

# Corporate Governance Charter



# 2VALORISE

## 2Valorise NV

Limited liability company under Belgian law (*Société Anonyme/Naamloze Vennootschap*)  
De Snep 3324 – B-3945 Ham , Belgium  
register of legal persons under company number RPR 0876.488.436 Hasselt (Belgium)

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## Introduction

This corporate governance charter (the “**Charter**”) has been amended by the board of directors of 2Valorise NV, a public limited liability company (“*naamloze vennootschap*”), incorporated in Belgium, having its registered office at De Snep 3324 – 3945 Ham Belgium, on September [DATE], 2014 and has entered into effect on the same date.

The Charter is based on Belgian company law, the company’s articles of association and the Belgian Corporate Governance Code 2009 (the “**2009 Code**”). The 2009 Code, replacing the 2004 edition, has been issued on March 12, 2009 by the Belgian Corporate Governance committee. The main purpose of 2009 Code is to support long-term value creation by providing Belgian listed companies with a model for good corporate governance. Corporate governance is described in the 2009 Code as a set of rules and behaviors according to which companies are managed and controlled. According to the 2009 Code, a good corporate governance model will achieve its goal by setting a proper balance between leadership, entrepreneurship and performance on the one hand, as well as between control and conformance with the 2009 Code on the other hand. The 2009 Code is based on a “comply or explain” system: Belgian listed companies should follow the 2009 Code, but can deviate from its provisions and guidelines (though not from the principles) provided they disclose the justifications for such deviation.

2Valorise’s board of directors intends to comply with the 2009 Code, but believes that certain deviations from its provisions are justified in view of the company’s current size and activities. These deviations are further explained in the present Charter and, where applicable, identified in Appendix 1 to the Charter.

The Charter should be read together with the articles of association of 2Valorise NV and other information that is made available by the company from time to time. In accordance with the 2009 Code, the annual report of 2Valorise NV will contain a “Corporate Governance Statement” (the “**Corporate Governance Statement**”) in which the board of directors will provide further information on its corporate governance and the application of this Charter.

This Charter is available, together with 2Valorise NV’s articles of association, on the company’s website ([www.4energyinvest.com](http://www.4energyinvest.com)) and will be updated as often as required to reflect changes to 2Valorise NV’s corporate governance.

On behalf of the board of directors of 2Valorise NV,

September [DATE], 2014

## Certain definitions and expressions

Throughout this charter, certain terms and expressions are used. Unless the context in which these terms and expressions are used, does not so permit, or unless these terms or expressions are defined differently, they should be read and understood as follows:

- Any reference to “**the company**” should be read as a reference to 2Valorise NV.
- The expression “**subsidiary**” means, when used with respect to a person, a subsidiary of such person within the meaning of Article 6 of the Belgian Company Code (filiale / dochtervennootschap).
- The expression “**control**” shall, when used with respect to a person, have the meaning as defined in Article 5 of the Belgian Company Code, and shall be determined in accordance with the provisions of Articles 5 to 9 of the Belgian Company Code, and expressions such as “controlling” or “controlled” shall have a correlative meaning.
- “**FSMA**” means the Financial Services and Markets Authority (Autoriteit voor Financiële Diensten en Markten, Autorité des Services et Marchés Financiers).
- This Charter is complementary to the Belgian Company Code and the articles of association of 2Valorise NV. No provision of this Charter can be interpreted as derogating therefrom.

## **1. General information**

### **1.1. 2Valorise NV**

2Valorise NV was incorporated on September 28, 2005, for an unlimited duration. It has the legal form of a limited liability company (société anonyme – SA/naamloze vennootschap – NV) organized and existing under the laws of Belgium. Pursuant to the Belgian Company Code, the liability of the shareholders is limited to the amount of their respective committed contribution to the capital of 2Valorise NV.

2Valorise NV's registered office is located at De Snep 3324, B-3945 Ham, Belgium. The company is registered with the registry of legal persons (registre des personnes morales / rechtspersonenregister) (Hasselt) under company number (numéro d'entreprise / ondernemingsnummer) 0876.488.436.

### **1.2. Corporate purpose**

The corporate purpose of 2Valorise NV reads as follows:

The company has as its purpose, both in Belgium and abroad, both in its own name and for its own account as in the name or for the account of third parties, alone or in participation with third parties:

- By way of subscription, purchase, exchange, contribution, merger, cooperation, financial intermediation or otherwise, the acquisition of any interest, participation or shareholding in any existing or still to be incorporated company, business, activity, association or other person.
- The management, the valorisation and the realization, in the broadest sense, of these interests, participations and shareholdings.
- The participation, directly or indirectly, in the management, the management bodies, the activities, the control and the liquidation of the companies, businesses, activities, associations and persons in which it holds an interest, participation or shareholding.
- Providing any kind of advice and assistance in any possible area related to the business activities to the management and the management bodies of the companies, businesses, activities, associations and persons in which it holds an interest, a participation or a shareholding, and more generally the performance of all acts which are inherent, as a whole or partially, directly or indirectly, to a holding activity, in the broadest sense.
- By way of purchase, exchange, contribution, merger or otherwise, the acquisition, construction, leasing, letting, exploitation, valorisation, sale or realization in any other way of immovable property, both in Belgium and abroad.
- By way of purchase, exchange, contribution, merger or otherwise, the acquisition, management, exploitation, valorisation, sale or realization in any other way of rights (in rem or not) relating to or in connection with immovable property, both in Belgium and abroad.
- The production, the exploitation, the management, the trade, the sale and the supply and/or distribution of energy sources, including (but not limited to) biomass and of energy, including (but not limited to) heat and electricity generated, made, produced or acquired from traditional or renewable sources of energy such as (but not limited to) biomass, water, geothermic heat, wind and sun, or of rights, values or assets relating thereto.

- The research, the identification, the development of concepts, the design, the elaboration, the development, the realization, the adaptation, the maintenance, the management, the use, the promotion, the buying, selling or otherwise acquiring or disposing of and more generally the exploitation of existing and new projects, activities, rights or assets which are, directly or indirectly, related to, connected with or derived from the production, exploitation, management and trade in energy (in the broadest sense) in general and in renewable (sources of) energy in particular (including (but not limited to) green certificates and CO2 certificates).
- The direct or indirect supply of services related to existing and new projects, activities, rights or assets that are directly or indirectly related to, connected with or derived from the production, exploitation, management and trade in energy (in the broadest sense) in general and in renewable (sources of) energy in particular, to intermediaries as well as to end-users, including individuals, governmental entities or bodies and companies.
- The development, the collection, the acquisition, the structuring, the management, the exploitation and the realization in the broadest sense of data, know how, licenses, patents or other (intellectual) tangible or intangible fixed assets or rights in connection with existing and new projects and activities that are, directly or indirectly, related to, connected with or derived from the production, exploitation, management and trade in energy (in the broadest sense) in general and in renewable (sources of) energy in particular.
- The granting of securities for other companies, businesses, activities, associations and persons or guaranteeing of obligations, the acting as agent or representative, the granting of advances, credits, loans or other forms of financing, and the granting of mortgages or other sureties.
- The execution of all technical, economic, social, intellectual, organizational, civil, commercial, industrial, financial, movable and immovable activities which are, directly or indirectly, related to (in the broadest sense) the aforementioned activities or that are of a nature to improve the realization thereof in whatever manner.

Except for, where appropriate, regulated activities for which the required authorizations or licenses have not been obtained.

The aforementioned summary is not exhaustive and should be interpreted in its broadest sense.

### 1.3. Group structure



The holding activities of the company are conducted via the legal entity 2Valorise NV. In accordance with the corporate purpose of 2Valorise NV, the company may take participations in other companies.

On the date of this Charter, 2Valorise NV has two direct subsidiaries, RENOGEN SA, a fully owned limited liability company, incorporated under the laws of Belgium, with registered office at Born, Holzstrasse 5, B-4770 Amel, Belgium, and 4HamCogen, a fully owned limited liability company, incorporated under the laws of Belgium, with registered office at De Snep 3324, B-3945 Ham, Belgium.

On the date of this Charter, the company's fully owned subsidiary RENOGEN SA, has one direct subsidiary, Amel Bio SA, a fully owned limited liability company, incorporated under the laws of Belgium, with registered office at Holzstrasse 5, B-4770 Amel, Belgium.

### 1.4. Governance structure

2Valorise NV is headed by its board of directors. The board of directors has delegated the company's daily management to the CEO and has appointed an executive management that assists the CEO. The board of directors has also set up several specialized committees, such as an audit committee, a nomination and remuneration committee and an advisory committee. These are further discussed in sections 3, 4, and 6 of this Charter.

### 1.5. Outstanding shares and other securities

On the date of this Charter, the share capital of 2Valorise NV amounts to EUR 20,948,484.00. The share capital is represented by 7,593,794 ordinary registered and dematerialized shares. For further information on the rights attached to the shares, reference can be made to section 8 below of this Charter.

For a history of the company's share capital and an overview of the company's shares, further reference can be made to the "Investors" section of 2Valorise's website: [www.4energyinvest.com](http://www.4energyinvest.com).

## **1.6. Listing**

The shares of 2Valorise NV are listed on Euronext Brussels since June 13, 2008. The shares have the following securities codes:

- ISIN: BE0974275076
- Euronext code : BE0974275076
- Euronext symbol: ENINV

## **1.7. Important shareholders**

The table in Appendix 2 provides an overview of the respective parties that have notified the company of their ownership of 2Valorise securities. The overview is based on the transparency declarations that the company has received up to the date of this Charter. For a more up-to-date overview (where necessary), please refer to the “Investors” section of the company’s website: [www.4energyinvest.com](http://www.4energyinvest.com).

## **1.8. Available information**

The present Charter is made available on the company’s website: [www.4energyinvest.com](http://www.4energyinvest.com). A copy can also be obtained free of charge at the registered office of the company.

2Valorise NV must file its (restated and amended) articles of association and all other deeds that are to be published in the annexes to the Belgian Official Gazette with the clerk’s office of the Commercial Court of Antwerp (division Hasselt) (Belgium), where they are available to the public. A copy of the articles of association is also available on the company’s website: [www.4energyinvest.com](http://www.4energyinvest.com).

In accordance with Belgian law, the company must prepare annual audited statutory and consolidated financial statements. The annual statutory and consolidated financial statements and the reports of the board of directors and statutory auditor relating thereto are filed with the Belgian National Bank, where they are available to the public.

Furthermore, as a listed company, the company has to publish summaries of its annual and semi-annual financial statements in accordance with the Belgian Royal Decree of November 14, 2007 relating to the obligations of issuers of financial instruments admitted to trading on a Belgian regulated market. These documents are also made available on the company’s website.

The company will also have to disclose price sensitive information and certain other information to the public. In accordance with the Belgian Royal Decree of November 14, 2007 relating to the obligations of issuers of financial instruments admitted to trading on a Belgian regulated market, such information and documentation will be made available through the company’s website, press releases and the communication channels of Euronext Brussels or a combination of these media.

## **2. Board of directors**

### **2.1. Terms of reference**

The board of directors of 2Valorise NV will arrange its procedures, policies and activities in accordance with the terms of reference set out in this section 2.

### **2.2. Role of the board of directors**

The board of directors of 2Valorise NV has the broadest powers to manage and represent the company, except to the extent provided otherwise by applicable law or the company's articles of association.

The board of directors' role is to pursue the long-term success of the company by providing entrepreneurial leadership and enabling risks to be assessed and managed.

The board of directors acts as a collegiate body.

### **2.3. Specific tasks of the board of directors**

In exercising its role and powers, the board of directors has the following specific tasks:

- The board of directors decides on the company's values, objectives and strategy, its risk appetite and key policies. The board of directors should ensure that the necessary leadership, financial and human resources are in place for the company to meet its objectives. In translating values and strategies into key policies, the board of directors should pay attention to corporate social responsibility, gender diversity and diversity in general.
- Decision on investments, divestments and substantial commercial undertakings.
- The board of directors decides on the executive management structure, appoints the executive management and determines the powers and duties entrusted to executive management.
- With respect to its monitoring responsibilities, the board of directors shall:
  - review executive management performance and the realization of the company's strategy and objectives,
  - review corporate structure and corporate governance;
  - monitor and review the effectiveness of the board's committees,
  - take all necessary measures to ensure the integrity and timely disclosure, in accordance with applicable laws and regulations, of the company's financial statements and other material financial and non-financial information disclosed to the shareholders and potential shareholders,
  - approve a clear framework of internal control and risk management set up by the executive management and review the implementation of this framework, taking into account the review and recommendations made by the audit committee,
  - supervise the performance of the external auditor and of the eventual internal audit function, taking into account the review and recommendations made by the audit committee,
  - describe the main features of the company's internal control and risk management systems, which are to be disclosed in the Corporate Governance Statement.

- The board of directors shall foster - through appropriate measures – an effective dialogue with its shareholders and potential shareholders based on a mutual understanding of objectives and concerns.
- The board of directors shall ensure that its obligations to all its shareholders are understood and met. It will account to the shareholders for the discharge of its responsibilities.

## **2.4. Composition and election of the board of directors**

### 2.4.1. Composition

The board of directors of the company is composed of a minimum of 6 and a maximum of 10 members. It is recommended that at least one half of the board should comprise non-executive directors and at least three of them should be independent directors according to the criteria set out in section 2.7.2.

It is recommended that the composition of the board of directors should be determined on the basis of gender diversity and diversity in general, as well as complementary skills, experience and knowledge.

### 2.4.2. Criteria for directors

The board of directors of 2Valorise NV believes that its members should have the highest professional and personal ethics and social, regulatory & compliance values, consistent with the company's values and standards. They should have broad experience at the policy-making level in business, government, education, technology or public interest. They should be committed to enhancing shareholder value and should have sufficient time to carry out their duties and to provide insight and practical wisdom based on experience.

### 2.4.3. Election of directors

The directors of 2Valorise NV are elected by the general shareholders' meeting. However, in accordance with the Belgian Company Code, if the mandate of a director becomes vacant due to his or her death or resignation, the remaining directors have the right to appoint temporarily a new director to fill the vacancy until the first general shareholders' meeting after the mandate became vacant. The new director completes the term of the director whose mandate became vacant. While the legal maximum (renewable) term for a director's mandate is six years, directors can be elected for a maximum (renewable) term of four years only.

### 2.4.4. Nomination procedure

The chairman of the board of directors of 2Valorise NV will lead the nomination process for a new director.

In the event the mandate of a director has become or will become vacant, the following procedure will apply:

- In the event the mandate of a director has become or will become vacant, the chairman of the board of directors informs the other directors of the vacancy and invites them to a special meeting of the board of directors.
- When the remaining members of the board of directors consider the appointment of a new director, they evaluate the skills, knowledge, experience and (gender and other) diversity already present and those needed on the board of directors and, in the light of that evaluation, agree on a profile, including a description of the role and skills, experience, knowledge and diversity needed. The nomination and remuneration committee assists the board of directors in evaluating the composition of the board of directors and drafting the profile.

- The nomination and remuneration committee selects, interviews and assesses appropriate candidates in accordance with the aforementioned evaluation and profile.
- Following the selection, interviews and assessment of appropriate candidates, the nomination and remuneration committee gives its recommendation to the board of directors.
- The board of directors decides on the appointment of the director (in the event of a vacancy) or on the submission of the proposals for election of the candidate director to the company's general shareholders' meeting, taking into account the recommendations of the nomination and remuneration committee.

If the board of directors receives a proposal from shareholders to elect a director, the following procedure applies:

- The proposal is submitted to the nomination and remuneration committee, which provides its recommendation to the board of directors.
- The board of directors decides on the appointment of the director (in the event of a vacancy) or on the submission of the proposals for election of the candidate director to the company's general shareholders' meeting, taking into account the recommendation of the nomination and remuneration committee.

In order to maintain flexibility and to be able to best react to changing conditions, the board of directors can deviate from the above procedures if it is of the opinion that this is in the interest of the company.

The chairman of the board of directors ensures that, before considering candidate directors, the board of directors has received sufficient information such as the candidate's curriculum vitae (CV), the assessment of the candidate based on the candidate's initial interview, a list of the positions the candidate holds, and, if applicable, the necessary information for assessing the candidate's independence.

Proposals for the election of a director that are submitted to the general shareholders' meeting will be accompanied by a recommendation from the board of directors, based on the advice of the nomination and remuneration committee. The proposal will specify the proposed term of the mandate, which cannot exceed four years as set out above. It will be accompanied by relevant information on the candidate's professional qualifications, together with a list of the positions the candidate already holds. The proposal must indicate which candidate satisfies the independence criteria (see also section 2.7.2 below).

Without prejudice to applicable legal provisions, proposals for the election of a director that are submitted to the general shareholders' meeting must be communicated to the public in the agenda of the general shareholders' meeting, together with the other points on the agenda of the general meeting sufficiently in advance. This provision also applies to proposals for election originating from shareholders.

#### 2.4.5. Professional development – Induction

The chairman ensures that newly appointed directors receive an appropriate induction to ensure their swift contribution to the board of directors. The induction process should help the director grasp the fundamentals of the company, including its strategy, values, governance, business challenges, key policies, finance, risk management and internal control systems.

For directors joining committees of the board of directors, the induction will encompass a description of their specific role and duties and any other information linked to the specific role of that committee. For new audit committee members, the induction will cover the audit committee's terms of reference and provide an overview of the company's internal control organization and risk management systems. They must be provided with in particular full information on the company's specific

operational, financial and accounting, risk management and auditing features. This induction may also include meeting the external auditor and the relevant company staff.

## **2.5. Evaluation of the board of directors and individual directors**

### **2.5.1. Evaluation of the board of directors**

Under the lead of its chairman, the board of directors will regularly (e.g. at least every two to three years) assess its size, composition, performance and those of its committees, as well as its interaction with the executive management. The evaluation process has four objectives:

- Assessing how the board of directors or the relevant committee operates.
- Checking that the important issues are suitably prepared and discussed.
- Evaluating the actual contribution of each director's work, the director's presence at board and committee and his or her constructive involvement in discussions and decision-making.
- Checking the board's or committee's current composition against the desired board's or committee's desired composition.

Although evaluation is a responsibility of the board of directors, the board of directors can be assisted in this evaluation by the nomination and remuneration committee, and possibly also by external experts.

### **2.5.2. Non-executive sessions**

The non-executive directors will regularly assess their interaction with executive management. In this respect, non-executive directors intend to meet at least once a year in the absence of the CEO and the other executive directors. Actions can, however, only be taken by the board of directors.

### **2.5.3. Evaluation of individual directors**

There will be a periodic evaluation of the contribution of each director aimed at adapting the composition of the board of directors to take account of changing circumstances. When dealing with re-election, the director's commitment and effectiveness will be evaluated in accordance with a transparent procedure established in advance by the board of directors, to the extent relevant. Information on the main features of the evaluation process of the board, its committees and its individual directors will be disclosed in the Corporate Governance Statement.

### **2.5.4. Results of the evaluation**

The board of directors will take into account the results of the performance evaluation by recognizing its strengths and addressing its weaknesses. Where appropriate, this can involve proposing new members for appointment, proposing not to re-elect existing members or taking any measure deemed appropriate for the effective operation of the board of directors.

## **2.6. Chairman of the board of directors**

### **2.6.1. Appointment of the chairman**

The board of directors must appoint its chairman amongst the non-executive directors on the basis of his or her knowledge, skills, experience and mediation strength. The chairman of the board and the CEO should ideally not be the same individual. If the board envisages combining these two roles or appointing a former CEO as chairman, it will carefully consider the positive and negative aspects in favor of such decision and disclose in the Corporate Governance Statement why such appointment is in the best interest of the company.

### 2.6.2. Role of the chairman

The chairman of the board of directors is responsible for the leadership of the board of directors. The chairman takes the necessary measures to develop a climate of trust within the board of directors, contributing to open discussion, constructive dissent and support for the decisions of the board of directors.

The chairman promotes effective interaction between the board and the executive management. The chairman establishes a close relationship with the CEO, providing support and advice, while fully respecting the executive responsibilities of the CEO.

### 2.6.3. Specific tasks of the chairman

The chairman has the following tasks:

- The chairman sets the agenda of the meetings of the board of directors, after consultation with the CEO and ensures that procedures relating to preparatory work, deliberations, passing of resolutions and implementation of decisions are properly followed.
- The chairman is responsible for ensuring that the directors receive accurate, timely and clear information before the meetings and, where necessary, between meetings. All directors should receive the same board information.
- The chairman sees to it that all directors can make a knowledgeable and informed contribution to the discussions of the board of directors and that there is sufficient time for consideration and discussion before decision-making.
- The chairman leads the nomination process for a new director, as set out in section 2.4.4.
- The chairman is responsible for the induction of new directors, as set out in section 2.4.5.
- The chairman leads the evaluation of the board of directors and its committees, as set out in section 2.5.1.
- The chairman ensures that the board appoints committee members and a chairman for each of those committees.
- The chairman conducts the general shareholders' meeting and takes the necessary measures to ensure that any relevant questions from shareholders are answered.

The board of directors of the company can give other specific tasks to the chairman.

## **2.7. *Non-executive directors and independent directors***

### 2.7.1. Non-executive directors

Non-executive directors should be made aware of the extent of their duties at the time of their application as director, in particular as to the time commitment involved in carrying out their duties.

While exceptions may be warranted in view of the company's interest, non-executive directors are encouraged not to take on more than five directorships in listed companies. Changes to other relevant commitments and new commitments of directors outside the company must be reported to the chairman of the board of directors as they arise.

### 2.7.2. Independent directors

A director will be considered an independent director if he or she meets the criteria set out in Article 526ter of the Belgian Company Code. Pursuant to these criteria, independent directors are directors who:

1. have not held a position as an executive member of an administrative body, as a member of the executive committee (*directiecomité / comité de direction*) or as a person charged with the daily management of the company or one of its affiliates during the five year period preceding their election;
2. have not exercised more than three successive mandates as non-executive director of the company, with a maximum of twelve years;
3. have not been members of the executive management of the company or one of its affiliates, during the three-year period preceding their election;
4. have not received a compensation or other significant advantage of a financial nature from the company or one of its affiliates, with the exception of the *tantièmes* and the compensation they may receive or have received as non-executive member of the administrative body or member of the supervisory body;
5. do not own any rights relating to shares representing 10% or more of the total share capital or of a class of shares of the company. If they own less than 10%:
  - (i) such rights, together with other rights held by companies controlled by the director concerned may not equal or exceed 10%, or
  - (ii) the disposal of such shares or the exercise of the rights attached thereto may not be subject to any contractual arrangement or unilateral undertaking from the independent directors;
6. do not represent a shareholder that satisfies the criteria set forth under item 5;
7. have not or have not had during the past fiscal year a significant business relationship with the company or one of its affiliates, directly or as shareholder, member of the administrative body or the executive management of a company or person who has such a relationship;
8. have not been a shareholder or employee of the current or previous statutory auditor of the company or one of its affiliates during the three-year period preceding their election;
9. are not an executive member of the administrative body of another company in which an executive director of the company is a non-executive member of the administrative body or member of the supervisory body, and have no other important ties with executive directors of the company through positions with other companies or bodies; and
10. do not have a close family member (meaning a spouse or legal partner or relative up to the second degree) who is a member of the administrative body or the executive committee, who is charged with the daily management or who is a member of the executive management of the company or one of its affiliates, or who does not comply with any of the other criteria mentioned in points 1 to 9 above.

The board of directors will disclose in its Corporate Governance Statement which directors it considers independent directors.

An independent director who ceases to satisfy the requirements of independence should immediately inform the board of directors.

## **2.8. Specialized committees**

### **2.8.1. General**

The board of directors can set up specialized committees to analyze specific issues and advise the board of directors on those issues. The committees are advisory bodies only and the decision-making remains within the collegial responsibility of the board of directors.

The board of directors determines the terms of reference of each committee with respect to the organization, procedures, policies and activities of the committee.

The board of directors appoints the members and chairman of each committee. Each committee must be composed of at least three members. Only directors can be member of a specialized committee, and their appointment cannot be for a term longer than their mandate as director. A committee may, however, invite any non-member to attend its meetings.

Board committees are entitled to seek external professional advice at the company's expense after informing the chairman of the board of directors and the other directors (as set out in section 2.11).

After each committee meeting, the board of directors should receive a report from each committee on its findings and recommendations.

### **2.8.2. Current specialized committees**

The board of directors has established an audit committee, a nomination and remuneration committee and an advisory committee. The terms of reference of these committees are set out in section 3, section 4 and section 6 below. Depending on the need, the board of directors can set up additional or ad hoc committees.

## **2.9. Executive management**

The board of directors determines, in close consultation with the CEO, the terms of reference of the executive management, detailing its responsibilities, duties, powers, composition and operation.

The executive management includes, at least, all executive directors. If a management committee exists, the executive management also includes all members of that committee, irrespective of whether the committee has been established as an executive committee (*directiecomité /comité de direction*) within the scope of Article 524bis of the Belgian Company Code.

The nomination and remuneration committee will assist the board of directors on the nomination and succession planning of CEO and the other members of the executive management, unless otherwise decided by the board of directors.

The board of directors intends to empower executive management to enable it to perform its responsibilities and duties. Taking into account the company's values, its risk appetite and key policies, executive management should have sufficient latitude to propose and implement corporate strategy.

The current terms of reference of the CEO and the executive management are set out in section 5.

## **2.10. Company secretary**

The board of directors must appoint a company secretary to advise the board of directors on all matters of corporate governance. The role of the company secretary includes ensuring, under direction of the chairman, good information flow within the board of directors and its committees and between the executive management and non-executive directors, as well as facilitating induction and assisting with professional development as required. The company secretary should regularly report to the board of directors, under direction of the chairman, on how procedures, rules and regulations of the board of

directors are followed and complied with. Where necessary, the company secretary can be assisted by the company's general counsel or external counsel. Individual directors can have access to the company secretary.

For the time being the function of company secretary will be exercised by the company's Chief Financial Officer but may be assigned to another person based on the decision of the board of directors.

### **2.11. External advice**

The directors and the specialized committees of the board of directors can have access to independent professional advice at the company's expense, provided that such advisor acts as advisor to the board of directors and not to individual directors only. Prior to contacting external advisors, directors should inform the chairman of the board of directors thereof. Unless the board of directors decides otherwise with a majority vote, the directors must submit the conclusion of the professional advice to the other members of the board of directors.

### **2.12. Remuneration of directors and members of the executive management**

The board of directors determines, upon recommendation of the nomination and remuneration committee, the remuneration policy for directors and the executive management.

In determining the remuneration policy, the board of directors intends to take into account the provisions and guidelines set forth in the 2009 Code, unless it believes that deviations are warranted in the company's interest.

The current remuneration policy has been set out in section 7.

### **2.13. Conduct by directors**

#### **2.13.1. General**

Each director is encouraged to exhibit at all times high standards of integrity and ethical behavior, and to comply with the following standards:

- Independence of judgment is required in the decisions of all directors, executive and non-executive alike, whether the non-executive directors are independent directors or not.
- Directors should update their skills and improve their knowledge of the company to fulfill their role both on the board of directors and on board of directors committees (where applicable).
- Directors should make sure they receive detailed and accurate information and should study it carefully so as to acquire and maintain a clear understanding of the key issues relevant to the company's business. They should seek clarification whenever they deem it necessary.
- All directors are encouraged to attend shareholders' meetings of the company.

#### **2.13.2. Confidentiality**

Directors cannot use the information obtained in their capacity as director for purposes other than for the exercise of their mandate.

#### **2.13.3. Conflicts of interest**

Each director is encouraged to arrange his or her personal and business affairs so as to avoid direct and indirect conflicts of interest with the company. Transactions between the company and its board members should take place at arms' length.

In accordance with Article 523 of the Belgian Company Code, all directors must inform the board of directors and the statutory auditor of the company of conflicts of interest as they arise and abstain from voting on the matter involved in accordance with the relevant provisions of the Belgian Company Code.

Prior to his or her election, a director must inform the board of directors of his Related Party Transactions with 2Valorise NV or the company's subsidiaries. During his or her mandate as a director, a director must inform the chairman of the board of directors of the Related Party Transactions that he or she or his or her affiliates contemplate to enter into, and such Related Party Transactions can only be entered into after approval by the board of directors, where applicable in accordance with Article 523 of the Belgian Company Code.

For the purpose of this Charter, “**Related Party Transaction**” of a director means any transaction to deliver services or provide supplies or other goods to 2Valorise NV or the company's subsidiaries either by the director, his or her spouse or unmarried legal partner, a relative of his or her (via birth or marriage) in the second degree, or a legal entity that is directly or indirectly under the control of the director, his or her spouse or unmarried legal partner, or a relative of his or her (via birth or marriage) in the second degree.

## **2.14. Organization of meetings**

### 2.14.1. Schedule of meetings

At the beginning of the year, the chairman of the board of directors will establish a schedule and agenda of subjects to be discussed during the year (to the extent that this can be foreseen). The board of directors shall have at least four regularly scheduled meetings each year. The dates of these regularly scheduled meetings may be changed by decision of the board of directors. Additional unscheduled meetings of the board of directors may be called upon at any time when the company's interest so requires or upon the request of two directors.

### 2.14.2. Convening of meetings and advance distribution of materials

The meetings are convened by the chairman of the board of directors. The chairman will establish the agenda for each meeting of the board of directors, after consultation with the CEO. Each director is encouraged to suggest the inclusion of items on the agenda at any time. The agenda should list the topics to be discussed and specify whether they are for information, for deliberation or for decision-making purposes. If the chairman does not convene the meeting within 14 days following the request to call a meeting by two directors, these directors can convene the meeting.

The notice to convene a meeting of the board of directors must mention the place, date, hour and agenda for the meeting, and must be sent to the directors preferably at least one week prior to the meeting. The due convening of a meeting cannot be challenged if all directors are present or represented at the meeting.

Information that is important to the understanding of the board of directors of the business to be conducted at a meeting of the board of directors will be distributed not less than 3 working days in writing to the directors before the meeting.

### 2.14.3. Conduct of meetings

Meetings are held in person. Members that cannot be present at the meeting can attend meetings via conference call, video conference or other communication means provided that all members can communicate with each other.

The meetings of the board of directors are chaired by the chairman. In the absence of the chairman, the meetings are chaired by another director or the CEO.

The company secretary attends all meetings. Other persons or members of the executive management can attend the meetings upon invitation by the chairman or the board of directors.

The meeting of the board of directors can only validly deliberate and resolve on matters that are included on the agenda of the meeting of the board of directors if at least half of the directors are present or represented at the meeting. If this quorum is not present or represented at the meeting, a second meeting of the board of directors can be convened which shall validly deliberate and take decisions regardless of the number of directors present or represented, it being understood that at least two (2) directors must be present, except for matters that are included on the agenda of this second meeting, but that were not included on the agenda of the first meeting.

On matters that are not included on the agenda of the meeting, the meeting of the board of directors can only validly deliberate and resolve if all members of the board of directors are present or represented at the meeting and agree to deliberate and resolve on such matter.

Each director can give a power of attorney to another director to represent him or her at a meeting. A director can represent more than one director.

All decisions within the board of directors require a simple majority of the votes cast at a validly convened and quorate meeting.

In exceptional circumstances, when justified by the urgency of the matter and the company's interest, the decisions of the board of directors can be taken by unanimous written resolution of the directors. This procedure cannot be used to establish the financial statements of the company or to use the powers of the board of directors within the framework of the authorized capital (*capital autorisé / toegestaan kapitaal*).

The minutes of the meeting summarize the discussions of the board of directors, specify any decisions taken and state any reservations voiced by directors. The board of directors believes that on occasions, where the subject matter is too sensitive to put in writing, the board of directors can reserve the right only to discuss the matter at the meeting.

### **3. Audit committee**

#### **3.1. Terms of reference**

The audit committee will arrange its procedures, policies and activities in accordance with the terms of reference set out in this section 3. The board of directors believes that the policies and procedures of the audit committee should remain flexible and can be deviated from in order to best react to changing conditions and provide reasonable assurance to the board of directors that the accounting and reporting practices of the company meet applicable requirements.

The general provisions that apply to directors and the specialized committees of the board of directors set out in section 2 also apply to the audit committee.

#### **3.2. Role of the audit committee**

The audit committee assists the board of directors in fulfilling its monitoring responsibilities in respect of control in the broadest sense.

Without prejudice to the legal responsibilities of the board, the committee shall have at least the following roles:

- Monitoring the financial reporting process.
- Monitoring the effectiveness of the company's internal control and risk management systems.
- If there is an internal audit, monitoring the internal audit and its effectiveness.
- Monitoring the statutory audit (*wettelijke controle / contrôle légal*) of the annual and consolidated accounts, including any follow-up on any questions and recommendations made by the external auditor.
- Reviewing and monitoring the independence of the external auditor, in particular regarding the provision of additional services to the company.
- Regulatory, compliance and ethical matters;

These tasks and roles are further described below. The board of directors may determine any additional roles of the audit committee.

The audit committee shall report regularly to the board of directors on the exercise of its duties, and at least when the board of directors prepares the annual accounts, the consolidated accounts, and where applicable the condensed financial statements intended for publication. The audit committee should also report regularly to the board of directors on the exercise of its duties, identifying any matters in respect of which it considers that action or improvement is needed, and making recommendations as to the steps to be taken. The audit review and the reporting on that review should cover the company and its subsidiaries as a whole.

The committee is an advisory body only and the decision-making remains within the collegial responsibility of the board of directors.

#### **3.3. Composition of the audit committee**

The audit committee must be composed of at least three members. The members of the audit committee are appointed by the board of directors. They can be removed by the board of directors at any time. Only non-executive directors can be member of the audit committee, and their appointment cannot be for a term longer than their mandate as director.

A majority of its members should be independent directors. The composition of the audit committee may deviate from these guidelines if, in the reasonable opinion of the board of directors, a different composition can bring more relevant experience and expertise to the audit committee.

When appointing the audit committee, the board of directors should satisfy itself that the committee has sufficient relevant expertise to fulfill its role effectively, notably in accounting, auditing and financial matters. For this purpose, at least one member of the audit committee shall have financial, accounting, risk management and auditing experience.

The committee appoints a chairman amongst its members. The chairman of the board of directors should not chair the committee.

### **3.4. Specific tasks of the audit committee**

#### **3.4.1. Financial reporting process**

When monitoring the financial reporting process, the audit committee should, in particular, review the relevance and consistency of the accounting standards used by the company and its subsidiaries. This includes the criteria for the consolidation of the accounts of companies in the group.

This review involves assessing the correctness, completeness and consistency of financial information.

The review covers periodic information before it is made public. It should be based on an audit program adopted by the audit committee.

Executive management must inform the audit committee of the methods used to account for significant and unusual transactions where the accounting treatment may be open to different approaches. In this respect, particular attention should be paid to both the existence of, and the justification for, any activity carried out by the committee in offshore centers and/or through special purpose vehicles.

The committee discusses significant financial reporting issues with both executive management and the external auditor.

#### **3.4.2. Internal control and risk management systems**

The monitoring of the effectiveness of the company's internal control and risk management systems set up by executive management should be done at least once a year, with a view to ensuring that the main risks (including those relating to fraud and compliance with existing legislation and regulations) are properly identified, managed and disclosed according to the framework approved by the board of directors.

The audit committee reviews the statements included in the (draft) Corporate Governance Statement on internal control and risk management.

The audit committee reviews the specific arrangements in place which the staff of the company may use, in confidence, to raise concerns about possible improprieties in financial reporting or other matters. If deemed necessary, arrangements should be made for proportionate and independent investigation of such matters, for appropriate follow-up action and arrangements whereby staff can inform the chairman of the committee directly.

#### **3.4.3. Internal audit**

An independent internal audit function should be established within the company, with resources and skills adapted to the company's nature, size and complexity. If the company does not have an internal audit function, the need for one should be reviewed at least annually by the audit committee. Given the current size of the company, no internal audit function has been appointed at this time.

The audit committee reviews the internal auditor's work program, having regard to the complementary roles of the internal and external audit functions. It should receive internal audit reports or a periodic summary thereof.

In particular, the audit committee should make recommendations on the selection, appointment, reappointment and removal of the head of internal audit and on the budget allocated to internal audit, and should monitor the responsiveness of executive management to the committee's findings and recommendations.

#### 3.4.4. External audit

The audit committee will make a proposal to the board of directors on the selection, appointment and reappointment of the external auditor and the terms of his or her engagement.

In accordance with the Belgian Company Code, final proposals on the appointment and reappointment of the external auditor are to be submitted by the board to the general shareholders' meeting. The audit committee's proposal in this respect shall be included on the agenda of the general shareholders' meeting.

The committee should obtain, on an annual basis, a written report from the external auditor confirming its independence and containing a description of all relationships between the external auditor and the company and its group. In monitoring the independence of the external auditor, the committee shall, together with the external auditor, examine the risks relating to the independence of the external auditor and the safety measures taken to decrease these risks as documented by the external auditor.

The audit committee should obtain, on an annual basis, information from the external auditor about the additional services provided by the external auditor to the company. The audit committee shall also monitor the nature and extent of such additional services. The audit committee will propose to the board and apply a formal policy specifying the types of additional services that are (i) excluded, (ii) permissible after review by the audit committee, and (iii) permissible without referral to the audit committee, taking into account the specific requirements of the Belgian Company Code and the relevant legislation.

The committee should be informed of the external auditor's work program. Without prejudice to applicable laws requiring the external auditor to report to or warn the board of directors, the committee shall require the external auditor to timely inform it of any key matters arising from the statutory audit of the annual accounts, and in particular on material weaknesses in internal control in relation to the financial reporting process.

The committee reviews the effectiveness of the external audit process, and the responsiveness of executive management to the recommendations made in the external auditor's management letter.

The committee investigates the issues giving rise to the resignation of the external auditor (where applicable), and makes recommendations as to any required action.

#### 3.4.5. Point of contact for internal and external auditors

In addition to maintaining an effective working relationship with executive management, the internal and external auditors should be guaranteed free access to the board of directors. To this effect, the audit committee will act as the principal contact point for the internal and external auditors. The external auditor and the head of the internal audit have direct and unrestricted access to the chairman of the committee and the chairman of the board of directors.

### **3.5. Operation of the audit committee**

#### **3.5.1. Schedule of meetings**

At the beginning of the year, the chairman of the audit committee will establish a schedule and agenda of subjects to be discussed during the year (to the extent that this can be foreseen). The audit committee shall have at least four regularly scheduled meetings each year. At least twice a year, the audit committee should meet the external and internal auditors (if any), to discuss matters relating to its terms of reference and any issues arising from the audit process, and in particular any material weaknesses in the internal control. Additional unscheduled meetings of the audit committee may be called upon at any time when the audit committee deems this necessary or upon the request of any member of the audit committee.

#### **3.5.2. Convening of meetings and advance distribution of materials**

The meetings are convened by the chairman of the audit committee. The chairman will establish the agenda for each meeting of the audit committee. Each member is encouraged to suggest the inclusion of items on the agenda at any time. The agenda should list the topics to be discussed. If the chairman of the audit committee does not convene the meeting within 7 days following the request to call a meeting by another member, this member can convene the meeting.

The notice to convene a meeting of the audit committee must mention the place, date, hour and agenda for the meeting, and must be sent to the members at least one week prior to the meeting. The due convening of a meeting cannot be challenged if all members are present or represented at the meeting.

Information that is important to the understanding of the audit committee of the business to be conducted at a meeting of the audit committee should be distributed in writing not less than 3 working days to the members before the meeting.

#### **3.5.3. Conduct of meetings**

Meetings are held in person. Members that cannot be present at the meeting can attend meetings via conference call, video conference or other communication means, provided that all members can communicate with each other.

The meetings of the audit committee are chaired by its chairman. In the absence of the chairman, the meetings are chaired by another member.

The audit committee decides whether, and if so, when the CEO, the chief financial officer (or senior employees responsible for finance, accounting, and treasury matters), the internal auditor (if any) and the external auditor should attend its meetings. The audit committee is entitled to meet with any relevant person without any member of the executive management present.

The audit committee can only validly deliberate and resolve on matters that are included on the agenda of the meeting if at least two of the members are present at the meeting. On matters that are not included on the agenda of the meeting, the meeting of the audit committee can only validly deliberate and resolve if all members of the audit committee are present or represented at the meeting and agree to deliberate and resolve on such matter.

Each member can give a power of attorney to another member to represent him or her at a meeting.

All decisions within the audit committee require a simple majority of the votes cast at a validly convened and quorate meeting. In case the votes are tied, the director chairing the audit committee shall have a casting vote.

#### 3.5.4. Access to information

The members of the audit committee shall have unrestricted access to the offices and all information and papers kept by the company and its subsidiaries. Each member may ask the executive management or any other staff member of the company or its subsidiaries to submit the information that he or she deems useful, appropriate or necessary to perform his or her tasks within the framework of the audit committee. When requesting such information, each member shall inform the other members of the audit committee thereof and exchange such information with the other members of the audit committee. Where practical or appropriate such requests will be channeled through the chairman of the board of directors.

The audit committee can have access to external advisors in accordance with the provisions of section 2.11.

#### 3.5.5. Reporting to the board of directors

The audit committee shall prepare reports of its findings and recommendations. Such reports shall be submitted to the board of directors as soon as practically possible after each meeting of the audit committee.

The audit committee shall report regularly and at least once a year prior to the approval of the annual financial statements and annual report by the board of directors on the operations, findings and recommendations of the audit committee in accordance with this section 3.

The other members of the board of directors have access to the working papers of the audit committee. Where practical or appropriate, requests to have access should be made via the chairman of the audit committee.

#### 3.5.6. Evaluation

The audit committee should regularly (and at least every two to three years) review its terms of reference and its own effectiveness and recommend any necessary changes to the board of directors.

## **4. Nomination and remuneration committee**

### **4.1. Terms of reference**

The nomination and remuneration committee will arrange its procedures, policies and activities in accordance with the terms of reference set out in this section 4.

The board of directors believes that the policies and procedures of the nomination and remuneration committee should remain flexible and can be deviated from in order to best react to changing conditions. The general provisions that apply to directors and the special committees of the board of directors as set out in section 2 also apply to the nomination and remuneration committee.

### **4.2. Role of the nomination and remuneration committee**

The role of the nomination and remuneration committee is:

- To make recommendations to the board of directors with regard to the appointment of directors, the CEO and the other members of the executive management and to ensure that the appointment and re-election process is organized objectively and professionally.
- To make proposals to the board of directors on the remuneration policy for non-executive directors and executive management and regarding the remuneration of directors and executive managers as well as on the resulting proposals to be submitted to the shareholders' meeting.
- To review the general human resources policy of the company;
- Annual evaluation of the performance of executive management;

The committee is an advisory body only and the decision-making remains within the collegial responsibility of the board of directors.

### **4.3. Composition of the nomination and remuneration committee**

The nomination and remuneration committee must be composed of at least three members. The members of the nomination and remuneration committee are appointed by the board of directors. They can be removed by the board of directors at any time. Only non-executive directors can be member of the nomination and remuneration committee, and their appointment cannot be for a term longer than their mandate as director. Preferably a majority of its members should be independent directors. The composition of the nomination and remuneration committee may however deviate from these guidelines if, in the reasonable opinion of the board, a different composition can bring more relevant experience and expertise to the nomination and remuneration committee.

The nomination and remuneration committee appoints a chairman amongst its members. The chairman of the board of directors can chair the committee, but should not chair the committee when dealing with the designation of his successor.

The CEO can, and will in principle be invited to, participate to the meetings of the committee when it deals with the remuneration of other executive managers.

### **4.4. Specific tasks of the nomination and remuneration committee**

#### **4.4.1. Nomination of directors**

With respect to the appointment of directors, the CEO and the other members of the executive management, the committee should at least:

- Draft appointment procedures for board members, the CEO and the other members of the executive management.
- Periodically assess the size, composition and performance of the board of directors and its committees and make recommendations to the board of directors with regard to any changes.
- Assist the board of directors in the nomination procedure, as set out in section 2.4.4.
- Advice on proposals for appointment originating from shareholders, as set out in section 2.4.4.
- Properly consider issues related to succession planning.
- Consider proposals made by relevant parties, including executive management and shareholders. In particular, the CEO is entitled to submit proposals to the committee and should be adequately consulted by the committee, especially when dealing with issues concerning executive directors or the executive management.

#### 4.4.2. Remuneration policy

The committee should:

- Make proposals to the board of directors on the remuneration policy for non-executive directors and executive management, as well as, where appropriate, on the resulting proposals to be submitted by the board to the shareholders.
- Make proposals to the board of directors regarding the remuneration of directors and executive managers, including variable remuneration and long-term incentives, whether stock-related or not, in the form of stock options or other financial instruments, and regarding the arrangements on early termination, and, where applicable, on the resulting proposals to be submitted by the board to the shareholders.
- Annually, submit a remuneration report to the board of directors.

At least once a year, the committee discusses with the CEO both the operation and performance of executive management. The CEO should not be present at the discussion of his own evaluation. The evaluation criteria should be clearly specified.

### 4.5. ***Operation of the nomination and remuneration committee***

#### 4.5.1. Schedule of meetings

At the beginning of the year, the chairman of the nomination and remuneration committee will establish a schedule and agenda of subjects to be discussed during the year (to the extent that this can be foreseen). The nomination and remuneration committee shall have at least two regularly scheduled meetings each year. Additional unscheduled meetings of the nomination and remuneration committee may be called upon at any time when the nomination and remuneration committee deems this necessary or upon the request of any member of the nomination and remuneration committee.

#### 4.5.2. Convening of meetings and advance distribution of materials

The meetings are convened by the chairman of the nomination and remuneration committee. The chairman will establish the agenda for each meeting of the nomination and remuneration committee. Each member is encouraged to suggest the inclusion of items on the agenda at any time. The agenda should list the topics to be discussed. If the chairman of the nomination and remuneration committee does not convene the meeting within 7 days following the request to call a meeting by another member, this member can convene the meeting.

The notice to convene a meeting of the nomination and remuneration committee must mention the place, date, hour and agenda for the meeting, and must be sent to the members at least one week prior to the meeting. The due convening of a meeting cannot be challenged if all members are present or represented at the meeting.

Information that is important to the understanding of the nomination and remuneration committee of the business to be conducted at a meeting of the nomination and remuneration committee should be distributed in writing to the members before the meeting.

#### 4.5.3. Conduct of meetings

Meetings are held in person. Members that cannot be present at the meeting can attend meetings via conference call, video conference or other communication means, provided that all members can communicate with each other.

The meetings of the nomination and remuneration committee are chaired by its chairman. In the absence of the chairman, the meetings are chaired by another member.

The nomination and remuneration committee can only validly deliberate and resolve on matters that are included on the agenda of the meeting if at least two of the members are present at the meeting. On matters that are not included on the agenda of the meeting, the meeting of the nomination and remuneration committee can only validly deliberate and resolve if all members of the nomination and remuneration committee are present or represented at the meeting and agree to deliberate and resolve on such matter.

Each member can give a power of attorney to another member to represent him or her at a meeting.

All decisions within the nomination and remuneration committee require a simple majority of the votes cast at a validly convened and quorate meeting. In case the votes are tied, the chairman of the nomination and remuneration committee shall have a casting vote.

#### 4.5.4. Access to information

The nomination and remuneration committee can have access to external advisors in accordance with the provisions of section 2.11.

#### 4.5.5. Reporting to the board of directors

The nomination and remuneration committee shall prepare a report of its findings and recommendations. Such report shall be submitted to the board of directors as soon as practically possible after each meeting of the nomination and remuneration committee.

The nomination and remuneration committee shall report regularly and at least once a year prior to the approval of the annual financial statements by the board of directors on the operations, findings and recommendations of the nomination and remuneration committee in accordance with this section 4. At the same time, the committee shall submit its remuneration report, to be included in the Corporate Governance Statement.

The other members of the board of directors have access to the working papers of the nomination and remuneration committee. Where practical or appropriate, requests to have access should be made via the chairman of the nomination and remuneration committee.

#### 4.5.6. Specific guidelines

The members of the nomination and remuneration committee should treat the information of executive management discretely. When dealing with their own remuneration package, members should abstain from deliberations and resolutions within the nomination and remuneration committee. They should

report such conflict of interest to the chairman of the board of directors and the chairman of the nomination and remuneration committee.

#### 4.5.7. Evaluation

The nomination and remuneration committee should regularly (and at least every two to three years) review its terms of reference and its own effectiveness and recommend any necessary changes to the board of directors.

## 5. CEO and executive management

### 5.1. Terms of reference

The CEO and the executive management will arrange their procedures, policies and activities in accordance with the terms of reference set out in this section 5. These terms of reference have been determined by the board of directors in close consultation with the CEO.

### 5.2. Structure of the executive management

The organizational structure of the business of 2Valorise NV is illustrated in Appendix 3.

The CEO oversees the different activities of the company. Together with the CFO and the COO, the CEO constitutes the executive management of 2Valorise NV. The executive management includes all executive directors of 2Valorise NV. The executive management does not constitute an executive committee (*directiecomité / comité de direction*) within the meaning of Article 524bis of the Belgian Company Code.

### 5.3. Chief executive officer

#### 5.3.1. Appointment of the CEO

The CEO is appointed, and can be removed, by the board of directors of the company. The board of directors is to approve the agreement for the appointment of the CEO further to the advice of the nomination and remuneration committee.

#### 5.3.2. Role of the CEO

The CEO is charged by the board of directors with the day-to-day management of the company, and is therefore also managing director of the company. In this function, the CEO has the following general responsibilities:

- He is responsible vis-à-vis the board of directors for the management of the company and the implementation of the decisions of the board of directors, within the strategy, planning, values and budgets approved by the board of directors.
- He heads and oversees the different central departments and business units of the company, and reports to the board of directors on their activities.
- He is responsible for the development of proposals for the board of directors relating to strategy, planning, finances, operations, human resources and budgets, internal & external communication and such other matters that are to be dealt with at the level of the board of directors.

#### 5.3.3. Specific tasks

In exercising his role, the CEO has the following specific tasks:

- The CEO takes the final decision in the decisions of the executive management and in the proposals that the executive management submits to the board of directors.
- He must put internal controls in place (i.e. systems to identify, assess, manage and monitor financial and other risks), without prejudice to the monitoring role of the board of directors, based on the framework approved by the board of directors.

- He is responsible and accountable vis-à-vis the board of directors of the company for the complete, timely, reliable and accurate preparation of the company’s financial statements, in accordance with the applicable accounting standards and policies of the company.
- He is responsible and accountable vis-à-vis the board of directors of the company for the preparation of the company’s required disclosure of the financial statements and other material financial and non-financial information.
- He presents the board of directors with a balanced and understandable assessment of the company’s financial situation.
- He provides the board of directors in due time with the information necessary for the board of directors to carry out its duties.
- He is responsible for the internal & external communication of the company and for respecting the ethical, social and compliance values of the company.
- He is responsible and accountable to the board of directors for the discharge of his responsibilities and those of the other executive managers.

The board of directors of the company can charge the CEO with other specific tasks.

#### **5.4. Other members of the executive management**

##### **5.4.1. Appointment of the executive management**

The other members of the executive management are appointed by the board of directors on the basis of a recommendation by the nomination and remuneration committee and include all executive directors.

##### **5.4.2. Role of the executive management**

The other members of the executive management are responsible for assisting the CEO in relation to:

- operating the company (e.g. asset management, project development, commercial operations, ...);
- implementing the decisions taken by the board of directors;
- putting internal controls in place (i.e. systems to identify, assess, manage and monitor financial and other risks), without prejudice to the monitoring role of the board of directors, based on the framework approved by the board of directors;
- the complete, timely, reliable and accurate preparation of the company’s financial statements, in accordance with the applicable accounting standards and policies of the company;
- the preparation of the company’s required disclosure of the financial statements and other material financial and non-financial information;
- presenting the board of directors with a balanced and understandable assessment of the company’s financial situation ;
- providing the board of directors in due time with the information necessary for the board of directors to carry out its duties .

The other members of the executive management are responsible and accountable to the board of directors for the discharge of their responsibilities.

#### 5.4.3. Operation of the executive management

At least on a monthly basis, the CEO and all executive managers have a meeting during which they discuss the overall general strategy, financial management and business of the company. During these meetings, the executive management also discusses proposals for decisions to be made by the board of directors, including with respect to strategy, planning, finances and budgets.

Additional meetings can be called by the CEO whenever the need for such meetings arises. All meetings are chaired by the CEO.

All meetings are held in person. Members that cannot be present at the meeting can attend meetings via conference call, video conference or other communication means, provided that they can communicate with each other.

Reports or minutes are made for each meeting, listing the matters discussed and the decisions taken. Where the subject matter is too sensitive to put in writing, the executive management can reserve the right only to discuss the matter at the meeting. These reports will focus on action items and do not need to be retained in the records of the company.

#### 5.4.4. Reporting to the board of directors

The CEO shall report regularly during the scheduled meetings of the board of directors on the operations, findings and recommendations of the executive management.

The members of the board of directors can have access to the assistance or advice of the executive management. Where practical or appropriate, requests to have such access should be made via the CEO.

### **5.5. *Conduct by executive management***

#### 5.5.1. General

Each executive manager is encouraged to exhibit at all times high standards of integrity and ethical behavior. He or she must be loyal to the company and its subsidiaries.

#### 5.5.2. Confidentiality

Executive managers cannot use the information obtained in their capacity as executive manager for purposes other than for the exercise of their mandate.

Executive managers should treat all inside information (as defined by applicable law) as strictly confidential, and should disclose such information to other employees and staff members of the company and its subsidiaries only on a need-to-know basis, subject to appropriate measures to secure confidentiality and in accordance with the guidelines established by the board of directors.

#### 5.5.3. Conflicts of interest

Each executive manager is encouraged to arrange his or her personal and business affairs so as to avoid direct and indirect conflicts of interest with the company. Transactions between the company and its board members should take place at arms' length.

Prior to his or her appointment, an executive manager must inform the board of directors of his or her Related Party Transactions with the company or its subsidiaries. During his or her mandate as an executive manager, an executive manager must inform the CEO and the chairman of the board of

directors of the Related Party Transactions that he or she or his or her affiliates contemplate to enter into, and such Related Party Transactions can only be entered into after approval by the board of directors.

For the purpose of this charter, “**Related Party Transaction**” of an executive manager means any transaction to deliver services or provide supplies or other goods to 2Valorise NV or the company’s subsidiaries either by the executive manager, his or her spouse or unmarried legal partner, a relative of his or her (via birth or marriage) in the second degree, or a legal entity that is directly or indirectly under the control of the executive manager, his or her spouse or unmarried legal partner, or a relative of his or her (via birth or marriage) in the second degree.

The above is without prejudice to the rules that apply to executive directors in the performance of their mandate as director.

## **6. Advisory committee**

### **6.1. Role of the advisory committee**

The purpose of the advisory committee is to hold an in-depth operational discussion on opportunities or issues that may arise either (i) in preparation of the meeting of the board of directors that will eventually decide on these matters or (ii) assisting the Chief Executive Officer in any matters which may arise with respect to investment decisions with respect to projects in development, in construction or in operation falling within the scope of the powers of daily management of the CEO.

The advisory committee is an advisory body only and the decision-making remains within the collegial responsibility of the board of directors or the responsibility of the CEO within his powers of daily management.

### **6.2. Composition of the advisory committee**

The advisory committee is composed of at least four (4) members all of which are directors. At least two (2) of the members are independent directors. Its members are appointed by the board of directors on the basis of a recommendation by the nomination and remuneration committee.

The chairmanship of the advisory committee will be ensured by the chairman of the board of directors. In case of his absence, another independent director will chair the advisory committee.

### **6.3. Operation of the advisory committee**

#### **6.3.1. Schedule of meetings**

In principle, the advisory committee will meet every time the interests of the company so require at the request of the Chief Executive Officer or, in case of absence of CEO, at the request of either the CFO or the COO or the chairman of the board of directors.

#### **6.3.2. Convening of meetings and advance distribution of materials**

The meeting may be convened on a very short notice by way of telephone or e-mail message at a place and a time agreed upon between the members of the advisory committee. The due convening of a meeting cannot be challenged if all members are present or represented at the meeting.

Information that is important to the understanding of the advisory committee of the business to be conducted at a meeting of the advisory committee should, where possible, be distributed at least three days in writing to the members before the meeting.

The secretary of the advisory committee drafts minutes of the meetings.

#### **6.3.3. Conduct of meetings**

Meetings are held in person. Members that cannot be present at the meeting can attend meetings via conference call, video conference or other communication means, provided that all members can communicate with each other.

The meetings of the advisory committee are chaired by its chairman. In the absence of the chairman, the meetings are chaired by another independent director.

The advisory committee can only validly deliberate and resolve on matters if at least one (1) independent director and the CEO are present at the meeting.

Each member can give a power of attorney to another member to represent him or her at a meeting.

All decisions within the advisory committee require a simple majority of the votes cast at a validly convened and quorate meeting. In case the votes are tied, the chairman of the advisory committee shall have a casting vote.

6.3.4. Access to information

The advisory committee can have access to external advisors in accordance with the provisions of section 2.11.

6.3.5. Reporting to the board of directors

The advisory committee shall prepare a report of its findings and recommendations. This report will serve as the basis for the meeting and shall be signed by the members of the advisory committee present at the meeting. Such report shall be submitted to the board of directors as soon as practically possible after each meeting of the advisory committee and shall be attached to the minutes of the following board of directors.

The other members of the board of directors have access to the working papers, if any, of the advisory committee. Where practical or appropriate, requests to have such access should be made via the chairman of the advisory committee.

6.3.6. Specific guidelines

The members of the advisory committee should treat the information of they receive from the executive management discretely.

6.3.7. Evaluation

The advisory committee should review regularly its terms of reference and its own effectiveness and recommend any necessary changes to the board of directors.

6.3.8. Transactions between the company and the members of the advisory committee

The members of the advisory committee are expected to act at all times in the interest of the company and its subsidiaries. Any transaction and other contractual relationship between the company or its subsidiaries and any member of the advisory committee requires the prior approval of the board of directors which needs to be fully informed of the terms and conditions of the transaction as well as of the corresponding interest of the company. Such transaction can only be entered into at market conditions.

## **7. Remuneration policy**

### **7.1. General**

The company is of the opinion that the levels of remuneration granted to directors and executive management should be such so as to allow the company to attract, retain and motivate directors and executive managers that have the profile determined by the board of directors.

This section 7 sets out the remuneration policy that has been determined by the board of directors upon recommendation of the nomination and remuneration committee. No individual can decide on his or her own remuneration.

### **7.2. Remuneration report**

According to the 2009 Code, the board of directors of the company is to adopt a remuneration report which is to be submitted to the board of directors by the nomination and remuneration committee and which is to contain:

- A description of the company’s internal procedures for developing (i) a remuneration policy for non-executive directors and executive managers and (ii) for setting the level of remuneration for non-executive directors and executive managers.
- A statement of the adopted remuneration policy for the executive managers, clearly emphasizing, if applicable, any significant changes to this remuneration policy occurred since the end of the financial year that is reported on.
- Where executive managers are eligible for incentives based on the performance of the company or its subsidiaries, the criteria for the evaluation of performance achieved against targets as well as the term of evaluation, it being understood that such information will only be provided if and to the extent that no confidential information regarding the company or its strategy is disclosed thereby.
- The amount of the remuneration and other benefits granted directly or indirectly to the non-executive directors, by the company or its subsidiaries, on an individual basis.
- The amount of the remuneration, if any, which an executive manager that is also member of the board of directors as executive director receives for the performance of his or her function as executive director.
- The amount of the remuneration and other benefits granted directly or indirectly to the CEO, by the company or its subsidiaries, in accordance with the 2009 Code.
- The amount of the remuneration and other benefits granted directly or indirectly to the other members of the executive management, by the company or its subsidiaries, on an aggregate basis, in accordance with the 2009 Code.
- For the CEO and the other members of the executive management, the number and key features of shares, share options or any other rights to acquire shares, granted, exercised or lapsed during the reported financial year.
- A justification of any contractual arrangement with the CEO or any other executive manager specifying that severance pay awarded in the event of early termination exceeds 12 months’ basic and variable remuneration.

The remuneration report forms a well defined part of the Corporate Governance Statement.

### **7.3. Non-executive directors**

The mandate of the non-executive directors may be terminated “*ad nutum*” (at any time) without any form of compensation. The remuneration package of all non-executive directors is subject to approval by the general shareholders’ meeting.

According to the 2009 Code, the remuneration of non-executive directors should take into account their role as ordinary board members, and specific roles, as chairman of the board of directors, chairman or member of board committees, as well as their resulting responsibilities and commitment in time. The board of directors believes that the remuneration policy should consist of a fixed annual compensation.

According to the 2009 Code, non-executive directors should not be entitled to performance-related remuneration such as bonuses, stock related long-term incentive schemes, fringe benefits or pension benefits.

Apart from the above remuneration, non-executive directors are entitled to a reimbursement of out-of-pocket expenses actually incurred to participate to board or committee meetings. Travel expenses will be reimbursed at economy class rate, except where pre-approved otherwise.

The company may, acting through the board of directors, enter into indemnification arrangements with the directors and take out directors' insurance coverage. Currently, the company has taken out directors' insurance coverage for each member of the board of directors.

The company will disclose annually, in its remuneration report, a description of the amount of the remuneration and other benefits granted directly or indirectly to the non-executive directors, by the company or its subsidiaries, on an individual basis.

#### **7.4. Executive directors and executive management**

##### **7.4.1. Executive directors**

The mandate of the executive directors may be terminated “*ad nutum*” (at any time) without any form of compensation.

The board is of the opinion that executive managers that are also member of the board of directors as executive director should not be compensated for the performance of their function as executive director. Should any executive manager, that is also member of the board of directors as executive director, nevertheless be compensated for the performance of his or her function as executive director, this will be disclosed in the remuneration report in accordance with the provisions of the 2009 Code. The remuneration package of executive directors, if any, is in any event also subject to approval by the general shareholders' meeting.

Executive directors are entitled to a reimbursement of out-of-pocket expenses actually incurred to participate to board or committee meetings. Travel expenses will be reimbursed at economy class rate, except where pre-approved otherwise.

The company may, acting through the board of directors, enter into indemnification arrangements with the directors and take out directors' insurance coverage. Currently, the company has taken out directors' insurance coverage for each member of the board of directors.

2Valorise has not granted any loans to the members of the board of directors.

##### **7.4.2. Executive management**

CI2I BVBA is currently remunerated by the company for the performance of services as CEO of 2Valorise NV. Its remuneration is determined by the board of directors upon recommendation by the nomination and remuneration committee.

Jean-François Meys Sprl and Dima Finance Comm.V., the other members of the executive management, are currently remunerated by the company for the performance of services as respectively COO and CFO of 2Valorise NV. Their remuneration is determined by the board of directors upon recommendation by the nomination and remuneration committee, after recommendation by the CEO to such committee.

The remuneration of the executive management is designed to attract, retain and motivate qualified and expert professionals, taking into account the nature and scope of their responsibilities, whereby an appropriate proportion of the executive manager's remuneration package is structured so as to link rewards to corporate and individual performance, thereby aligning the executive managers' interests with the interests of the company and its shareholders.

The level and structure of the remuneration of the executive management are subject to an annual review by the nomination and remuneration committee to take into account market practice. The annual review does not provide mechanisms for automatic adjustments, except for changes that are legally required.

The remuneration of the members of the executive management consists of the following elements:

- Each member of the executive management is entitled to a basic fixed remuneration designed to fit responsibilities, relevant experience and competences, in line with market rates for equivalent positions.
- The company pays a variable remuneration dependent on the member of the executive management meeting individual and/or team objectives.
- Each member of the executive management may be offered the possibility to participate in a stock-based incentive scheme, in accordance with the recommendations set by the nomination and remuneration committee, after recommendation by the CEO to such committee.
- Each member of the executive management may be in addition entitled to a number of fringe benefits, consisting in most cases of participating in a defined contribution pension scheme, also providing pension and disability insurance, a company car, a mobile telephone, internet access and/or a laptop computer according to general company policy, and other collective benefits (such as hospitalization insurance, meal vouchers).

The members of the executive management are engaged on the basis of a service arrangement. The services contracts can be terminated at any time, subject to certain pre-agreed notice periods or compensations. Executive members that are engaged on the basis of a services contract do not receive fringe benefits.

The company will disclose annually, in its remuneration report, a description of the amount of the remuneration and other benefits granted directly or indirectly to the CEO (on an individual basis), as set forth in the 2009 Code. The remuneration report will also contain a description of the amount of the remuneration and other benefits granted directly or indirectly to the other members of the executive management, by the company or its subsidiaries, on an aggregate basis, in accordance with the 2009 Code. For the CEO and the other members of the executive management, the remuneration report should also disclose the number and key features of shares, share options or any other rights to acquire shares, granted, exercised or lapsed during the reported financial year.

All contracts for the appointment of the CEO and other members of the executive management are to be approved by the board of directors, further to the advice of the nomination and remuneration committee.

The contracts entered into on or after July 1, 2009 should moreover refer to the relevant criteria to be taken into account, as set forth in the 2009 Code, when determining the variable remuneration and contain specific provisions relating to early termination.

Any contractual arrangement made between the company or its subsidiaries after July 1, 2009 concerning the remuneration of the CEO or other members of the executive management is to specify that severance pay awarded in the event of early termination should not exceed 12 months' basic and variable remuneration. The board of directors may however, subject to a recommendation by the nomination and remuneration committee, consider higher severance pay in specific cases provided that such higher severance pay is in any event be limited to 18 months' basic and variable remuneration and

subject to the board justifying the same in the remuneration report. Notwithstanding the foregoing, the board of directors should fix the amount of severance pay to 12 months' basic remuneration (without taking into account any variable remuneration) if the departing CEO or other member of the executive management did not meet the performance criteria referred to in his or her contract.

## 8. Shareholders

The board of directors intends to treat all shareholders that are in the same situation equally and to respect their rights.

### 8.1. **Communication with shareholders and potential shareholders**

The disclosure and communication policy of the company is to promote an effective dialogue with shareholders and potential shareholders.

The company will ensure that all necessary facilities and information are available in order to allow the shareholders to exercise their rights. The company has dedicated the section “Investors” on its website ([www.4energyinvest.com](http://www.4energyinvest.com)) to describing the shareholders’ rights to participate and vote at the general shareholders’ meeting. This section contains a timetable on periodic information and shareholders’ meetings, as well as a copy of the articles of association and this Charter.

The board of directors also encourages its shareholders to participate to its shareholders' meetings, through which communication between the company and the shareholders can be established.

In the event that the company should have one or more controlling shareholders, the board will endeavor to have the controlling shareholders make a considered use of its/their position and respect the rights and interests of minority shareholders. The board will to the extent possible encourage the controlling shareholders to respect the 2009 Code.

### 8.2. **Rights and obligations of the shareholders**

This section 8.2 summarizes the material rights and obligations of the shareholders of the company under Belgian law and the company’s articles of association. The description hereafter is only a summary and does not purport to give a complete overview of the articles of association, nor of all relevant provisions of Belgian law. Neither should it be considered as legal advice regarding these matters.

#### 8.2.1. Voting rights

Each shareholder of 2Valorise is entitled to one vote per share. Shareholders may vote by proxy.

For 2Valorise’s purpose, the shares are deemed to be indivisible. If several owners own one share, or the rights attached to a share are divided among several persons, 2Valorise may suspend the exercise of rights attached to such share until one person is appointed as the owner of the share for 2Valorise’s purpose.

Voting rights can further be suspended, *inter alia*, (i) by a competent court, (ii) in the event that the shares were not fully paid-up notwithstanding a request thereto by the board of directors, and (iii) in respect of shares which entitle their holder to voting rights above the threshold of 3%, 5% or any multiple of 5% of the total number of voting rights attached to the outstanding financial instruments of 2Valorise on the date of the relevant general shareholders’ meeting, except where the shareholder has notified 2Valorise and the FSMA at least 20 days prior to the relevant shareholders’ meeting on which he wishes to vote. Voting rights attached to redeemed shares are also suspended, as long as the owner of the shares or a subsidiary thereof holds the shares concerned.

#### 8.2.2. Right to attend and vote at shareholders’ meetings

The annual shareholders’ meeting is held on the fourth Thursday of May, or, if this date falls on a public holiday, the meeting will be held at the same time on the next business day at the registered office of 2Valorise or at the place determined in the convening notice. An extraordinary shareholders’ meeting may be convened on request of the board of directors or the statutory auditor (or the liquidators, if appropriate) whenever 2Valorise’s interests so require and must be convened at the request of

shareholders (acting alone or together) representing at least 3% of 2Valorise's share capital. The request must specify the items to be discussed, and be addressed to the board of directors which is obliged to convene such a meeting within three weeks of receiving such request. Decisions that are so far-reaching that they affect shareholders of 2Valorise representing (acting alone or together) at least 3% of the share capital, may submit proposals to the board of directors in order to have them inserted in the agenda of the next shareholders' meeting. Such request and the resolution proposals must be sent to the company no later than 22 days before the shareholders' meeting.

(a) Notices convening the shareholders' meeting

The notice of the shareholders' meeting must state the place, date, time of the meeting and must include an agenda indicating the items to be discussed as well as any motions for resolutions.

In accordance with Article 533 of the Belgian Company Code, the notice must be published in the Belgian Official Gazette (*Belgisch Staatsblad/Moniteur belge*) at least 30 days prior to the meeting or the registration date (if so specified in the convening notice). The notice must also be published in a national newspaper 30 days before the meeting or the registration date (if so specified in the convening notice), except if it concerns an annual shareholders' meeting held at the municipality, place, day and hour mentioned in the articles of association of 2Valorise and whose agenda is limited to the examination and approval of the annual accounts, the board of directors' annual report, the statutory auditor's annual report and the vote on the discharge of the directors and the statutory auditor.

Convening notices will be sent 30 days prior to the meeting to holders of registered shares, holders of registered bonds, holders of registered warrants, holders of registered certificates issued with the co-operation of 2Valorise, directors and statutory auditor of 2Valorise. This communication is made by ordinary letter unless the addressees have individually and expressly accepted in writing to receive the notice by another form of communication, without having to give evidence of the fulfillment of such formality.

Agenda and other relevant information which should be communicated to the securities holders when inviting them to a meeting, are published on the company's website and can be consulted at the registered office, where a copy can be received.

(b) Formalities to attend the shareholders' meeting

All shareholders and holders of warrants and bonds (if any) issued by 2Valorise and all holders of certificates issued with the co-operation of 2Valorise (if any) are entitled to attend the shareholders' meeting, it being understood that only shareholders can vote at a shareholders' meeting.

If the board of directors so requests in the notice, the holders of registered instruments must be registered in the relevant register book and inform the board of directors of their intention to attend the shareholders' meeting at least 6 working days before the meeting in order to be admitted to the shareholders' meeting.

If the board of directors requests so in the notice, the holders of dematerialized shares must file a certificate of unavailability issued by a recognized account holder or by the institution of liquidation at least 14 working days before the meeting at the place specified in the notice.

In accordance with Article 536 of the Belgian Company Code, the notice convening the shareholders' meeting may provide for a registration date. If this is the case, the shareholders shall only be entitled to participate in the shareholders' meeting and to exercise their voting rights with respect to the shares of which they are the holder at 12 p.m. on the registration date. The above applies irrespective of the number of shares held by each shareholder on the day the shareholders' meeting takes place. The registration date cannot be set earlier than the fifteenth day nor later than the fifth working day prior to the shareholders' meeting.

(c) Proxy

Each shareholder has the right to attend and vote at the shareholders' meeting in person or through a proxy holder. The proxy holder does not need to be a shareholder. In the notice, the board of directors may specify the format that the power of attorney must take and require it to be deposited at least 6 working days prior to the shareholders' meeting at a place specified in the notice.

(d) Quorum and majorities

There is no attendance quorum at the shareholders' meeting, except as provided by law in relation to decisions regarding certain matters.

Decisions are taken by a simple majority of the votes cast, except where the law or the articles of association of 2Valorise provide for a special majority.

Matters involving special quorum and majority requirements include, among others, amendments to the articles of association, including amendments to the rights attached to the shares, the issue of new shares (save for capital increases and corresponding share issues which are decided by the board of directors within the framework of the authorized capital), the issue of convertible bonds or warrants and decisions regarding mergers and de-mergers, which require at least 50% of the share capital to be present or represented and the affirmative vote of the holders of at least 75% of the votes cast. Amendments to the corporate purpose of 2Valorise require at least 50% of the share capital and 50% of the profit-sharing certificates (if any) to be present or represented and the affirmative vote of at least 80% of the votes cast at the shareholders' meeting.

If the quorum is not reached, a second meeting may be convened which can validly deliberate and resolve regardless of the quorum. The special majority requirements, however, remain applicable.

### 8.2.3. Dividend rights

All shares participate in the same manner in 2Valorise's profits (if any).

Pursuant to a proposal of the board of directors, the balance of the net annual profit is presented to the general shareholders' meeting, which has the sole authority to resolve on its attribution by simple majority of the votes cast, and this within the restrictions established by articles 617 to 619 of the Belgian Company Code.

No dividend may be issued when the net assets as established in the annual accounts, at the close of the last financial year, pursuant to such distribution, are lower than or would fall below the amount of the paid-up capital or, if this amount is higher, of the called-on capital, increased with all reserves which may not be distributed in accordance with the law or 2Valorise's articles of association.

The board of directors may, subject to compliance with the provisions of the Belgian Company Code, issue an advance payment on the annual dividend which must be deducted from the dividend issued on the results of the entire financial year: it determines the amount of these advance payments and the payment date.

Dividends are paid at the date and on the location determined by the board of directors.

In principle, the distribution obligation of dividends on registered and dematerialized shares expires after five years in accordance with Article 2277 of the Belgian Civil Code.

2Valorise has never declared or paid any dividends on its shares. 2Valorise's dividend policy is determined and may change from time to time by 2Valorise's board of directors. Any issue of dividends

will be based upon 2Valorise's future earnings, financial condition, cash needs, capital adequacy, compliance with applicable statutory and regulatory requirements, general business conditions and other factors considered as important by 2Valorise's board of directors. The board of directors expects to retain all earnings generated by 2Valorise's operations for the development and growth of its business and does not anticipate paying any dividend to the shareholders for the coming years.

#### 8.2.4. Rights regarding liquidation

The company can only be dissolved by a shareholders' resolution passed with a majority of at least 75% of the votes cast at an extraordinary general shareholders' meeting where at least 50% of the share capital is present or represented.

If as a result of losses incurred the ratio of the company's statutory net-assets (determined in accordance with Belgian legal and accounting rules) to share capital is less than 50%, the board of directors must convene a special shareholders' meeting within two months as of the date the board of directors discovered or should have discovered this undercapitalization. At this shareholders' meeting the board of directors needs to propose either the dissolution of the company or other measures for the continuation of the company. Shareholders representing at least 75% of the votes validly cast at this meeting have the right to dissolve the company, provided that at least 50% of the company's share capital is present or represented at the meeting.

If as a result of losses incurred the ratio of the company's net assets to share capital is less than 25%, the same procedure must be followed, it being understood, however, that in that event shareholders representing 25% of the votes cast at the meeting can decide to dissolve the company.

If the amount of the company's net assets has dropped below EUR 61,500 (the minimum amount of share capital of a public limited liability company (*naamloze vennootschap / société anonyme*)), each interested party is entitled to request the competent court to dissolve the company. In that event, the company can present a plan to continue its activities. The court can order the dissolution of the company or grant a grace period within which the company is to remedy the situation.

In the event the company is dissolved, the assets or the proceeds of the sale of the remaining assets, after payment of all debts, costs of liquidation and taxes, must be distributed on an equal basis to the shareholders, taking into account possible preferential rights with regard to the liquidation of shares having such rights, if any. Currently, none of the shares has any preferred liquidation rights.

#### 8.2.5. Preferential subscription rights

Belgian company law and 2Valorise's articles of association give shareholders preferential subscription rights to subscribe on a pro rata basis to any issue of new shares subscribed for in cash, convertible bonds or warrants. These preferential subscription rights are transferable during the subscription period and within the limits of the transferability of the shares to which they relate. They can be exercised during a period determined by the shareholders' meeting, with a legal minimum of 15 days. The shareholders' meeting may restrict or cancel the preferential subscription rights, subject to the quorum and voting requirements required for any amendment to the articles of association, and subject to special reporting requirements. The shareholders' meeting may also authorize the board of directors to restrict or withdraw the preferential subscription rights when issuing securities within the framework of 2Valorise's authorized capital.

The board of directors of 2Valorise is authorized, within the limits of the authorized capital, to cancel or restrict the preferential subscription rights granted by law to the holders of existing shares in accordance with Article 596 et seq. of the Belgian Company Code. The board of directors is authorized to cancel or restrict the preferential subscription rights in favour of one or more persons, even if such persons are not members of the personnel of 2Valorise or its subsidiaries.

### 8.2.6. Form and transferability of the shares

The shares are, by choice of the shareholder, registered or dematerialized shares. Each shareholder may, at all times and at its own cost, ask for conversion of its dematerialized shares into registered shares or vice versa.

The articles of association of 2Valorise provide that the shares are freely transferable.

## 8.3. ***Changes to the share capital***

### 8.3.1. Changes to the share capital decided by the shareholders

Pursuant to the Belgian Company Code, 2Valorise may increase or decrease its share capital by decision of 2Valorise's shareholders' meeting, taken with a majority of 75% of the votes cast, at a meeting where at least 50% of the share capital of 2Valorise is present or represented. If the quorum is not reached at a first meeting, a second meeting can be convened with the same agenda but without quorum requirements.

### 8.3.2. Authorized capital

#### (a) Authorization

By virtue of the resolution of the extraordinary general shareholders' meeting held on May 21, 2008, the board of directors has been expressly authorized to increase the share capital in one or more transactions with a total amount of the share capital of the company, including the newly issued shares, if any, following the determination of the realization in whole or in part of the "Capital Increase" as decided by the extraordinary general shareholders' meeting held on May 21, 2008. The board of directors can exercise this power for a period of five (5) years as of the publication of the present resolution in the Annexes to the Belgian Official Gazette.

This authorization has been renewed in accordance with the relevant legal provisions by virtue of the resolution of the extraordinary general shareholders' meeting held on January 6, 2014. The publication of this resolution in the Annexes to the Belgian Official Gazette took place on February 4, 2014.

#### (b) General conditions

a) The capital increases to which can be decided according to this authorization, can take place in accordance with the modalities as are to be decided by the board of directors, such as:

- by means of contribution in cash or in kind, within the limits as permitted by the Belgian Company Code,
- through conversion of reserves (whether available or unavailable) and issuance premiums,
- with or without issuance of new shares, with or without voting rights,
- through issuance of convertible bonds,
- through issuance of bonds repayable into shares,
- through issuance of warrants or
- through issuance of any other financial instruments giving right to shares, such as shares in the framework of a stock option plan.

- b) In the framework of the authorized capital, the board of directors can limit or cancel the preferential subscription right of the shareholders in the interest of the company, subject to the limitations and in accordance with the conditions provided for by the Belgian Company Code.

This limitation or cancellation can also occur to the benefit of the employees of the company and its subsidiaries, and to the benefit of one or more specific persons other than employees of the company or its subsidiaries.

- c) If, following a capital increase that has been decided within the framework of the authorized capital, an issuance premium is paid, this shall be automatically booked onto the account “Issuance Premiums”, that shall serve as guarantee for third parties in the same manner as the company’s share capital and which, other than its capitalization by the board of directors into share capital, can only be disposed of in accordance with the rules which in accordance with the Belgian Company Code apply to amendments of the articles of association.
- e) The board of directors is authorized, with power of substitution, to amend the articles of association upon each capital increase realized within the framework of the authorized capital, in order to bring them in accordance with the new situation of the share capital and the shares.

(c) Temporary provision

The board of directors has currently not made use of the authorization. As a result, the available amount to increase the share capital within the framework of the authorized capital is equal to EUR 13.855.484.

### 8.3.3. Acquisition of own shares

The board of directors may, without prior authorization by the shareholders’ meeting, in accordance with article 620 and following of the Belgian Company Code and within the limits set out in this provision, acquire, on or outside the stock exchange, a number of the company’s own shares representing a maximum of 10% of the subscribed capital, for a price not lower than 20% below the average closing price during the last 30 calendar days and not higher than 10% above the average closing price during the last 30 calendar days. This authorization covers the acquisition on or outside the stock exchange by a direct subsidiary of the company within the meaning and the limits set out by article 627 of the Belgian Company Code. If the acquisition is made by the company outside the stock exchange, even from a subsidiary, the company shall, as the case may be, make an offer on the same terms and conditions to all the shareholders, in accordance with article 620, §1, 5° of the Belgian Company Code.

This authorization is valid for an 18-month period as from the notification of this authorization in the Annexes to the Belgian Official Gazette.

The board of directors may, without prior authorization by the shareholders’ meeting and for an unlimited duration in time, in accordance with article 622, §2 of the Belgian Company Code, dispose of the company’s own shares on or outside the stock exchange. This authorization covers the disposal of the company’s shares on or outside the stock exchange by a direct subsidiary of the company within the meaning of article 627 of the Belgian Company Code.

Moreover, no decision by the general shareholders’ meeting is required when the acquisition of own securities is necessary in order to prevent a threatening serious disadvantage for the company. The board of directors can exercise this power for a period of three (3) years as of the date of publication of this authorization in the Belgian Official Gazette.

## **8.4. Anti-takeover provisions**

### **8.4.1. Public takeover bids**

Belgium has implemented the Thirteenth Company Law Directive (European Directive 2004/25/EC of 21 April 2004) by way of the Belgian Act on public takeover bids (*Wet op de openbare overnamebiedingen*) of 1 April 2007 and the Royal Decree of 27 April 2007 on public takeover bids. The Belgian Act on public takeover bids provides that a mandatory bid will be triggered if a person, as a result of his own acquisition or the acquisition by persons acting in concert with him or by persons acting for their account, directly or indirectly holds more than 30% of the voting securities in a company having its registered office in Belgium and of which at least part of the voting securities are being traded on a regulated market or on a multilateral trading facility designated by Royal Decree. The mere fact of exceeding the relevant threshold will give rise to a mandatory bid, irrespective of whether or not the price paid in the relevant transaction exceeds the current market price.

There are several provisions of Belgian company law and certain other provisions of Belgian law, such as the obligation to disclose important shareholdings and merger control, that may apply to 2Valorise and which may make an unfriendly tender offer, merger, change in management or other change in control, more difficult. These provisions could discourage potential takeover attempts that other shareholders may consider to be in their best interest and could adversely affect the market price of the shares. These provisions may also have the effect of depriving the shareholders of the opportunity to sell their shares at a premium.

Normally, the authorization of the board of directors to increase the share capital of 2Valorise through contributions in cash with cancellation or limitation of the preferential right of the existing shareholders is suspended as of the notification to 2Valorise by the FSMA of a public takeover bid on the securities of 2Valorise.

### **8.4.2. Squeeze-out and sell-out**

Pursuant to Article 513 of the Belgian Company Code and the Royal Decree of 27 April 2007 on public squeeze-out bids, a person or entity, acting alone or in concert, who owns 95% of the securities conferring voting rights in a public company, can acquire the totality of the securities conferring voting rights or giving access to voting rights in that company following a squeeze-out offer. The shares that are not voluntarily tendered in response to such offer are deemed to be automatically transferred to the bidder at the end of the procedure. At the end of the offer, the company is no longer deemed a public company, unless bonds issued by the company are still spread among the public. The consideration for the securities must be in cash and must represent the fair value as to safeguard the interests of the transferring shareholders.

If, as a result of a (re-opened) takeover bid, a bidder (or any person acting in concert with the bidder) holds 95% or more of the shares of the target company, and provided that the bidder acquired at least 90% of the shares under the takeover bid, then the bidder can proceed with a simplified squeeze-out in accordance with Article 42 of the aforementioned Decree, provided that all conditions for such squeeze-out are met, to acquire the shares not yet acquired by the bidder (or any other person then deemed to act in concert with the bidder). Also, if, as a result of such a (re-opened) takeover bid, a bidder (or any person acting in concert with the bidder) holds 95% or more of the shares of the target company, and provided that the bidder acquired at least 90% of the shares under the takeover bid, each security holder has the right to make the bidder take over its securities against the offer price in accordance with Article 44 of the aforementioned Decree (the so-called “**sell-out**”).

## **8.5. Notification of important participations**

Any physical person or legal entity which acquires, directly or indirectly, voting right securities of the company, whether or not representing capital, must notify the board of directors of the company and the Banking, Finance and Insurance Commission of the number and the percentage of the existing voting rights he / she / it holds as a result of the acquisition, whether directly, indirectly or by acting in concert

with one or several other persons, when the voting rights attached to the voting right securities reach or exceed 3%, 5%, 10%, 15%, 20% and any further multiple of 5% of the total existing voting rights.

A similar notification is required when due to disposals of securities the number of voting rights falls below one of the above-mentioned thresholds.

A notification is also required when, as a result of events changing the breakdown of voting rights, the percentage of the voting rights attached to the voting right securities reaches, exceeds or falls below the thresholds provided for in the first paragraph, even when no acquisition or disposal of securities has occurred.

A notification is also required when physical persons or legal entities enter into an agreement of action in concert, when as a result thereof, the percentage of the voting rights subject to the action in concert or the percentage of the voting rights of one of the parties to the action in concert reaches, exceeds or falls below the thresholds mentioned in the first paragraph.

The notifications made in accordance with the provisions of this Article must be addressed to the Banking, Finance and Insurance Commission and to the board of directors of the company within four Business Days following the day on which (i) the physical person or legal entity learns of the acquisition or the disposal or the possibility of exercising voting rights, or, having regard to the circumstances, should have learned of it, regardless of the date on which the acquisition, disposal or possibility of exercising voting rights takes effect, (ii) the shares are admitted for the first time to trading on a regulated market, (iii) the physical person or legal entity is informed of the event changing the breakdown of voting rights, (iv) an agreement of action in concert is entered into, modified or terminated; or (v) the inheritance is accepted by the heir, where applicable under reservation for inventory, for securities acquired by inheritance.

#### **8.6. Shareholding Structure**

Please refer to Appendix 2 and to the « Investors » section of the company's website [www.4energyinvest.com](http://www.4energyinvest.com).

## **9. Rules preventing market abuse**

With a view to preventing market abuse (insider dealing, market manipulation), the board of directors has established a dealing code (the “**Dealing Code**”). The Dealing Code describes the declaration and conduct obligations of directors, members of the executive management, certain other employees and certain other persons with respect to transactions in company shares or other financial instruments. The Dealing Code sets limits on carrying out transactions in company shares and allows dealing by the above-mentioned persons only during certain windows. To implement and monitor the Dealing Code, the board of directors has designated a Compliance Officer whose responsibilities are set out in the Dealing Code.

## **10. Miscellaneous**

### **10.1. *Changes to the Charter***

The board of directors may amend this Charter from time to time without prior notice. It may also decide to deviate from this Charter subject to disclosure thereof in the Corporate Governance Statement of the company’s annual report. Any such modification or deviation will be published on the company’s website. Third parties do not derive any rights from such modification or deviation.

### **10.2. *Priority***

In case of any contradiction between a provision of this Charter and an applicable mandatory law or regulation, such law or regulation supersedes the provision of this Charter.

### **10.3. *Governing law and jurisdiction***

This Charter is governed by and construed in accordance with Belgian law. The courts of Hasselt (Belgium) have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Charter.

## **Appendix 1 – Deviations from the 2009 Code**

The list below contains an overview of the provisions of the 2009 Code that are not fully complied with. For an explanation for the deviation, reference can be made to the corresponding sections of the Charter.

- Given the size of the company, no internal audit function exists at this time.
- In the interest of the company (reasons of efficiency, etc.) the chairman of the board and the CEO are the same individual.
- The majority of the audit committee are dependent directors as this composition brings more relevant experience and expertise to the audit committee.

## **Appendix 2 – Important shareholders**

Pursuant to the transparency notifications received by 2Valorise, the shareholders' structure of 2Valorise is:

## Appendix 3 – Organizational structure

## Appendix 4 – Dealing Code