7) calendar days in advance of the meeting.

A meeting is validly constituted if it is attended in person by at least two (2) members.

Decisions are taken by a majority of votes cast by the members of the Nomination and Remuneration Committee. The Nomination and Remuneration Committee invites other persons to attend its meetings, at its discretion, and in particular members of the executive and senior management to provide relevant information and insights into their areas of responsibility.

The Nomination and Remuneration Committee is entitled to meet with any relevant person without any executive being present and has access to independent professional advice at the Company's expense.

No individual board member shall be present at the meeting of the Nomination and Remuneration Committee at which his/her own remuneration is discussed nor shall an individual board member be involved in any decision concerning his/her own remuneration.

7.1.6 Reporting and Assessment

The Nomination and Remuneration Committee provides the Board regularly with clear information about the discharge of its functions. It submits a remuneration report to the Board and informs the Board about any areas in which the Nomination and Remuneration Committee considers action or improvement to be necessary. The Nomination and Remuneration Committee prepares recommendations concerning the necessary steps to be taken.

The Nomination and Remuneration Committee reviews its terms of reference and its own effectiveness regularly (and at least every two (2) to three (3) years). It reports on its assessment to the Board and submits to the Board proposals for changes where necessary.

The Nomination and Remuneration Committee should consider proposals with regard to the appointment of board members and executives. In particular, the CEO(s) shall be entitled to submit proposals to, and to be adequately consulted by the Nomination and Remuneration Committee, especially when dealing with issues related to the executives .

7.2 Audit and Risk Committee

7.2.1 Role and powers

The Audit and Risk Committee supervises financial reporting and the observance of administrative, legal and fiscal procedures and the follow-up of financial and operational audits and advises on the choice and remuneration of the external auditor. The Audit and Risk Committee, which reports directly to the Board, has a supervisory and advisory role.

Without prejudice the legal responsibilities of the Board, the roles of the Audit and Risk Committee shall include the following:

- (a) Informing the Board of the result of the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the (consolidated) annual accounts and explaining how the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the (consolidated) annual accounts has contributed to the integrity of the financial reporting and the role of the Audit and Risk Committee in such process.
- (b) Monitoring the financial reporting process and making recommendations or proposals to ensure the integrity of the process:
 - the Audit and Risk Committee ensures that financial reporting gives a truthful, honest and clear picture of the situation and prospects of the Company, on both an individual and consolidated basis;
 - the Audit and Risk Committee checks the accuracy, completeness and consistency of financial information before it is announced;
 - the Audit and Risk Committee assesses the choice of accounting policies and the impact of new accountancy rules;
 - the Audit and Risk Committee discusses significant matters relating to financial reporting both with the Executive Management and the external auditor.
- (c) Monitoring the effectiveness of the Company's internal control and risk management systems, as well as, if there is an internal audit, monitoring the internal audit and its effectiveness:
 - the Audit and Risk Committee evaluates at least once a year the effectiveness of the internal control and risk management system installed by the Executive Management;
 - the Audit and Risk Committee also examines the statements relating to internal control and risk management included in the corporate governance statement of the Company;
 - the Audit and Risk Committee investigates the specific arrangements to enable staff to express concerns in confidence about any possible improprieties in financial reporting and other areas (whistle-blower arrangements). The Audit and Risk Committee agrees on arrangements whereby staff may inform the chair of the Audit and Risk Committee directly. Arrangements should be made for the proportionate and independent investigation of such matters and for the appropriate follow-up actions. The Audit and Risk Committee ensures that all the staff of the Company and its subsidiaries are aware of such arrangements;
 - the Audit and Risk Committee decides on the appointment and dismissal of the independent internal auditor. The Audit and Risk Committee approves annual budgets and the internal audit budget. The responsibilities of the Audit and Risk Committee also include evaluation of the effectiveness of the internal audit function and the follow-up given by Executive Management to the findings and recommendations made by the independent internal auditor.
- (d) Monitoring the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the annual and consolidated accounts, including the follow-up on any questions and recommendations made by the external auditor:
 - the Audit and Risk Committee supervises the relationship between the Company and the external auditor and makes recommendations to the Board concerning the selection, appointment, reappointment, dismissal and terms of engagement of the external auditor;

- the Audit and Risk Committee monitors the external auditor's schedule and ensures the effectiveness of the external audit process. The Audit and Risk Committee examines the extent to which the Executive Management complies with the recommendations made by the external auditor in its management letter.
- (e) Reviewing and monitoring the independence of the external auditor, in particular in the light of the provisions of the CCA:
- the Audit and Risk Committee supervises the independence of the external auditor, in particular in the light of the provisions of the CCA;
 - the Audit and Risk Committee examines which additional (non-audit) services have been entrusted to the external auditor and the scope of such services. The Audit and Risk Committee determines and updates a formal policy with regard to the types of additional services that : a) are excluded; b) are permissible after verification by the Audit and Risk Committee and c) are permissible without being referred to the Audit and Risk Committee, taking account of the specific requirements of the CCA.
- (f) Making recommendations to the Board with regard to the appointment of the external auditor in charge of the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the consolidated annual accounts:
- the Audit and Risk Committee supervises the relationship between the Company and the external auditor in charge of the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the consolidated annual accounts and makes recommendations to the Board concerning the selection, appointment, reappointment, dismissal and terms of engagement of the external auditor in charge of the statutory audit ("*wettelijke controle*" / "*contrôle legal*") of the consolidated annual accounts.

7.2.2 Composition

The Audit and Risk Committee consists of at least three (3) board members. At least one (1) of the members is an independent board member and shall have the necessary expertise in the field of accounting and audit. Subject to the legal requirements set out in article 7:118 of the CCA, the composition of the Audit and Risk Committee may deviate from the above if, in the reasonable opinion of the Board, a different composition can bring more relevant expertise to the Committee.

The members of the Audit and Risk Committee are appointed on the proposal of the Chairman of the Board and may be dismissed by the Board at any time. The duration of the appointment of a member of the Audit and Risk Committee must not exceed the duration of his/her membership.

The Audit and Risk Committee is chaired by one of the members of the Audit and Risk Committee appointed by the Committee. The Chairman of the Board may not chair the Audit and Risk Committee, unless decided otherwise by the Board.

The members of the Audit and Risk Committee shall have sufficient relevant expertise, in particular in accounting, auditing and finance, to effectively discharge their functions.

7.2.3 Secretary

The Company Secretary or a person appointed for such purposes is also the secretary of the Audit and Risk Committee. The secretary of the Audit and Risk Committee prepares a report on the findings and recommendations of the meetings of the Audit and Risk Committee. The secretary sends the report to the Chairman of the Board as soon as possible after a meeting.

7.2.4 Operation

The Audit and Risk Committee meets as frequently as necessary to ensure effective operation of the Audit and Risk Committee, but at least four (4) times a year. An annual schedule is determined for meetings of the Audit and Risk Committee. The meetings are preferably held shortly before meetings of the Board. Where necessary and appropriate the meeting may be organised using video, telephone or internet-based means.

Meetings at the Audit and Risk Committee are in principle called by the Chairman of the Audit and Risk Committee. Each member of the Audit and Risk Committee may convene a meeting of the Audit and Risk Committee.

Except in case requiring rapid action, the agenda for the meeting as well as all supporting documentation is sent to the members of the Audit and Risk Committee at least seven (7) calendar days in advance of the meeting.

A meeting is validly constituted if it is attended in person by at least two (2) members.

The decisions of the Audit and Risk Committee in its supervisory and advisory role are taken by a majority of the votes cast.

The Audit and Risk Committee invites other people to attend its meetings at its discretion, and in particular members of the executive and senior management to provide relevant information and insights into their areas of responsibility.

The Audit and Risk Committee is entitled to meet with any relevant person without any executive being present and has access to independent professional advice at the Company's expense.

The Audit and Risk Committee meets the external and independent internal auditors at least once a year, in order to discuss with them matters relating to its terms of reference and any matters arising from the audit process, and in particular any material weakness in the internal control.

The external and independent internal auditor has unlimited access to the Chairman of the Audit and Risk Committee to discuss matters concerning the internal audit of the Company.

7.2.5 Reporting and Assessment

The Audit and Risk Committee provides the Board with clear regular information about the exercise of its duties and at least when the Board draws up the annual accounts, the consolidated annual accounts and, where applicable, the condensed financial statements intended for publication. It informs the Board about all areas in which action or improvement is necessary in the opinion of the Audit and Risk Committee. The Audit and Risk Committee produces recommendations concerning the necessary steps that need to be taken. The audit review and the reporting on that review should cover the Company and its subsidiaries as a whole.

The Audit and Risk Committee reviews its terms of reference and its own effectiveness regularly (and at least every two (2) to three (3) years). It reports on its evaluation to the Board and submits to the Board proposals for changes where necessary.

8. CONFLICTS OF INTEREST

Each board member and executive should place the Company's interests above their own. In addition, the board members and executives have the duty to look after the interests of all shareholders on an equivalent basis and should act according to the principles of reasonableness and fairness.

Each board member and executive shall:

- exercise his or her function in a sound, sensible and ethical manner;
- not request or accept, either directly or indirectly, substantial donations for his or her own benefit;
- disregard their personal interests, when the Board takes a decision;
- not use business opportunities intended for the company for their own benefit;
- not develop any capacity whatsoever, or activities which are, directly or indirectly, in competition with the activities of the Company;
- not provide third parties with unjustified advantages at the expense of the Company;
- respect the confidentiality of information and deliberation during and after its membership of the Board and/or of the Executive Management.

Each board member and executive should inform the Board or the Executive Management of any conflict of interests that could in their opinion affect their capacity of judgement. In particular, at the beginning of each meeting, board members and executives should declare whether they have any conflict of interests regarding the items on the agenda.

The board members and executives should, in particular, be attentive to conflicts of interests that may arise between the Company, board members, executives, significant or controlling shareholder(s) and other shareholders. In addition, the board members who are proposed by significant or controlling shareholder(s) should ensure that the interests and intentions of these shareholder(s) are sufficiently clear and communicated to the Board in a timely manner

The board members or executives concerned must provide its chair and the other board members or executives, as the case may be, with all information relevant to the conflict. The Board or Executive Management should act in such a manner that a conflict of interests, or the appearance of such a conflict, is avoided. In the possible case of a conflict of interests, the Board or Executive Management should, under the lead of its chair, decide which procedure it will follow to protect the interests of the Company and its shareholders.

If the reported (potential) conflict of interests qualifies as a conflict of interest as defined in the CCA, the board member or executive, as the case may be, shall not participate in the discussions or decision-taking process of the Board or of the Executive Management, as the case may be, on a subject or transaction in relation to which he has a conflict of interests with the Company.

Without prejudice to the foregoing, each board member who is faced, directly or indirectly, with a financial interest conflicting with a decision or transaction within the competence of the Board, within the meaning of Article 7:115 of the CCA, shall inform the other board members thereof prior to the deliberations. Its declaration, as well as its justification, must be included in the minutes of the relevant meeting of the Board. With a view to publication in the annual report, the Board must set out in its minutes the nature of the decision or transaction and the justification thereof, including the financial consequences of the decision or transaction for the Company. The statutory auditor shall be informed about the conflict of interest and shall assess the financial consequences of the decision of transaction for the Company in the statutory auditor's report.

If all board members are faced, directly or indirectly, with a financial interest conflict with a decision or transaction within the competence of the Board, the decision or transaction shall be submitted to the Shareholders' Meeting. Once the decision or transaction has been approved by the Shareholders' meeting, the Board may implement the decision or transaction.

If an executive is faced, directly or indirectly, with a financial interest conflicting with a decision or transaction within the competence of the Executive Management, within the meaning of Article 7:117 of the CCA, the decision or transaction shall be submitted to the Board who shall act in accordance with Article 7:115 of the CCA.

The Board and the Executive Management shall procure that all the transactions involving conflicts of interests will be referred to in the annual report, and explain why the procedure followed to protect the interests of the Company and its shareholders was chosen. However, where there is a substantial conflict of interests, the Board and Executive Management should carefully consider communicating as soon as possible on the procedure followed, the most important considerations and the conclusions.

9. RULES PREVENTING MARKET ABUSE

A dealing code, attached hereto as Annex I (the "Dealing Code"), ensures that all employees, and particularly the board members and executives do not abuse, nor place themselves under suspicion of abusing, and maintain the confidentiality of inside information that they may have or be thought to have, especially in periods leading up to an announcement of financial results or of price-sensitive events or decisions.

To implement and monitor this Dealing Code, the Board shall designate one or more compliance officers who shall have the rights and obligations set out in the Dealing Code.

10. MISCELLANEOUS

10.1 Changes to the Corporate Governance Charter

The Board may amend this Corporate Governance Charter from time to time without prior notice. It may also decide at any time to deviate from this Charter subject to disclosure thereof in the corporate governance statement of the annual report.

Any such modification or deviation will be published on the Company's website.

Third parties shall not derive any rights from such modification or deviation.

10.2 Priority

In case of any contradiction between a provision of this Corporate Governance Charter and an applicable mandatory law or regulation, such law or regulation shall supersede the provisions of this Corporate Governance Charter.

10.3 Governing law and jurisdiction

This Corporate Governance Charter shall be governed by and construed in accordance with Belgian law.

The courts of Mechelen (Belgium) shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Corporate Governance Charter.

Annex: Dealing Code