



## CORPORATE GOVERNANCE CHARTER

### PREAMBLE

ORANGE BELGIUM NV/SA (the “Company”) has acquainted itself with the 2020 Belgian Corporate Governance Code (“CGC”) and confirms its willingness to adopt it as its reference code, while taking into account its own specific context and needs.

This CG Charter is based on the provisions of the CGC and was approved by the Board on 27 November 2019. This CG Charter enters into force on 6 May 2020 and will replace the previous version as of that date. It supplements the corporate governance guidelines contained in any applicable legal provision (including the Belgian Code of Companies and Associations) and in the articles of association of the Company.

This CG Charter may be amended by the Board at any time and without prior notification. The Company may decide to derogate from the CGC on certain points, provided that such derogations are disclosed and explained in the CG Statement of the Company. Moreover, in accordance with article 10 of the CGC, once a year a description of the potential deviations is submitted to the Board of Directors in order to verify the quality of the explanations. The Board approves the provided explanations to the potential deviations and endorses them. If so, the explanations are submitted to the General Meeting at the time the CG Statement is submitted.

In the event of a discrepancy between a provision of this CG Charter and a (stricter) legal provision or provision in the articles of association, the latter provision(s) will prevail. If one or several provisions of this CG Charter are or become invalid, this invalidity will not affect the validity of the remaining provisions. The Company can replace the invalid provisions with valid provisions which, taking into account the content and the purpose of this CG Charter, have as far as possible the same effect as the invalid provisions.

All information which the Company must publish pursuant to legal provisions, the CGC or this CG Charter will be posted on and updated in a separate and clearly recognisable part of the Company’s website. Any amendments to this CG Charter will also be announced on the Company’s website without delay whereby the date of the last actualization is explicitly mentioned.

This CG Charter is supplemented by a number of appendices, which represent an integral part of this CG Charter:

- Appendix I: Terms of reference of the Board;
- Appendix II: Terms of reference of the Executive Management;
- Appendix III: Terms of reference of the Audit and Risk Committee;
- Appendix IV: Terms of reference of the Remuneration and Nomination Committee;
- Appendix V: Code of Conduct with respect to transactions in securities;
- Appendix VI: Choice of governance and deviations to the CGC.

## DEFINITIONS

In this CG Charter, the following terms have the meaning mentioned below:

**Annual Report** means the annual report of the Company drawn up by the Board and which notably contains the information required by articles 3:6 and 3:32 of the Code of Companies and Associations.

**Audit and Risk Committee** means the Committee designated pursuant to article II.2.2 of the CGC.

**Board** means the Company's board of directors.

**CEO** means the *Chief Executive Officer* of the Company, i.e. the person entrusted with the daily management of the Company.

**CGC** means the 2020 Belgian Corporate Governance Code, as set out in the Royal Decree of 12 May 2019 assigning the Corporate Governance Code to be complied with by listed companies, published in the Belgian Official Gazette dated 17 May 2019.

**CG Statement** means that part of the Annual Report of the Company as referred to in article 3:6 § 2 and § 3 of the Code of Companies and Associations.

**CG Charter** means this Corporate Governance Charter (and all its appendices).

**Chairman of the Board** means the person appointed by the Directors to act as chairman of the Board.

**Code of Conduct** means a set of rules with regard to transactions involving shares issued by the Company or derivatives or other financial instruments linked to them and that are carried out by the Directors, members of the Executive Management and certain other persons.

**Committee** means, with regard to the Board, any committee of the Board, as referred to under point II.2 of this CG Charter.

**Company** means ORANGE BELGIUM NV/SA, the company organised and existing under the laws of Belgium, having its registered office at Avenue du Bourget / Bourgetlaan 3, 1140 Brussels, with company number 0456.810.810 (RLE Brussels).

**Compliance Officer** means the compliance officer of the Company entrusted with supervising compliance with the Code of Conduct and dealing with the matters specified therein.

**Consolidated Financial Statements** means the consolidated financial statements as referred to in article 3:23 of the Code of Companies and Associations.

**Director** means a member of the Board.

**Director Audit, Internal control & Risk (“Director ACR”)** means the director in charge of the internal audit, internal control, risk management and fraud and revenue assurance activities. The Director ACR is headed by the CEO and, for independence and integrity reasons, functionally reports to the Audit Committee on internal audit subjects.

**Executive Management** means the CEO and the persons who report directly to the CEO and head a department of the Company.

**External Auditor** means the statutory auditor of the Company who is in charge of performing the audit of the Company’s Financial Statements and Consolidated Financial Statements in accordance with book III of the Code of Companies and Associations.

**Financial Statements** means the financial statements of the Company as referred to in article 3:1 of the Code of Companies and Associations.

**General Meeting** means the general meeting of shareholders of the Company.

**Remuneration and Nomination Committee** means the Committee established according to point II.2.3. of this CG charter.

**Remuneration Policy** means the remuneration policy referred to in article 7:89/1 of the Code of Companies and Associations.

**Remuneration Report** means the remuneration report as referred to in article 3:6 §3 of the Code of Companies and Associations.

**Secretary** means the person designated as secretary of the Company in accordance with point II.8 of Appendix I of this CG Charter.

**Subsidiary** has the meaning given to it in article 1:15 of the Code of Companies and Associations.

**Vice-Chairman** means the person appointed by the Directors to act as vice-chairman of the Board.

Unless it appears otherwise from the context, the following assumptions are made in this CG Charter:

- terms and expressions in the singular also include the plural and vice versa;
- terms and expressions in the masculine form also include the feminine form and vice versa;
- any reference to a legal provision is regarded as a reference to such provision including any amendments, extensions and substitute clauses thereof which are applicable from time to time;
- any provision which is based on a legal provision that enters into force after the entry into force of this CG Charter will only be applicable as from the date of the entry into force of the relevant legal provision.

Titles of sections and other titles in this CG Charter are only included for the sake of clarity but do not form part of this CG Charter for interpretation purposes.

## **I. CORPORATE STRUCTURE**

The Company is a company limited by shares under Belgian law (“*naamloze vennootschap/société anonyme*”), which is listed within the meaning of article 1:11 of the Code of Companies and Associations. The Company’s shares are listed on Euronext Brussels.

The Company is part of an international group of companies of which the ultimate parent company is ORANGE SA. The Board encourages ORANGE SA, its reference shareholder, to comply with the CGC. Moreover, ORANGE SA's shares are listed on Euronext Paris (Compartment A) and on the New York Stock Exchange (NYSE) in the form of “American Depositary Shares” (ADS). Consequently, the Company provides certain information to ORANGE SA for consolidation purposes and aligns its policy as regards financial communication as well as compliance and risk management procedures, with that of ORANGE SA.

The Company adopts a one-tier governance structure (“*gouvernance moniste*” / “*monistische structuur*”). The Board is responsible for the general administration of the Company and is held accountable to the General Meeting. At least once in five years, the Board evaluates if the chosen governance structure is still appropriate.

## **II. BOARD OF DIRECTORS**

### **1. Board of Directors**

#### **1.1 Introduction**

The Board is a collegial body and is the Company’s highest decision-making body. It performs all actions necessary to fulfil the Company’s corporate purpose, except in matters that are expressly reserved for the General Meeting by law or pursuant to the Company’s articles of association.

The Board is entrusted with the management of the Company with a view to ensuring its long-term success and creating sustainable value by providing entrepreneurial, effective, responsible and ethic leadership and assessing and managing the risks as well as supervising the performances of the Company. The Board is accountable to the General Meeting in this respect. When performing its duties, the Board must act in accordance with the interests of the Company.

Each Director must exercise independence of judgment while serving on the Board and exercise his or her mandate with integrity and commitment in pursuing the corporate interests of the Company.

The role, the composition and the operation of the Board are described in the terms of reference of the Board ([Appendix I](#)). The composition of the Board is published on the website of the Company.

## 1.2 Training

Newly appointed Directors receive an appropriate induction after joining the Board.

The purpose of this induction process is:

- to help the new Directors grasp the fundamentals of the Company, including its governance, values, strategy, policy, financial and business challenges and risk management and internal control systems;
- to inform the new Directors about their rights and duties as Directors.

If a newly appointed Director is also a member of a Committee, the induction will also encompass a description of the specific role and of the duties of that Committee, as well as any other information relating to the specific role of the Committee concerned.

By accepting its mandate, each Director is considered to underwrite the principles and contents of this CG Charter.

The Directors are individually responsible for developing and updating the knowledge and qualifications that are required to perform their duties on the Board and on the Committees of which they are members. For that purpose, the Company makes available to the Directors all the necessary (financial) resources.

Directors are entitled to seek external professional advice at the Company's expense, on issues that fall within their range of powers, after having first obtained the permission of the Chairman of the Board.

## 1.3 Evaluation

The Board is responsible for a periodic evaluation of its own effectiveness with a view to ensuring a continuous improvement in the governance of the Company.

In this respect, and under the lead of the Chairman of the Board, the Board must regularly assess (at least once in three years) its size, composition, performance and interaction with the Executive Management.

This evaluation process has four objectives:

- assessing the operation of the Board;
- checking that the important issues are thoroughly prepared and discussed;
- evaluating the actual contribution of each Director to the work of the Board, by his or her attendance at the Board and Committee meetings and his or her constructive involvement in discussions and decision-making;
- comparing the Board's current composition against the Board's desired composition.

In order to enable periodic individual evaluations, the Directors must give their full assistance to the Chairman of the Board, the Remuneration and Nomination Committee and any other persons, whether internal or external to the Company, entrusted with the

evaluation of the Directors. The Chairman of the Board, and the performance of his or her duties within the Board, must also be carefully evaluated.

The non-executive Directors must assess, on an annual basis, their interaction with the Executive Management and, if necessary, make proposals to the Chairman of the Board with a view to facilitating improvements.

Based on the results of the evaluation, the Remuneration and Nomination Committee will, where appropriate and possibly in consultation with external experts, submit a report commenting the strengths and weaknesses of the Board and make proposals to appoint new members or not to re-elect certain members.

#### 1.4 Conflicts of interest

Each Director must arrange his or her personal and professional matters in such a way that no direct or indirect conflict of interest arises in the performance of his or her mandate. He/she must in particular, in accordance with article 6.8 of the CGC, be attentive to conflicts of interests that may arise between the Company, its Board members, its significant or controlling shareholder(s) and other shareholders. 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.

Moreover, in accordance with article 6.9 of the CGC, the Board 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 should, under the lead of its Chairman, decide which procedure it will follow to protect the interests of the Company and all its shareholders. In the next annual report, the Board should explain why they chose this procedure. However, where there is a substantial conflict of interests, the Board should carefully consider communicating as soon as possible on the procedure followed, the most important considerations and the conclusions.

If, despite the foregoing, a conflict of interest does arise, the Director concerned must immediately inform the Board thereof before the Board deliberates on the relevant matter and, as the case may be, the procedure prescribed by article 7:96 of the Code of Companies and Associations must be applied, in which case the Director concerned must abstain from participating in the deliberation and the vote on the matter that gave rise to the conflict of interest.

Any agreement or any transaction between a Director and the Company is subject to the prior approval of the Board, after informing and consulting with the Audit and Risk Committee. Any such agreement or transaction must be entered into under commercial conditions in conformity with the prevailing market conditions. Such prior approval of the Board is required, even if article 7:96 or 7:97 of the Code of Companies and Associations does not apply to the contemplated transaction or contract. However, services provided by the Company to a Director in its normal course of business at normal market conditions (i.e. a normal “customer” relationship) are not subject to such prior approval.

## 1.5. Transactions involving securities of the Company

The Board has drafted a Code of Conduct that notably must be respected by the directors (see Appendix V of the present CG Charter).

The Board must appoint a Compliance Officer, who will monitor the compliance with the Code of Conduct. He/she must ensure that the Directors and other designated persons apply these rules. The Compliance Officer will also perform all other duties assigned to him or her pursuant to the Code of Conduct.

## 2. Specialised Committees

### 2.1. Introduction

With a view to the efficient performance of its duties and responsibilities, and without prejudice to its legal duties, the Board has, in accordance with article 7:98 of the Code of Companies and Associations, set up specialised committees to analyse specific issues and to advise and report to the Board on those issues. These Committees merely have an advisory role and the actual decision-making remains the responsibility of the Board as a collegial body.

The Board may constitute other committees that are given a specific mission to assist it and to formulate recommendations pertaining to well-defined issues.

The Board of Directors drafts the rules applicable to each Committee, defining its composition, powers and operation, taking into account (i) the legal provisions applicable to such Committees and (ii) the articles of association of the Company.

The Board has installed two special committees:

- The Audit and Risk Committee
- The Remuneration and Nomination Committee

The Board must pay particular attention to the composition of each of the Committees. It must ensure that in appointing the members of each Committee, the needs and qualifications that are required for the optimal operation of that Committee are taken into account.

Under the lead of its chairman, the Board must regularly assess (at least once every three years), the operation of each Committee and, in particular, its size, composition and performance.

This evaluation process has four objectives:

- assessing the operation of the relevant Committee;
- checking that the important issues are thoroughly prepared and discussed;
- evaluating the actual contribution of each member to the work of the relevant Committee, by his or her attendance at the meetings of the Committee and his or her constructive involvement in discussions and decision-making;

- comparing the current composition of the relevant Committee against its desired composition.

For this assessment, the results of the individual evaluation of the members (including, where appropriate, the individual evaluation of the Chairman of the Board) must be taken into account. If the Chairman of the Board is not the chairman of a Committee, the evaluation of the latter chairman must require particular attention.

## 2.2 Audit and Risk Committee

The Board has established an Audit and Risk Committee, pursuant to article 7:99 of the Code of Companies and Associations. The Audit and Risk Committee is notably responsible for monitoring the financial reporting process, in particular the correctness, the reliability and the completeness of the financial information.

The Company has established an internal audit function, headed by the CEO under the supervision of the Audit and Risk Committee. Moreover, the Financial Statements and the Consolidated Financial Statements are subject to an external audit performed in accordance with the applicable laws.

The operation of the Audit and Risk Committee and the interaction between the Audit and Risk Committee, the internal audit function and the External Auditor are set out in the terms of reference of the Audit and Risk Committee (Appendix III).

## 2.3. Remuneration and Nomination Committee

The Board has established a Remuneration Committee, pursuant to article 7:100 of the Code of Companies and Associations and a Nomination Committee. The Company has decided to combine the Remuneration Committee and the Nomination Committee into one single Remuneration and Nomination Committee, as permitted by article 4.20 of the CGC. The terms of reference of the Remuneration and Nomination Committee are set out in Appendix IV of this CG Charter.

The purpose of the Remuneration and Nomination Committee is to assist the Board in the establishment of a remuneration policy for the management of the Company. In this framework, it drafts a Remuneration Report for the attention of the Board. This Remuneration Report is inserted every year in the CG Statement submitted to the General Meeting.

The Remuneration and Nomination Committee must ensure that the procedures concerning the nomination and the renewal of the mandates of the Directors are followed in the most objective way as possible. The Remuneration and Nomination Committee provides recommendations to the Board on the nomination and the remuneration of Directors, the CEO and other members of the Executive Management.

### III. EXECUTIVE MANAGEMENT

#### 1. Introduction

The Executive Management of the Company comprises the CEO and all persons who directly report to him and that head a department of the Company. The organisation chart as well as the precise composition of the Executive Management is published in the Annual Report of the Company, as well as on its website.

#### 2. CEO

The CEO is in charge of the daily management of the Company. In this capacity, the CEO is entrusted with the management and the representation powers in connection to the Company's daily management.

The CEO heads the Executive Management and is responsible for the coordination of the Company's various departments.

The CEO constitutes the link between the Board and the Executive Management and, cooperates closely with the Chairman of the Board on the preparation of the Board meetings.

#### 3. Executive Management

The Company's activity is organised in departments, each headed by a member of the Executive Management reporting directly to the CEO. The organisation chart as well as a list of the members of the Executive Management is disclosed by the Company in its Annual Report as well as on its website.

Members of the Executive Management assist the CEO with the daily management within their respective departments.

The appointment of the members of the Executive Management is subject to the prior approval by the Board, on the recommendation of the Remuneration and Nomination Committee. Once a year, the CEO must discuss both the operation and performance of the Executive Management with the Remuneration and Nomination Committee. The CEO is not allowed to be present during his or her own evaluation.

The composition, duties and operation of the Executive Management are further described in the terms of reference of the Executive Management (Appendix II).

#### 4. Conflicts of interest and transactions between the Company and members of the Executive Management

Each member of the Executive Management undertakes to organise his or her personal and professional matters in such a way as to avoid any, direct or indirect, conflict of interest with the Company.

Any agreement or any transaction between a member of the Executive Management and the Company is subject to the prior approval of the Board, after informing and consulting

with the Audit Committee. Any such agreement or transaction must be entered into under commercial conditions in conformity with the prevailing market conditions. However, agreements relating to services provided by the Company in its normal course of business to a member of the Executive Management at normal market conditions (i.e. a normal “customer” relationship) are not subject to such prior approval requirement.

5. Transactions involving securities of the Company

The Board has drafted a Code of Conduct that notably must be respected by the members of the Executive Management (Appendix V).

#### **IV. SHARES AND SHAREHOLDERS**

1. Shares and shareholders

All the shares issued by the Company are ordinary shares. There are no specific categories of shares and all shares are provided with the same rights. There are no exceptions to this rule. The Company treats all shareholders equally and respects their rights.

The shareholdership of the Company and the particularities with respect to the statutory capital and the number of issued shares are published in the Annual Report in accordance with the applicable legal provisions.

The articles of association provide that the Company’s shares are registered or dematerialised.

The majority shareholder of the Company is ATLAS SERVICES BELGIUM SA, a directly held subsidiary of Orange SA. The other shares are the free float. The transparency declarations received by the Company will be published on its website.

The Company is of the opinion that it would not be opportune to conclude a shareholder’s agreement (Relationship Agreement) with the majority shareholder ATLAS SERVICES BELGIUM SA. The legal and statutory provisions as well as the provisions of the present CG Charter are sufficiently detailed to ensure an optimum functioning in the interest of the Company and all its stakeholders. The Company has entered into various ad-hoc agreements with its primary shareholder with respect to branding and management costs.

2. Pre-emption rights and restrictions on the free transfer of securities

Existing shareholders have pre-emption rights in the event of a capital increase in cash with share issuance, in accordance with the applicable provisions of the Code of Companies and Associations. Such pre-emption rights can be restricted or excluded, provided that the applicable provisions of the Code of Companies and Associations are complied with.

There are no specific restrictions on the free transfer of securities other than those provided for by law.

### 3. Acquisition of own shares

The Company may buy and sell shares of the Company within the limits and conditions provided by the Code of Companies and Associations and this by means of a prior approval of the General Meeting. Any approval, as well as the specific conditions thereto, is included in the articles of association of the Company.

### 4. General Meetings

#### 4.1. Notice and agenda

A General Meeting is held at least once every year. This Annual General Meeting considers the Board's and the External Auditor's reports, decides on the adoption of the Financial Statements, the allocation of the last financial year's results, the discharge from liability to be granted to the Directors and the External Auditor, the Remuneration Report as well as, where applicable, the points mentioned in article 7:92 of the Code of Companies and Associations.

Other items can be added to the agenda, if necessary, such as the appointment, renewal, remuneration or removal of Directors or any amendments to be made to the articles of association. The proposal of the Audit and Risk Committee with respect to the appointment or the renewal of the mandate of the External Auditor will also be put on the agenda of the General Meeting. Special or Extraordinary General Meetings can be convened on dates other than that of the annual Shareholders' Meeting. General Meetings are convened by the Board in accordance with the relevant provisions of the Code of Companies and Associations and, as the case may be, with the Company's articles of association. The Board must convene a General Meeting at the request of shareholders representing at least one fifth of the share capital of the Company.

The Board establishes the agenda for the General Meetings.

However, shareholders who individually or jointly represent at least 3% of the share capital may propose subjects to be added to the agenda of the General Meeting or file proposed resolutions regarding the subjects to be treated, included or to be included in the agenda according to article 7:130 of the Code of Companies and Associations.

#### 4.2. Attendance of the General Meetings

In order to be entitled to participate in the General Meetings and to exercise their right to vote, shareholders must comply with the requirements and formalities provided by the Code of Companies and Associations and in the notices.

These requirements and formalities essentially consist of the registration of the shares in the name of the shareholder, on the fourteenth (14<sup>th</sup>) day preceding the General Meeting at 24 hours (Belgian time) as well as the notification, by the shareholder, of his intention to participate in the General Meeting at the latest six (6) days before the General Meeting.

A shareholder can attend the General Meeting in person or by proxy or vote by correspondence. The shareholder must use the proxy form or the form for voting by correspondence provided by the Board and notify the proxy or submit the form within the timeframe and to the address mentioned in the notice to the General Meeting.

#### 4.3. Votes and voting rights

Each share represents one vote. There are no exceptions to this rule. The Company has decided not to use the possibility to grant double voting rights (to the fully paid-up shares that are registered in the share register in the name of the same shareholder during at least two years) as stipulated in article 7:53 of the Code of Companies and Associations.

As a rule, resolutions are adopted by the General Meeting by a simple majority, unless otherwise provided by the Code of Companies and Associations or the Company's articles of association. These special rules can also require a minimum attendance quorum.

In addition to the documentation contained in the notice to the General Meeting, all other relevant or required information and documentation regarding the exercise of shareholders' voting rights is made available by the Company on its website.

The minutes of General Meetings (including the results of the votes) are posted by the Company on its website within fifteen (15) days after the meeting. As a rule, the Company makes inquiries of the institutional shareholders and their proxy voting agencies, regarding their voting behaviour.

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# APPENDIX I

## BOARD OF DIRECTORS: TERMS OF REFERENCE

### I. INTRODUCTION

The Board must on a regular basis (at least once in three years) verify and assess the relevance and effectiveness of these terms of reference and, if needed, make the necessary amendments.

The present terms of reference as well as the composition of the Board is published on the website of the Company.

### II. COMPOSITION

#### 1. Appointment

Directors are appointed or re-appointed by the General Meeting of shareholders upon proposal by the Board of Directors, which takes into account the proposals of the Remuneration and Nomination Committee and of the shareholders holding at least 3% of the share capital.

The Board consists of a reasonable number of Directors, physical or legal persons, shareholders or non-shareholders, in order to allow an effective operation of the Board, taking into account the specificities of the Company.

The composition of the Board is determined on the basis of diverse and complementary competencies, experience and knowledge, as well as on the basis of gender and age diversity and diversity in general. In particular, the composition of the Board must be such that the Board, as a whole, possess the following competencies:

- “generic competencies”, namely in the field of finance, accounting, governance, management and organisation. It is required that the Directors each individually possess these competencies; and
- “industry specific competencies”, namely in the field of operations, technology, distribution, marketing, etc, fields where an appropriate balance of competencies among the Directors should be ensured.

The Board assesses, on a regular basis, whether the composition of the Board meets these requirements and/or if such composition should be reviewed. This assessment is performed in consultation with the Remuneration and Nomination Committee, if necessary also with the support of external advisers, the cost of which is borne by the Company.

Finally, in accordance with article 5.8 of the CGC, the Board ensures when considering nominating the former CEO as a Director, that the necessary safeguards are in place so that the new CEO has the required autonomy.

## 2. Co-optation

In the event the mandate of a Director comes to an end before its specified term (for whatever reason), the remaining Directors have the right to appoint a Director as a replacement, on the recommendation of the Remuneration and Nomination Committee, which will provide its opinion on the proposed candidate. The final appointment of the Director thus elected by the Board must be submitted to the next General Meeting for approval.

## 3. Duration of the Directors' mandates

The Directors are generally appointed for a period that does not exceed four years in accordance with the recommendation of article 5.6 of the CGC; their mandate can be renewed by a resolution of the General Meeting.

## 4. Non-Executive Directors

In accordance with article 3.4 of the GCE, at least half of the Board must comprise non-executive Directors.

In accordance with article 5.5 of the GCE, the Non-Executive Directors should not take on more than five board memberships in listed companies.

## 5. Independent Directors

The Board must ensure that, at all times, at least three Directors are independent Directors within the meaning of article 7:87 of the Code of Companies and Associations and the criteria of article 3.5 of the CGC.

In case the Board would consider to propose appointing a person who does not satisfy all criteria of independence, it publishes in its CG Statement the reasons why it believes that this person can be appointed as an Independent Director anyway in light of the general independency criteria.

If, at any time, an independent Director no longer complies with the independence criteria set out in the Code of Companies and Associations and the CGC, he or she must immediately inform the Board thereof.

## 6. Chairman of the Board

### 6.1. Appointment

The Board elects a chairman from among its non-executive Directors, on the basis of his or her knowledge, skills, experience and mediation strength. Moreover, in accordance with article 5.9 of the CGC, the Board ensures that the Chairman is a person trusted for its professionalism, independence of mind, coaching capabilities, ability to build consensus, and communication and meeting management skills.

If the Board contemplates appointing the former CEO as Chairman, it should carefully consider the positive and negative aspects of such a decision and disclose in the CG Statement why such appointment is in the best interests of the Company.

## 6.2. Role of the Chairman of the Board

The Chairman of the Board is responsible for the leadership of the Board and for the effectiveness of the Board in all its aspects.

The Chairman of the Board must take the necessary measures to develop a climate of trust within the Board which promotes open discussion, constructive dissent and support for the Board's resolutions.

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

## 6.3. Duties of the Chairman of the Board

Within the Board, the Chairman of the Board is primarily responsible for:

- setting the agenda of the Board meetings by consulting the CEO and the Secretary of the Company;
- ensuring that procedures relating to preparatory work, deliberations, approval of resolutions and the implementation of decisions are properly followed;
- ensuring that all Directors receive accurate, timely and clear information before the meetings and, where necessary, between two specific meetings;
- chairing the meetings of the Board and ensuring that the Board operates and adopts resolutions as a collegial body. He engenders a climate of trust, allowing for open discussions and constructive challenge;
- monitoring the follow-up of the implementation of decisions and determining whether further consultation within the Board with regard to the implementation is required;
- ensuring that newly appointed Directors receive an appropriate induction;
- ensuring the Board has sufficient members to discharge its duties and that it has made the necessary appointments within the Committees. For the appointment of Directors, the Chairman of the Board works closely with the chairman of the Remuneration and Nomination Committee to ensure appointments are made in time to maintain the smooth operation of the Board and its Committees;
- being available to the Directors, the members of the Executive Management and the Secretary to discuss issues relating to the management of the Company.

The Board may decide to entrust the Chairman of the Board with additional responsibilities.

The Chairman of the Board has a permanent invitation to attend the meetings of any Committee of which the Chairman of the Board is not a member.

With regard to shareholders and third parties, the Chairman of the Board is mainly responsible for conducting the General Meeting and ensuring that relevant questions from shareholders are answered. In accordance with article 3.17 CGC, he ensures effective communication with shareholders and that the Directors develop and maintain an understanding of the views of the shareholders and the other significant stakeholders.

#### 7. Vice-Chairman

The Board elects a Vice-Chairman from among its non-executive Directors. The Vice-Chairman is in particular in charge of chairing the meetings of the Board and/or the General Meeting in the absence of the Chairman of the Board.

#### 8. Secretary

The Board must appoint a Secretary, notably to advise on all governance matters and to ensure that the corporate bodies of the Company comply with the laws, the articles of association, and this CG Charter.

The Secretary assists the Board, the Chairman of the Board, the Vice-Chairman, the Committee chairmen and the other Directors in the performance of their duties. All Directors have access to the Secretary for advice and services.

Under the leadership of the Chairman of the Board, the Secretary:

- ensures a good information flow within the Board and its Committees and between the Executive Management and non-executive Directors;
- facilitates the induction of the Directors and the members of the Executive Management and the Committees and, as the case may be, assists them with their professional development;
- regularly reports to the Board and its committees on how procedures, rules and regulations applicable to the Board are followed and complied with;
- assists the Chairman of the Board in the organisation of matters relating to the Board (preparing meetings, minutes of meetings, information, etc.);
- ensures that the essence of the discussions and the decisions of the meetings of the Board are properly entered into in the minutes;
- prepares the CG Charter and the CG Statement.

The Secretary may delegate his or her duties arising under this CG Charter, or parts thereof, to a third party appointed by him or her following consultation with the Chairman of the Board.

### III. DUTIES

Other than the missions specified by the applicable legal framework, the Board is also responsible for:

## 1. Strategy

The Board is the main body with respect to the strategy of the Company. In this respect, the Board:

- defines the Company's medium and long term strategy based on proposals from the Executive Management and the important policy objectives and the values of the Company;
- ensures that the company's culture is supportive of the realisation of its strategy and that it promotes responsible and ethical behaviour;
- determines the risk appetite of the Company in order to achieve the Company's strategic objectives;
- takes the decisions with respect to the most important projects of the Company.

## 2. Leadership

The Board establishes and organises the leadership within the Company. In this respect, the Board:

- appoints and dismisses the CEO, as well as the other members of the Executive Management in consultation with the CEO, and taking into account the need for a balanced executive team;
- satisfies itself that there is a succession plan in place for the CEO and the other members of the Executive Management, and reviews this plan periodically;
- ensures that the leadership and the necessary human and financial resources are in place for the Company to meet its objectives;
- sets the budget and makes decisions in relation to the financing of the Company and, where appropriate, formulates proposals to be submitted to the shareholders relating to the financing of the Company;
- regularly assesses the operational and financial situation of the Company;
- defines the structure of the Executive Management, defines its powers, responsibilities and obligations in coordination with the CEO and reviews and evaluates the Executive Management's performance and the realisation of the Company's strategic objectives against agreed performance measures and targets;
- supports the Executive Management in the fulfilment of its duties and is prepared to constructively challenge the Executive Management whenever appropriate. Each Director is available to give advice, also outside of Board meetings;
- is responsible for the corporate governance structure of the Company and its compliance with the CGC provisions, including the operation of the Committees;
- is responsible for the follow-up of the regulatory framework and the important litigation in which the Company is involved.

### 3. Monitoring

In the framework of its monitoring duties, the Board:

- approves a CG Charter setting out the expectations for the responsible and ethical behaviour;
- approves the framework of the internal control and risk management set up by the Executive Management and monitors its implementation;
- describes the main features of the internal control and risk management systems of the Company;
- drafts the Annual Report in accordance with articles 3:5, 3:6 and 3:32 of the Code of Companies and Associations and article 2.16 of the CGC;
- is responsible for the quality, completeness and for the timely disclosure of the Company's Financial Statements and other material (financial and non-financial) information disclosed to the existing and potential shareholders;
- presents the Financial Statements and Consolidated Financial Statements to the General Meeting;
- proposes the appointment of the External Auditor to the General Meeting on recommendation of the Audit and Risk Committee and supervises its performance;
- is responsible for the supervision of the internal audit function;
- ensures that the Company's obligations to its shareholders are met, taking into account the relevant interests of any parties having an interest in the Company and, by promoting an effective dialogue with the existing and potential shareholders, by means of a disclosure and communication policy;
- takes all useful and required measures in view of the effective and efficient application of the applicable rules on market abuse.

## IV. FUNCTIONING

At least four Board meetings are held each year. Whenever required in the best interest of the Company additional Board meetings are organised with specific agendas, on the request of one or more Directors.

The number of Board meetings and the individual attendance records of the Directors are disclosed in the CG Statement.

The non-executive Directors must meet at least once a year without the CEO and the other executive Directors, in accordance with article 3.11 of the CGC.

The Chairman of the Board establishes the agenda of each Board meeting in consultation with the CEO and the Secretary.

The meetings of the Board are convened by the Chairman of the Board, with an indication of the agenda of the meeting. Notices are sent in writing with a reasonable prior notice (term). The Chairman of the Board ensures that appropriate information relating to the items on the agenda is provided to the Directors prior to the meeting.

Board meetings are chaired by the Chairman of the Board. In his or her absence, the meeting is chaired by the Vice-Chairman or, if the latter is also absent, by another Director designated by a majority of the Directors present or validly represented at the meeting.

Directors are asked to participate actively in the Board meetings and to use their best endeavours to personally be present at each Board meeting. Before a Director accepts an appointment, he/she must ensure that he/she is sufficiently available for the performance of his or her mandate as Director.

As a rule, the Directors attend the Board meetings in person. However, exceptionally and on approval by the majority of the other Directors, a Director can attend the Board meeting by teleconference, videoconference or via the internet.

A Director can also be represented by another Director when he or she exceptionally cannot attend a meeting in person. One Director can hold several proxies, it being understood that at least two Directors must personally attend the Board meeting for it to be validly held.

The Board can validly deliberate and make resolutions on the items on the agenda provided that at least half of the Directors are present or validly represented. Resolutions are adopted by a simple majority of the votes cast.

The Board can only deliberate and make resolutions on items that are not mentioned on the agenda if all Directors are present or validly represented and the Directors unanimously agree to deliberate and vote on the said items.

The Directors who are present or validly represented at the meeting must decide, by majority of votes, on the admission to the meeting of persons other than the Directors and the Secretary or his or her substitute.

The Secretary, or any other person designated by the chairman of the meeting, prepares the minutes of the deliberations of the meeting of the Board. The minutes must summarise the discussions, describe the adopted resolution and state any reservations voiced by any of the Directors. The minutes are approved by the Board in the same or at the next meeting.

## **V. REPRESENTATION AND DELEGATION OF POWERS**

The Board represents the Company vis-à-vis third parties. Pursuant the Company's articles of association, the Company is validly represented by two Directors acting jointly.

### **1. Daily management**

The Board delegates the daily management of the Company to one or more persons, Directors or members of the Executive Management. The person in charge of the daily management can validly represent the Company individually for matters that do not exceed the scope of the daily management.

## 2. Specific delegations

The Board can delegate specific powers to one or more persons.

The Board cannot grant general powers of attorney, other than within the scope of the daily management.

## VI. CODE OF CONDUCT

1. Each Director of the Company is expected to perform his or her duties in an honest, ethical and responsible manner.

All Directors must act in the corporate interests of the Company while performing their duties. It is essential for all Directors, executives and non-executives alike, irrespective of whether or not they are independent, to decide on the basis of an independent judgement.

The Directors must receive appropriate and relevant information, which they must analyse carefully so as to acquire and maintain a strong awareness of the key aspects of the Company's business. They must seek clarification whenever they deem it necessary.

2. Each Director undertakes, both during the term of his or her mandate and afterwards, not to disclose to anyone, in any manner, any confidential information relating to the business of the Company or companies in which the Company has an interest that came to his or her knowledge within the exercise of his or her activities for the Company and that he or she knows is, or should know is, confidential, unless he or she has a legal obligation to disclose that information.

However, a Director may disclose the information described above to staff members of the Company, or of companies in which the Company has an interest, who need to be informed of such information in view of their activities for the Company or for the companies in which the Company has an interest.

Directors may, at the request of the Chairman of the Board or in consultation with him or her, or at the request of the CEO, participate in communication activities undertaken by the Company. In particular, Directors are expected to support, in the private and public spheres, the position of the Board with regard to the strategy, policies and actions of the Company.

No Director may use the information described above to his or her own advantage or for any other purpose, other than for the exercise of his or her mandate.

3. Each Director undertakes not to develop, either directly or indirectly, during the term of his or her mandate, any activities nor to perform any actions that may compete the activities of the Company or its Subsidiaries. The Directors must abstain from conducting the following actions in Belgium and Luxemburg:

- a. attempting to encourage staff members of the Company or its Subsidiaries to terminate their relationship with the Company or its Subsidiaries;
  - b. attempting to encourage a buyer, customer, supplier, agent, franchisee, network supplier or any other contracting party to terminate their relationship with the Company or its Subsidiaries or to change the terms of any such relationship in a way that is detrimental to the Company or its Subsidiaries.
4. Each Director must comply with the policies as set out under points II.1.4 and II.1.5. of this CG Charter.

This code of conduct also applies to the Secretary.

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## APPENDIX II

### **EXECUTIVE MANAGEMENT: TERMS OF REFERENCE**

#### **I. INTRODUCTION**

The Executive Management must regularly (at least once every three years) check and review the adequacy and the effectiveness of these terms of reference, report the results of that review to the Board and recommend any necessary changes.

The Board may modify these terms of reference at any time and revoke the powers granted to the Executive Management.

These terms of reference and the composition of the Executive Management must be disclosed on the website of the Company.

#### **II. COMPOSITION**

The Executive Management is composed of the CEO and the persons who report directly to the CEO and who are the heads of a department of the Company. The Executive Management is headed by the CEO.

Unless otherwise decided by the Board, the members of the Executive Management are hired under an employment contract and can be dismissed in accordance with the applicable legislation and terms of the Remuneration and Nomination Committee.

#### **III. DUTIES**

The Executive Management has the following duties:

1. Managing the Company by:
  - supporting the CEO in the daily management of the Company and with the performance of his or her other duties;
  - proposing, developing, implementing and monitoring the Company's strategy, while taking into account the values of the Company, its risk profile and key policies;
  - supervising compliance with legislation and regulations that apply to the Company;
  - organising, managing and monitoring support functions, including those relating to human resources, legal affairs, compliance, tax, internal and external reporting and communication with investors.
2. Reporting to the Board on the implementation of the policies in general, and in particular providing an objective and understandable assessment of the

Company's financial situation, and providing information to the Board that is necessary to carry out its duties.

3. Investigating, drafting and developing policy proposals and strategic or structural projects to be presented to the Board for approval.
4. Preparing the Financial Statements and Consolidated Financial Statements of the Company in due time in a complete, reliable and accurate manner, in accordance with the accounting standards and policies of the Company.
5. Preparing the Company's adequate disclosure of the financial statements and other material financial and non-financial information.
6. Developing, managing and assessing internal control systems to allow for the identification, assessment, management and monitoring of financial and other risks, based on the framework approved by the Board.
7. Exercising other powers and duties delegated to the Executive Management by the Board at the suggestion of the CEO in specific cases.

The Executive Management is entitled to seek external professional advice, at the Company's expense, regarding issues that fall within its duties.

#### **IV. OPERATION**

##### **1. Meetings**

The Executive Management meetings take place in principle on a weekly basis, or whenever the smooth operation of the Executive Management and the Company so requires.

The members of the Executive Management report their activities to the CEO.

##### **2. Reporting to the Board**

The CEO or another member of the Executive Management designated by the CEO must draft a report on the activities of the Executive Management and provide this report to the Directors prior to each Board meeting.

By means of this report, the Executive Management must inform the Board of all the important issues concerning the Company, in particular relating to its financial situation, the social relations within the Company, the substantive disputes the Company is a party to, the implementation of the strategy decided by the Board, etc. The Executive Management also formulates recommendations in relation to the issues set out in the report and, and more in general, recommendations with a view to maximising the effectiveness of the Company's management and management structure.

In addition to this report, whenever justified in the Company's interests, the Executive Management, through the CEO or another of its members, must report to the Board any

significant event relating to the Company. In this report, the Executive Management sets out, in detail, the main items of the issue raised and its impact on the Company, and formulates a recommendation. This report must be submitted in a timely manner by the Executive Management to the Chairman of the Board so that, if required, action can be taken in due time by the Board.

## V. CODE OF CONDUCT

1. Each member of the Executive Management is expected to act honestly, ethically and responsibly. The first priority of all the Executive Management members is to protect the interests of the Company and when applicable, of its Subsidiaries.
2. Each member of the Executive Management undertakes, both during the term of his or her mandate and afterwards, not to disclose to anyone in any manner any confidential information with regard to the Company or companies in which the Company has an interest that came to his or her knowledge within the exercise of his or her activities for the Company and that he or she knows, or should know, to be confidential, unless he or she has a legal obligation to disclose that information.

However, a member of the Executive Management is authorised to disclose the information described above to staff members of the Company or of companies in which the Company has an interest who need to be informed of such information in view of their activities for the Company or for the companies in which the Company has an interest.

No member of the Executive Management is allowed to use the information described above to his or her own advantage or for any other purpose, other than the exercise of his or her duties within the Company.

3. Each member of the Executive Management undertakes not to develop, either directly or indirectly, during the term of his or her mandate, any activities, nor to perform any actions that may compete the activities of the Company or its Subsidiaries. In this respect, the members of the Executive Management must abstain from conducting the following actions in Belgium and Luxemburg:
  - a. attempting to encourage staff members of the Company or its Subsidiaries to terminate their relationship with the Company or its Subsidiaries;
  - b. attempting to encourage a buyer, customer, supplier, agent, franchisee, network supplier or any other contracting party to terminate their relationship with the Company or its Subsidiaries or to change the terms of any such relationship in a way that is detrimental to the Company or its Subsidiaries.

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## APPENDIX III

### AUDIT AND RISK COMMITTEE: TERMS OF REFERENCE

#### I. INTRODUCTION

The Audit and Risk Committee (hereafter the “Audit Committee”) must regularly (at least once every three years) check and review the adequacy and effectiveness of these terms of reference, report the results of that review to the Board and recommend any necessary changes.

The Board may modify these terms of reference at any time and revoke the powers granted to the Audit Committee.

These terms of reference and the composition of the Audit Committee must be disclosed on the website of the Company.

#### II. COMPOSITION

The members of the Audit Committee are appointed and may be dismissed at any time by the Board. The duration of the mandate of a member of the Audit Committee may not exceed the duration of his or her mandate as a Director.

The Audit Committee must at all times be composed of at least three Directors. All members of the Audit Committee must be non-executive Directors and at least a majority of them must be independent Directors within the meaning of article 7:87 of the Code of Companies and Associations and the criteria of article 3.5 of the CGC.

The Audit Committee must be chaired by one of the members of the Audit Committee. The Chairman of the Board may not be the chairman of the Audit Committee.

The members of the Audit Committee have a collective competency in the domain of activities of the Company. They also must have the necessary financial competencies, as defined by the Board in its business judgement, or must acquire the financial competencies within a reasonable period of time after their appointment to the Audit Committee. At least one member of the Audit Committee must have accounting and audit expertise.

The Secretary acts as secretary to the Audit Committee. The Secretary can delegate some or all of his or her duties resulting from these terms of reference to a substitute appointed by him or her in consultation with the chairman of the Audit Committee.

### III. DUTIES

The Audit Committee is entrusted with the development of a long-term audit programme encompassing all activities of the Company. Notwithstanding the additional powers it could be entrusted with by the Board, the Audit Committee is notably entrusted with the following:

#### 1. The financial reporting process

The Audit Committee ensures notably the monitoring of the reporting process of the financial information and presents recommendations or propositions in order to ensure its integrity.

In this context, the Audit Committee:

- explains to the Board in which way the legal control of the Financial Statements and, as the case may be, the Consolidated Financial Statements has contributed to the integrity of the financial information and what role the Audit Committee has played in this process;
- discusses the annual audited draft financial information and interim financial information with the Executive Management and the External Auditor;
- discusses results press releases and reviews periodic information before it is made public;
- reviews the financial information and official or new results guidance provided to analysts;
- reviews the Company's accounting principles applied in the framework of the financial reporting process, as well as the judgments related to estimates, depreciations and provisions;
- reviews the relevance and consistency of the accounting standards used and the impact of new accounting rules;
- reviews major changes to the Company's accounting principles and practices as suggested by the Executive Management or by the External Auditor;
- reviews intra-group relations and ensures the follow-up of the financial relations between the Company and its shareholders.

The Executive Management must inform the Audit Committee of the methods used to account for significant and unusual transactions where the accounting treatment could be interpreted in different ways.

#### 2. Risk management and internal control

At least once a year, the Audit Committee reviews, with the Executive Management, the effectiveness of the internal control and risk management systems set up by the Executive Management. It must ensure that the main risks are properly identified, managed and disclosed in accordance with the framework approved by the Board.

While it is the responsibility of the Executive Management to assess and manage the Company's exposure to risks, the Audit Committee must discuss guidelines and policies to govern the process of the treatment of these risks.

The Audit Committee discusses amongst others the Company's major financial risk exposures and the steps the Executive Management has taken to control and manage such exposures.

The Audit Committee consults with the Executive Management, the internal audit and the External Auditor, on the assessment of the adequacy and effectiveness of internal controls.

The Director ACR and the External Auditor regularly report to the Audit Committee on any major findings and possible weaknesses in the internal control system.

The Audit Committee verifies whether the Executive Management reacts adequately to all comments and recommendations that are made by the Director ACR and/or the External Auditor on the internal control system. It investigates to what extent the Executive Management takes into account the observations of the internal audit function.

The internal control also includes the review and approval of the statements included in the CG Statement on internal control and risk management as well as the review of the specific arrangements made and by which staff members of the Company may, in confidence, raise concerns about possible irregularities in the financial reporting process or other matters (whistle-blowers procedure). The Audit Committee must ensure that this arrangement is brought to the attention of all staff members of the Company and its Subsidiaries. If deemed necessary, the Audit Committee must make arrangements for an independent investigation and appropriate follow-up of these matters in proportion to their alleged seriousness.

### 3. Budget

The Audit Committee reviews the budget proposal prepared by the Executive Management. For this purpose, the Audit Committee has a power of examination. The Audit Committee must receive the proposal in due time to study it in detail before the meeting of the Board approving the budget.

### 4. Internal Audit

The Audit Committee approves the annual internal audit plan and the allocated resources. The Audit Committee reviews the activities, the organisational structure, the qualifications, the staffing and budget of the internal audit function and ensures that its available resources and know-how are adapted to the Company's nature, size and complexity. It also makes, as the case may be, recommendations on the selection, the appointment and the dismissal of the internal auditors.

The Director ACR reports directly to the chairman of the Audit Committee on any audit, directly or indirectly concerning the CGC or the shareholders.

The Audit Committee must be provided with "internal audit" reports or a periodic summary of such reports. The Audit Committee reviews the effectiveness of the internal audit function, taking into account the complementary role of the internal and external audit functions.

The Audit Committee must at least twice a year discuss the performance of the internal audit function, the risk coverage, the risk management, the quality of the internal control, the compliance with rules and audits and the follow-up of correcting measures with the Director ACR.

The chairman of the Audit Committee and the Chairman of the Board must be available at all times to the Director ACR to report important issues within the scope of the duties of the Audit Committee and of which they are aware.

The Audit Committee ensures the operational independence of the internal audit function.

## 5. External audit

The Audit Committee assesses the External Auditor's qualifications, performance and independence.

In this context, the Audit Committee:

- ensures the monitoring of the legal control of the Financial Statements and the Consolidated Financial Statements, including following-up on the questions and recommendations expressed by the External Auditor;
- provides the Board with all useful information on the results of the legal control of the Financial Statements and, as the case may be, the Consolidated Financial Statements;
- inquires as to the efficacy of the external audit process and how the Executive Management considers the recommendations expressed by the External Auditor in its management letter;
- inquires as to the independence of the External Auditor, in particular as concerns the legitimacy of the provision of additional services to the Company;
- analyses, together with the External Auditor, the risks relating to his or her independence and the safety measures that are applied in order to mitigate these risks;
- examines whether the External Auditor has modified the audit approach and audit program during the audit process and, if so, for what reasons;
- examines with the External Auditor whether there has been any discussion or disagreement between the Executive Management and the External Auditor and the way in which those discussions or disagreements were settled;
- inquires the transparency report provided for in Article 13 of the Regulation (EU) No 537/2014;
- determines in which way the External Auditor is associated to the content and the publication of financial statement relating to the Company, other than the Financial Statements and the Consolidated Financial Statements.

The External Auditor:

- confirms annually his or her independence from the Company;
- informs the Audit Committee annually about the additional services provided to the Company;

- examines with the Audit Committee the risks relating to his or her independence and the safety measures taken to decrease these risks, as documented by the External Auditor;
- establishes the additional report as provided for in Article 11 of the Regulation (EU) No 537/2014;
- confirms the conformity of the audit report with the content of the additional report intended for the Audit Committee as provided for in Article 11 of the Regulation (EU) No 537/2014.

The Audit Committee makes recommendations to the Board as to the selection, the reappointment, the dismissal and the remuneration of the External Auditor taking into account the limits imposed by the law and other regulations applicable in this matter. These recommendations must be submitted to the General Meeting.

The Audit Committee must assist the Board in the development of a specific policy for the engagement of the External Auditor for non-audit services. The Audit Committee approves the remuneration and the terms of these missions. In urgent matters and for small assignments (below EUR 10,000.00) the chairman of the Audit Committee can decide alone in the first instance provided, however, that such decision is reviewed or approved at the next Audit Committee meeting.

The Audit Committee should set up a formal policy specifying the types of non-audit services that are a) prohibited, b) permissible after review by the Audit Committee, and c) permissible without referral to the Audit Committee, taking into account the specific provisions of the Code of Companies and Associations and the other applicable regulations.

The Audit Committee must set clear policies for the hiring of employees or former employees of the External Auditor.

#### 6. Supervision of the governance

The Audit Committee has also as duty to monitor the developments in relation to corporate governance and to ensure their adequate implementation in the Company.

### IV. OPERATION

#### 1. Meetings

The Audit Committee must convene whenever necessary for the proper operation of the Committee, and in any event at least four times a year. To the extent possible, the dates of the meetings are fixed in advance annually and the meetings take place on dates as close as possible to the dates of the meetings of the Board.

In principle, meetings of the Audit Committee are convened by the secretary of the Audit Committee in consultation with the chairman of the Audit Committee. Each member of the Audit Committee may ask the chairman that a meeting of the Audit Committee be convened.

Except in urgent matters (subject to the judgement of the chairman of the Audit Committee), the notice (including the agenda of the meeting) must be sent to all the Audit Committee members at least five business days prior to the meeting. Every agenda item must be accompanied by as much written information as possible and the relevant documents must be appended to the notice.

If all members are present or validly represented, the formalities for convening the meeting need not be verified.

The Audit Committee may validly deliberate and decide on the agenda items, provided that at least half of the members of the Audit Committee are present or validly represented.

Resolutions are adopted by a majority of the votes cast by the members of the Committee present or validly represented. Meetings can be held by means of telephone conferences.

The Chairman of the Board has a permanent invitation to participate in the meetings of the Audit Committee, even if he or she is not a member of the Audit Committee. The External Auditor may request the chairman of the Audit Committee to attend a meeting of the Audit Committee.

At least twice a year, the Audit Committee meets the External Auditor and the Director ACR to discuss matters falling within the powers of the Audit Committee and any issues arising from the audit process (in particular, the significant weaknesses in internal control).

To perform its monitoring function effectively, the Audit Committee may hold separate meetings with the Executive Management, the internal auditors and the External Auditor. Therefore, the Audit Committee is free to meet periodically separately with each of them. In order to improve its effectiveness, the Audit Committee decides which persons attend the meetings of the Audit Committee without being members of it.

It can also request representatives of the Executive Management to assist at its meetings in order to inform the Audit Committee on certain matters.

If need be, and after first informing the Chairman of the Board, the Audit Committee is entitled to seek external professional advice, at the Company's expense, about issues that fall within its powers.

Each member of the Audit Committee has access to the books, data and offices of the Company and its Subsidiaries and may contact executives and/or employees of the Company and its Subsidiaries if this might be necessary or useful for the proper performance of his or her duties. A member of the Audit Committee exercises this right in consultation with the chairman of the Audit Committee. For these purposes, the Audit Committee can make requests to the Secretary.

Any member of the Audit Committee must inform the Audit Committee of:

- any direct or indirect financial interest in any matter which the Audit Committee is entrusted to oversee; or

- any possible conflict of interests which may arise as a consequence of any other mandates he or she holds.

That member cannot participate in the deliberations and the vote relating to resolutions of the Audit Committee in respect of which such a financial interest or conflict of interest exists and, if required by the Board, that member must resign as a member of the Audit Committee.

## 2. Reporting to the Board

The Audit Committee regularly reports to the Board.

The Audit Committee examines with the full Board any issue that arises with respect to:

- the quality or the reporting process of the financial information of the Company;
- the performance and independence of the External Auditor and the internal audit function;
- the Company's compliance with legal or regulatory requirements.

After each meeting (and at least after the establishment of the Financial Statements, the Consolidated Financial Statements and, as the case may be, the financial statements intended for publication):

- the Audit Committee reports on its activities to the Board, identifies any issues where it considers that action or improvement is needed and formulates all recommendations it deems necessary. The report of the Audit Committee is inserted in the agenda of the Board meeting to be held after the Audit Committee meeting;
- the Secretary prepares the minutes of the Audit Committee meeting and sends the draft minutes to each Audit Committee member for those minutes to be reviewed and approved by the Audit Committee during its next meeting.

Based on the reports and discussions referred to above, the Audit Committee recommends that the Board drafts the (audited) Financial Statements and the Consolidated Financial Statements that are to be included in the Annual Report as well as in the annual press release and/or interim financial statements' press release.

The Audit Committee sends an annual report to the Board describing the composition of the Audit Committee, its qualifications and the way in which its activities have been conducted during the past financial year. This report is signed by all members of the Audit Committee.

The chairman of the Audit Committee (or any other member of the Audit Committee) must be available during the annual General Meeting in order to answer any questions regarding the activities of the Audit Committee.

The Audit Committee must exercise the utmost discretion in drafting documentation relating to its deliberations and recommendations.

Each Director must be given unlimited access to all data of the Audit Committee and may exercise this right following consultation with the chairman of the Audit Committee.

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## APPENDIX IV

### **REMUNERATION AND NOMINATION COMMITTEE: TERMS OF REFERENCE**

#### **I. INTRODUCTION**

In accordance with article 4.20 of the CGC, the Nomination and Remuneration Committee are combined.

The Remuneration and Nomination Committee must regularly (at least once every three years) check and review the adequacy and effectiveness of these terms of reference, report the results of that review to the Board and recommend any necessary changes.

The Board may modify these terms of reference at any time and revoke the powers granted to the Remuneration and Nomination Committee.

These terms of reference and the composition of the Remuneration and Nomination Committee must be disclosed on the website of the Company.

#### **II. COMPOSITION**

The members of the Remuneration and Nomination Committee are appointed and may be dismissed at any time by the Board. The duration of the mandate of a member of the Remuneration and Nomination Committee may not exceed the duration of his or her mandate as a Director.

The Remuneration and Nomination Committee must at all times be composed of at least three Directors. All members of the Remuneration and Nomination Committee must be non-executive Directors and a majority of them must be independent Directors within the meaning of article 7:87 of the Code of Companies and Associations and the criteria of article 3.5 of the CGC. The Remuneration and Nomination Committee must have the necessary expertise as regards remuneration policy.

The Remuneration and Nomination Committee must be chaired by the Chairman of the Board or by another non-executive Director.

The Secretary acts as secretary to the Remuneration and Nomination Committee.

#### **III. DUTIES**

##### **1. Remuneration**

The Remuneration and Nomination Committee is entrusted with the following duties:

- making proposals to the Board and assisting in defining and amending the Remuneration Policy for the Directors and the members of the Executive Management and, where applicable, on the proposals which result thereof and which must be submitted by the Board to the General Meeting pursuant to article 7:89/1 of the Code of Companies and Associations;
- making proposals to the Board on the individual remuneration of the Directors and the members of the Executive Management, including, for the latter, the variable remuneration and long-term performance bonuses - whether or not stock-related - in the form of stock options or other financial instruments, and severance payments, and where applicable, on the proposals which result thereof and which are submitted by the Board to the shareholders;
- assisting the Board in determining the performance criteria and the targets for the performance bonus;
- drafting the Remuneration Report, pursuant to article 3:6 §3 of the Code of Companies and Associations and to the provisions of the CGC, with a view to its insertion by the Board in the CG Statement;
- commenting on the Remuneration Report at the annual General Meeting;
- submitting advice to the Board regarding contracts with respect to the appointment of the CEO and the other members of the Executive Management;
- at least once a year, discussing with the CEO the operation and performance of the Executive Management. The CEO should not be present during the discussion on his or her own evaluation;
- at least once a year and prior to the budget approval, discussing with the CEO the Company's Remuneration Policy, the succession planning and the employee satisfaction.

## 2. Appointment

The Remuneration and Nomination Committee must ensure that the appointment and re-election process of the Directors, the CEO and other members of the Executive Management is organised objectively and professionally and, in particular, it has at least the following duties:

- establishing selection criteria for the appointment of the Directors, the CEO and other members of the Executive Management;
- establishing appointment procedures for the Directors, the CEO and other members of the Executive Management;
- identifying and proposing candidates for the position of independent Director for approval by the Board;
- periodically assessing the size, the composition and the operation of the Board and, if applicable, making recommendations to the Board with regard to any changes and succession planning;
- preparing plans for the orderly succession of Directors and ensuring that sufficient and regular attention is paid to the succession of the Executive Committee;
- advising on proposals (amongst others, of the Executive Management or of the shareholders) for the appointment and dismissal of Directors, the CEO and other members of the Executive Management;
- reviewing the Company's organisation chart and the composition of the Executive Management with the CEO;

- advising the CEO on proposals made by the CEO to the Board for the appointment and dismissal of members of the Executive Management.

In the performance of its duties relating to the composition of the Board, the Remuneration and Nomination Committee must take into account the criteria as stated in section II of Appendix I of the CG-Charter.

#### **IV. OPERATION**

##### **1. Meetings**

The Remuneration and Nomination Committee must convene whenever necessary for the proper operation of the Committee, and in any event at least twice a year. To the extent possible, the dates of the meetings are fixed in advance annually. The Remuneration and Nomination Committee must also meet whenever changes must be made to the composition of the Board (including a reappointment and a new appointment) or of the Executive Management.

In principle, meetings of the Remuneration and Nomination Committee are convened by the Secretary in consultation with the chairman of the Remuneration and Nomination Committee. Each member of the Remuneration and Nomination Committee may ask the chairman that a meeting of the Remuneration and Nomination Committee be convened.

Except in urgent matters (subject to the judgement of the chairman of the Remuneration and Nomination Committee), the notice (including the agenda for the meeting) must be sent to all the Remuneration and Nomination Committee members at least five business days prior to the meeting. Every agenda item must be accompanied by as much written information as possible and the relevant documents must be appended to the notice.

If all members are present or validly represented, the formalities for convening the meeting need not be verified.

The Remuneration and Nomination Committee may validly deliberate and decide on the items on the agenda, provided that at least half of the members of the Remuneration and Nomination Committee are present or validly represented.

Resolutions are adopted by a majority of the votes cast by the members of the Committee present or validly represented.

The Chairman of the Board has a permanent invitation to participate in the meetings of the Remuneration and Nomination Committee if he or she is not a member of the Remuneration and Nomination Committee. However, the Chairman of the Board may not attend the meetings of the Remuneration and Nomination Committee at which his or her own remuneration (if any) is discussed or at which his or her own reappointment or dismissal is discussed.

Furthermore, the Remuneration and Nomination is entitled to invite anyone, whose presence it deems useful, to its meetings.

If need be, and after first informing the Chairman of the Board, the Remuneration and Nomination Committee is entitled to seek external professional advice, at the Company's expense, about issues that fall within its powers.

The CEO attends the meetings of the Remuneration and Nomination Committee in an advisory capacity when that Committee deals with the appointment and/or the remuneration of other members of the Executive Management.

A Director may not attend a meeting of the Remuneration and Nomination Committee when it deals with his or her own remuneration and/or reappointment or dismissal and may not be involved in decisions concerning his or her remuneration and/or reappointment or dismissal.

Any member of the Remuneration and Nomination Committee must inform the Remuneration and Nomination Committee of:

- any direct or indirect financial interest in any matter which the Remuneration and Nomination Committee is entrusted to oversee; or
- any possible conflict of interest which may arise as a consequence of any other mandates he or she holds.

That member cannot participate in the deliberations and the vote relating to resolutions of the Remuneration and Nomination Committee in respect of which such a financial interest or conflict of interests exists and, if required by the Board, that member must resign as a member of the Remuneration and Nomination Committee.

## 2. Reporting to the Board

The Secretary or any other person designated by the chairman of the Remuneration and Nomination Committee for this purpose must draft a report of findings and recommendations of the meeting of the Remuneration and Nomination Committee. He or she must provide the Board with the report as soon as practicable after the meeting.

The Remuneration and Nomination Committee must inform the Board in a clear and timely manner of any major developments in the areas that fall within the scope of its responsibilities.

If requested, the chairman of the Remuneration and Nomination Committee must provide more detailed information on the results of the deliberations of the Remuneration and Nomination Committee.

The chairman of the Remuneration and Nomination Committee (or any other member of the Remuneration and Nomination Committee) must be available during the annual General Meeting in order to answer any questions regarding the activities of the Remuneration and Nomination Committee.

The Remuneration and Nomination Committee must exercise the utmost discretion in drafting documentation relating to its deliberations and recommendations.

Each Director must be given unlimited access to all data of the Remuneration and Nomination Committee and may exercise this right following consultation with the chairman of the Remuneration and Nomination Committee.

**V. PROCEDURE AND SELECTION CRITERIA FOR THE APPOINTMENT AND REAPPOINTMENT OF DIRECTORS AND EXECUTIVE MANAGEMENT**

1. The chairman of the Remuneration and Nomination Committee heads the nomination process and where relevant works closely with the Chairman of the Board to ensure appointments are made in a timely manner to maintain the smooth operation of the Board and its Committees.
2. For any new appointment to the Board, the Remuneration and Nomination Committee establishes a profile that describes the role, the competencies, the experience and knowledge required and makes recommendations to the Board for appointment purposes.
3. The Remuneration and Nomination Committee checks whether the candidates have the required profile to hold the office of Director, and provides advice on candidates proposed by the shareholders.
4. New candidates are interviewed by the Remuneration and Nomination Committee.
5. At the time of their application, non-executive Directors are made aware of the extent of their duties, in particular regarding the time commitment involved in carrying out their duties.

Non-executive Directors must hold no more than five directorships in listed companies.

Non-executive Directors must confirm they have sufficient time available to achieve what is expected of them, taking into account the number and importance of their other commitments.

Any possible changes in other relevant commitments and any new commitment taken on outside the Company must be promptly reported to the Chairman of the Board.

6. The Remuneration and Nomination Committee recommends suitable candidates to the Board. The Chairman of the Board must ensure that the Board has sufficient information about the proposed candidate, such as the candidate's résumé, the assessment by the Remuneration and Nomination Committee based on an initial interview with the candidate, a list of the positions previously held by the candidate and any other information necessary for assessing the candidate's independence and competencies.
7. Prior to the appointment or reappointment by the General Meeting, the Board must notify the works council of the appointment of the candidates as

independent Directors in accordance with article 7:87 §2 of the Code of Companies and Associations.

8. After having been informed of the proposed candidates, the Board formulates an appointment or reappointment proposal for the General Meeting. Proposals for appointment must be made at least sixty days before the General Meeting. This provision does not prejudice the legal possibility for the shareholders to file proposed resolutions.

The proposal of appointment by the General Meeting is accompanied by relevant information on the candidate's professional qualifications, together with a list of the positions previously held by the candidate. The Board must indicate whether a candidate meets the independence criteria and must also state the proposed term of the mandate.

9. The above referenced points 2, 3, 4 and 6 are also applicable to the appointment of the CEO and to the other members of the Executive Management.
10. Any proposal for the dismissal of any member of the Executive Management needs to be reviewed by the Remuneration and Nomination Committee prior to termination of that member's contract.

## **VI. REMUNERATION POLICY AND PROCEDURE**

This procedure is applicable to proposals made by the Remuneration and Nomination Committee on the remuneration of Directors and members of the Executive Management.

When making proposals on the remuneration of non-executive Directors, the Remuneration and Nomination Committee observes the following principles, taking the Remuneration Policy into account:

- the Company's current policy consists of only remunerating independent Directors and the Chairman of the Board;
- the remuneration is determined on the basis of the responsibilities of the independent Directors and the Chairman of the Board and the time committed to their position;
- the independent Directors and the Chairman of the Board receive a fixed remuneration, which excludes performance-related remunerations such as bonuses, stock-related long-term schemes, fringe benefits or benefits related to pension schemes;
- the independent Directors and the Chairman of the Board receive an additional remuneration for each participation in a meeting of a Committee of the Company and/or of a committee as defined in article 7:97 §3 of the Code of Companies and Associations;
- the Vice-Chairman and the committee chairmen receive an additional fixed remuneration provided that they have the capacity of independent Director or Chairman of the Board;
- the Company and its Subsidiaries do not grant personal loans, guarantees or the like to non-executive Directors.

When making proposals on the remuneration of members of the Executive Management, the Remuneration and Nomination Committee observes the following principles, taking the Remuneration Policy into account:

- the level and structure of the remuneration of the Executive Management should be such as is required to recruit, retain and motivate qualified and competent professionals, taking into account the nature and scope of their individual responsibilities and market standards;
- an appropriate proportion of the remuneration package of the members of the Executive Management is linked to the Company's performance and individual performance, thereby aligning the interests of the Executive Management with the interests of the Company;
- unless otherwise stipulated by the Company's articles of association or expressly approved by the General Meeting, a share can only be definitively acquired, and a stock option or any other right to acquire shares cannot be exercised within less than three years of their allocation;
- the criteria causing the allocation of a remuneration to a member of the Executive Committee to become variable must be expressly mentioned in the contractual clauses or the like which govern the legal relationship concerned;
- the payment of the variable remuneration can only occur if the criteria have been met for the given period;
- unless otherwise stipulated by the Company's articles of association or expressly approved by the General Meeting and if the variable remuneration of a member of the Executive Management exceeds one fourth of the annual remuneration of this member, at least one quarter of the variable remuneration must be based on predetermined and objectively measurable performance criteria of over a period of at least two years, and at least another quarter must be based on predetermined and objectively measurable performance criteria of over a period of at least three years;
- the commitments of the Company in the event of severance payments must be thoroughly reviewed, so as to avoid rewarding poor performance and are established in accordance with articles 7:90 and 7:92 of the Code of Companies and Associations;
- if a member of the Executive Management is also an executive Director, his or her remuneration takes into account the compensation received in his or her capacity as an executive Director;
- the Company and its Subsidiaries do not grant personal loans, guarantees or the like to members of the Executive Management.

No individual is allowed to decide on his or her own remuneration.

For more detailed information on the remuneration of the Directors and the Executive Management, reference is made to the Remuneration Policy as published on the website of the Company and the Remuneration Report as included in the latest published Annual Report.

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## APPENDIX V

### CODE OF CONDUCT TRANSACTIONS IN FINANCIAL INSTRUMENTS

#### I. GENERAL RULES ON INSIDER TRADING

This code of conduct (“**Code**”) applies to:

- all employees of ORANGE BELGIUM (the “**Company**”) and its subsidiaries (“**Subsidiaries**”);
- all consultants and temporary staff working for the Company and/or its Subsidiaries;
- the general manager (the “**CEO**”) of the Company and all members of management who report directly to the CEO (the “**Executive Management**”); and
- all members of the Company's and/or its Subsidiaries' relevant board of directors (the “**Directors**”), including the permanent representatives of the members of the relevant board of directors.

For the purposes of this Code, the aforementioned persons are collectively referred to herein as “**Insiders**”.

Insiders may have or may gain access to information likely to influence the market price of financial instruments. In certain circumstances, such information can be characterized as “inside information” (as defined hereinafter). The Regulation (EU) No 596/2014 of 16 April 2014 on market abuse (the “**Market Abuse Regulation**”) prohibits certain actions by Insiders in possession of inside information.

Inside information (“**Inside Information**”) is defined by the Market Abuse Regulation as any information that:

- has not been made public;
- is precise;
- relates directly or indirectly to one or more issuers of securities or to one or more financial instruments; and
- which, if it were made public, would be likely to have a significant effect on the market price of such financial instruments or of related derivative financial instruments.

Information is deemed to be of a precise nature if it is specific enough to enable a conclusion to be drawn as to the possible effect of that information on the prices of the financial instruments or the related derivative financial instruments.

Information which, if it were made public, would be likely to have a significant effect on the prices of financial instruments or derivative financial instruments means information that a reasonable investor would be likely to use as part of the basis of his or her investment decisions.

Inside Information may include, amongst others, trading updates, annual or intermediate financial statements, decisions to acquire other companies, the conclusion of important commercial agreements, information with respect to the launch of new products and important strategic changes. This list is not exhaustive; any and all information needs to be analysed separately.

The securities to which the Market Abuse Regulation applies are:

- listed financial instruments issued by the Company; and
- financial instruments whose value is linked to financial instruments issued by the Company, even if such financial instruments are not listed.

These instruments are collectively referred to hereinafter as “**Financial Instruments**”.

The purpose of this Code is to supplement the applicable legislation and to set out the Company's policy in this respect. Please note that this Code may be amended from time to time in order to bring it into line with changes to the law or for other reasons.

## **II. GENERAL BAN ON TRADING WHEN IN POSSESSION OF INSIDE INFORMATION**

With respect to the Financial Instruments, the Market Abuse Regulation makes it illegal to:

- engage or attempt to engage in insider dealing;
- recommend that another person engage in insider dealing or induce another person to engage in insider dealing; or
- unlawfully disclose Inside Information.

Insider dealing arises when a person possesses Inside Information and uses that information to acquire or dispose of Financial Instruments to which that information relates (directly or indirectly, for its own account or for the account of a third party). The use of Inside Information by cancelling or amending an order concerning a Financial Instrument to which that information relates concerning an order placed before the person concerned possessed the Inside Information, is also considered to be insider dealing.

Before an Insider subscribes to, buys, sells or exchanges Financial Instruments, the Insider must properly assess the nature of the information in his or her possession and verify whether such information could be considered Inside Information.

If the Insider is in doubt as to whether he or she possesses Inside Information liable to prevent him or her from trading in the Financial Instruments, that person should solicit the Compliance Officer's opinion on the nature of the information (see *infra*, Section IV).

### III. BAN ON TRADING DURING CERTAIN PERIODS

In addition to the prohibitions set out above under Section II, Insiders are, in any event, prohibited from acquiring or disposing of Financial Instruments during the following periods (unless they have obtained a prior written approval from the Company):

- The two-month period immediately preceding the date of disclosure to the public of the Company's year-end results.
- The one-month period immediately preceding the date of disclosure to the public of the Company's semi-annual results.
- Any period during which the Compliance Officer considers that a transaction involving the Financial Instruments would constitute a breach of this Code, provided that the Insider concerned is duly informed thereof by the Compliance Officer by any appropriate means.

This prohibition applies regardless of whether the Insider trades the Financial Instruments in his or her own name or in the name of another person (or for his or her own account or for the account of others).

The Company indicates that the aforementioned periods are in certain respects stricter than the provisions of the Market Abuse Regulation.

### IV. COMPLIANCE OFFICER

The Board of Directors has appointed a Compliance Officer.

The Compliance Officer is entrusted with supervising compliance with this Code and dealing with the matters specified herein.

If the Compliance Officer is contacted on the nature of certain information, the Compliance Officer must formulate an opinion on the issue and inform the Insider accordingly in writing, within a reasonable term.

The Compliance Officer's opinion that certain information is not to be considered Inside Information is valid only if the information provided to the Compliance Officer is accurate and complete. However, such an opinion does not protect the Insider concerned against administrative and/or criminal sanctions (see *infra*, Section VII). The Company can under no circumstances be held liable for any consequences of an opinion issued by the Compliance Officer.

It is therefore recommended that Insiders abstain from trading in Financial Instruments if they are in doubt regarding the nature of the information in their possession.

Do not hesitate to address any questions regarding this Code to the Compliance Officer. Any queries will be treated in confidence by the Compliance Officer and his team.

V. TRADING IN FINANCIAL INSTRUMENTS BY DIRECTORS, MEMBERS OF EXECUTIVE MANAGEMENT AND OTHER PERSONS WITH MANAGERIAL AUTHORITY WITHIN THE COMPANY

1. Internal notifications

All transactions in Financial Instruments carried out by the Directors or members of the Executive Management are subject to the following procedure.

If a Director or a member of the Executive Management intends to acquire or dispose of Financial Instruments, directly or indirectly, that person must inform the Compliance Officer thereof in writing at least three business days before the planned transaction. The Insider must confirm in the notice that he or she is not in possession of any Inside Information.

Once the transaction has been completed, the Director or member of the Executive Management must forthwith inform the Compliance Officer thereof in writing and provide proof of the transaction, including the number of Financial Instruments traded, the price and, if applicable, the other conditions applicable to the transaction.

2. External notifications

Pursuant to the Market Abuse Regulation, any person discharging managerial responsibilities within the Company and/or its Subsidiaries – and, where applicable, persons closely associated with these persons – must notify the Company and the Financial Services and Markets Authority (hereinafter, the “FSMA”) of every transaction conducted on their own account relating to the shares or debt instruments of that issuer or to derivatives or other financial instruments linked thereto.

A “**person discharging managerial responsibilities**” means a person who is:

- a member of the management or supervisory body of the Company; or
- a senior executive who is not a member of the bodies referred to in the previous point, who has regular access to Inside Information relating directly or indirectly to the Company and power to take managerial decisions affecting the future developments and business prospects of the Company.

A “**person closely associated**” means:

- a spouse, or a partner considered to be equivalent to a spouse in accordance with national law;
- a dependent child, in accordance with national law;
- a relative who has shared the same household for at least one year on the date of the transaction concerned; or
- a legal person, trust or partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person referred to in the previous points, which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person.

The notifications must be made promptly and no later than three business days after the date of the transaction. The obligation applies to any subsequent transaction once a total amount of EUR 5,000 has been reached within a calendar year (the threshold is calculated by adding the gross amount of all transactions without netting).

The notification must contain the following information:

- the name of the person;
- the reason for the notification;
- the name of the relevant issuer;
- a description and the identifier of the Financial Instrument;
- the nature of the transaction(s) (e.g. acquisition or disposal), indicating whether it is linked to the exercise of share option programs or to other specific transactions;
- the date and place of the transaction(s); and
- the price and volume of the transaction(s). In the case of a pledge whose terms provide for its value to change, this should be disclosed together with the value of the Financial Instruments at the date of the pledge.

The Company indicates that the Market Abuse Regulation requires notably the following transactions to be made public:

- the pledging or lending of Financial Instruments by or on behalf of a person discharging managerial responsibilities or a person closely associated with such a person;
- transactions undertaken by persons professionally arranging or executing transactions or by another person on behalf of a person discharging managerial responsibilities or a person closely associated with such a person, including where discretion is exercised;
- certain transactions made under a life insurance policy, under the conditions set out in the Market Abuse Regulation.

The notification is made in practice via the e-MT platform of the FSMA. The FSMA has published a “Quick User Guide” on its website.

The Company indicates that persons discharging managerial responsibilities must notify the persons closely associated with them in writing of their obligations and keep a copy of this notification.

## **VI. LIST OF INSIDERS**

In accordance with the Market Abuse Regulation, the Company must keep one or more lists of persons working for it and/or for its Subsidiaries under an employment contract or otherwise and who have access to Inside Information, on a regular or occasional basis (this includes notably advisers, accountants or credit rating agencies).

The Company must update these lists regularly and transmit them to the FSMA at the latter's request.

The Insider list(s) shall include at least:

- the identity of any person having access to Inside Information;
- the reason for including that person in the Insider list;
- the date and time at which that person obtained access to Inside Information; and
- the date on which the Insider list was drawn up.

The Company must immediately update the list(s) if:

- there is a change in the reason for including a person already on the Insider list;
- there is a new person who has access to Inside Information and, therefore, needs to be added to the insider list; and
- a person ceases to have access to Inside Information.

Persons whose names appear on the list(s) must be informed thereof and asked to read and sign this Code. By doing so, they acknowledge that they are aware of their obligations in relation to Inside Information (see *supra*, Sections II and III) and of the sanctions for abuse or unlawful communication of such information (see *infra*, Section VII).

## VII. VIOLATIONS

### 1. General principle

This Code does not discharge an Insider from personal criminal or civil liability under the applicable legislation.

A breach of the above rules may result in the imposition of criminal sanctions (fines and/or imprisonment) by the criminal courts and/or an administrative fine by the FSMA (up to EUR 5,000,000 for physical persons and EUR 15,000,000 or 15% of the total annual turnover for legal entities). If the FSMA finds out that a person has benefited from trading on the basis of Inside Information, it may increase the maximum fine to an amount equal to three times the value of the benefit.

### 2. Employees, temporary workers, consultants and Directors

#### 2.1 Employees

The breach of any provisions of this Code or of the statutory provisions on insider trading in Financial Instruments is considered a serious breach of trust and may result in the immediate dismissal of the Insider concerned without notice or compensation in lieu thereof. In addition, other sanctions set out in the Work Rules ("*Arbeidsreglement/Règlement de travail*") may apply. Indeed, insider trading by an employee causes immediate harm to the Company's reputation.

The Company may claim damages from any Insider who has harmed it by breaching these rules.

## 2.2 Temporary workers

The breach of any provisions of this Code or of the statutory provisions on insider trading in Financial Instruments is considered a serious breach of trust and can result in the immediate departure of the Insider. Such departure will be notified immediately to the interim agency, the Insider's employer.

The Company may claim damages from any Insider who has harmed it by breaching these rules.

## 2.3 Consultants

The breach of any provisions of this Code or of the statutory provisions on insider trading in Financial Instruments is considered a serious breach of trust and can lead to immediate termination of the consultant's contract.

The Company may claim damages from any Insider who has harmed it by breaching these rules.

## 2.4 Directors

In the event of breach of any provisions of this Code or of the statutory provisions on insider trading in Financial Instruments, the Company may ask the Director(s) concerned to resign and/or may claim damages.

## VIII. PRIVACY

Any information provided by Insiders to the Compliance Officer in relation to this Code must be processed in accordance with the Act of 8 December 1992 (the “**Privacy Act**”) and with the General Data Protection Regulation (Regulation (EU) 2016/679) of 27 April 2016 (the “**GDPR**”). Under the Privacy Act and the GDPR, Insiders have the right to access their personal data and request the rectification of any errors.

For further queries regarding the Privacy Act and the GDPR, please contact the Compliance Officer.

## IX. WHISTLEBLOWERS

The Company points out to all Insiders that the legislation provides for a regulation (as well as a certain protection) for whistleblowers.

Breaches of the legislation may be notified (even anonymously) to the FSMA. The necessary explanation and modalities can be found on the FSMA website ([www.fsma.be](http://www.fsma.be)).

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## APPENDIX VI

### CHOICE OF GOVERNANCE AND DEVIATIONS TO THE CGC

#### I. INTRODUCTION

The Company is committed to adhere to the legal and regulatory obligations as well as to the good governance practices. It adheres to the CGC available on the website of the Corporate Governance Commission ([www.corporategovernancecommittee.be](http://www.corporategovernancecommittee.be)). The application of the principles of the Code takes nonetheless the particularities, the size, the needs and the shareholder structure of the Company into account.

The choice of governance, as well as the deviations to the CGC (principle “*comply or explain*”), are detailed and justified below. It should be reminded, as set forth in the foreword of the CGC, that “*a deviation is not a problem as such, provided that the reasons are adequately motivated and reported*”.

The deviations are submitted to the General Meeting at the time the CG Statement is presented. The Board ensures that the shareholders investigate with care the explanations given by the Company when it diverges from the CGC and encourages them to form a reasoned judgment in each case. The Board installs a dialogue with the shareholders if they do not accept the point of view of the Company, keeping also in mind the size and the complexity of the Company as well the nature of risks and challenges the latter faces.

#### II. CHOICE OF GOVERNANCE

The Company adopts a transparent governance model. It reflects thoroughly on its governance choices and communicates them explicitly, in the best interest of all its stakeholders.

##### 1. Choice for a one-tier structure

The Company opts for a one-tier governance structure: the Board has the power to accomplish all required or useful acts in order to achieve the corporate purpose of the Company, except for those acts that are reserved by law to the General Meeting. The operational management of the Company, including without limitation the daily management, is carried out by the Executive Management.

##### 2. Choice for the system of simple voting rights

The principle of the Company has always been to respect the rule “one share, one vote”. The Company has decided not to make use of the option offered by article 7:53 of the Code of Companies and Associations to grant a double voting right (to fully paid-up shares that are registered in the share register for at least two years without interruption in the name of the same shareholder).

### III. DEVIATIONS TO THE CGE

The Company respects the stipulations of the CGC as a whole, with the exception of the two following deviations:

#### 1. Remuneration of Non-Executive Directors

Article 7.6 of the CGC stipulates that each non-executive Director receives a part of his remuneration under the form of shares of the Company. The Board believes nonetheless that it is in the best interest of the Company and its stakeholders to deviate from this provision for the following reason:

The remuneration policy of the non-executive Directors is in first instance based on the will to attract, motivate and keep qualified directors having the profile and experience required for business administration. In order to achieve that, the Company operates a transparent remuneration policy in line with market standards and taking into account the scale, the organization and the complexity of the Company. No performance-related remuneration in connection with the performance of the Company is anticipated for non-executive directors, in accordance with article 7:5 of the CGC.

In order to avoid that the non-executive Directors, among which the independent directors, would be overly influenced by the stock market price of the Company's share, the Company has decided not to grant a part of their remuneration under the form of shares of the Company. The Company believes that this deviation to the CGC allows the non-executive Directors to be the guardians of the legitimate interests of all stakeholders of the Company and to focus on its long-term perspectives.

The Company underlines that the Directors (executive and non-executive) belonging to Orange Group exercise their mandate free of charge and that the latter act as well in the best interests of the Company and in a perspective of sustainable value-creation for the shareholders and the stakeholders as a whole. Moreover, the remuneration policy (as described in the Remuneration Report that is submitted to the approval of the General Meeting) has never generated any issues or has never resulted in arbitration or adverse behavior. It allows to achieve a balance between the various underlying objectives of the CGC as a whole.

#### 2. Ownership threshold of shares of the Executive Management

Article 7.9 of the CGC stipulates that the Board determines a minimal ownership threshold that the managers (i.e. the members of the Executive Management) should hold. The Board believes nonetheless that it is in the best interest of the Company and its stakeholders to deviate from this provision for the following reason:

The remuneration policy of the Executive Management is in first instance based on the will to attract, motivate and keep qualified executive managers having the profile and experience required for operational business management. In order to achieve that, the Company operates a transparent remuneration policy in line with market standards and

taking into account the scale, the organization and the complexity of the Company. The various components of the remuneration of the Executive Management are described in the Remuneration Report. In accordance with article 7.7 of the CGC, the Board ensures that there is an appropriate balance between fixed and variable remuneration, and cash and deferred remuneration.

In order to match the interests of the executive managers to the objectives of sustainable value-creation, the variable part of the remuneration is structured to link reward to individual performance and to the overall performance of the Company. As the remuneration policy of the Executive Management already had the ambition to remunerate the members of the Executive Management in relation to the short-term performance and the realization of the long-term strategic ambitions of the Company, the Board has decided not to impose to the members of the Executive Management to keep, in addition, a minimal amount of shares. Such an obligation would only add little added value compared to the remuneration policy already put in place and the monitoring hereof could in addition create useless administrative burden.

The Board believes therefore that the current remuneration policy (as described in the Remuneration Report that is submitted to the approval of the General Meeting) already encourages the Executive Management sufficiently to act in the best interests of the Company and in a perspective of sustainable value-creation and that it allows to achieve a good balance between the various underlying objectives of the provision and of the CGC as a whole.

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