

## Financière de Tubize Corporate Governance Charter

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## Introduction

1. The purpose of the present Charter is to describe the main principles of corporate governance applied by Financière de Tubize sa ('Tubize' or the 'Company').
2. Tubize adopts the 2020 Belgian Code on Corporate Governance (the 'Code'), established by the Corporate Governance Committee, as its reference code. A new Code entered into force on the 1st of January 2020.
3. The Charter presents the implementation by Tubize of the recommendations of the Code, taking into account the specificities of the Company, and according to the 'comply or explain' principle. Given the simplicity of its operating structure and the fact that the Company has only one asset, namely its participating interest in UCB, certain rules of the Code do not apply or do not appear to be appropriate.
4. The present Charter is available on the site [www.financiere-tubize.be](http://www.financiere-tubize.be). It is regularly updated and evaluated on a regular basis by the Board of Directors.
5. The last update that was made by the board will enter into force on the April 30, 2021. It mainly concerns the new composition of the board of directors and the appointment of a new manager.

## Governance Structure

### Shares and Shareholders

#### *SHARE CAPITAL AND SHARES*

6. The share capital is fixed at € 235,000,000. It can be increased or decreased in one or several times, by decision of the General Meeting of Shareholders acting under the conditions required for amendments to the Articles of Association.
7. The share capital is represented by 44,512,598 fully paid-up ordinary shares without nominal value.
8. All shares have the same rights. Each share gives entitlement to one vote.
9. The share is listed on the regulated market Euronext Brussels with the ISIN Code TUB BE0003823409.
10. The shares remain nominative until they are fully paid up. Fully paid-up shares are nominative or dematerialised, at the shareholder's discretion. The holders of shares may, at any time, request that their shares be converted from one form to the other. The nominative shares are recorded in a register

kept at the Company's seat. The dematerialised shares are recorded in an account the owners or holders have with an accredited custodian or settlement institution.

11. The General Meeting has authorised the Board of Directors to acquire shares of the Company, under the conditions set out in the law. (The par value of the purchased shares may not exceed 20% of the subscribed capital. The acquisitions can be realised at a price between € 1 and € 200) and to acquire shares of the Company to avoid serious and imminent damage to the Company.

#### **SHAREHOLDERS' STRUCTURE**

12. Based on the declarations notified to the Company, and, as the case may be, more recent public disclosure, the shareholders' structure of Financière de Tubize is published on the company website ([www.financiere-tubize.be](http://www.financiere-tubize.be)).
13. The terms of the concert are laid down in a shareholders' agreement. The key elements of this agreement are the following:
  - The objective of the concert is to ensure, through Tubize, the stability of the shareholder structure of UCB in view of the long-term industrial development of the latter. In this perspective, it aims to preserve the predominance of the family shareholder structure of Tubize.
  - The parties to the concert consult with each other about the decisions to be taken at the general meeting of Tubize, and try, to the extent possible, to reach a consensus. They ensure that they are properly represented at the Board of Directors of Tubize. Within this Board and through their representatives at the Board of Directors of UCB, they consult with each other about the significant strategic decisions concerning UCB, and try, to the extent possible, to reach a consensus.
  - The parties inform each other prior to any project of significant acquisition or sale of shares of Tubize. Pre-emption rights and rights of resale are also in place within the family.Tubize is in regular contact with the members of the concert, who have representatives at the board of directors, so that it does not appear necessary to conclude a separate agreement with them.

## **General Meeting**

### ***PLACE AND DATE***

14. The General Meetings are held at the head office or in the Brussels-Capitale Region, at the place designated by the Board of Directors.
15. The Ordinary General Meeting takes place on the last Friday of April at 11 o'clock.
16. The General Meeting may be convened specially or extraordinarily by the Board of Directors or by the Statutory Auditor, any time the interest of the Company requires so. In addition, they must convene the General Meeting at the written request of shareholders who demonstrate that they hold 10% of the shares.

### ***CONVENING THE MEETING***

17. The General Meeting is convened on the call of the Board of Directors or of the Statutory Auditor.
18. The notices convening the General Meeting are published, at least thirty days before the meeting, in the *Moniteur belge* as well as in *L'Echo* and *De Tijd* and on the portal of *GlobeNewswire*([inpublic.globenewswire.com](http://inpublic.globenewswire.com)). Within the same time limit, the convening notes are sent, by ordinary mail or by e-mail to the shareholders, the directors and to the statutory auditor who, in accordance with article 2:32 and 7:128, §1 paragraph 3 of the Companies and Associations Code, have communicated an address to the company.
19. The convocation includes all the elements required by the Company and Associations Code and occurs in accordance with the legal requirements.

### ***AGENDA***

20. The Ordinary General Meeting hears the Board report and the report of the Statutory Auditor, and discusses the annual accounts. Following approval of these accounts, the General Meeting decides by special vote about the discharge of the directors and the Statutory Auditor and on the possible renewal of terms of office or appointment of new directors or statutory auditors. The General Meeting also decides by separate vote on the remuneration report containing all the information required by the Company and Associations Code.
21. Extraordinary General Meetings may be convened with specific agendas.
22. One or more shareholders who together hold at least 3% of the share capital may, at the latest on the twenty-second day preceding the date of the General Meeting, request the inclusion of items to be discussed on the agenda of that General Meeting and submit proposed decisions concerning items to be discussed, which are included or to be included on the agenda.

#### **ATTENDANCE AT THE MEETING**

23. The shareholders are admitted to the meeting and may exercise their voting rights if they have registered their shares by the fourteenth date preceding the General Meeting at twenty-four hours (Belgian time), either by recording them in the Company's register of nominative shares, or by recording them in the accounts of an accredited custodian or settlement institution. The number of shares held by the shareholder on the day of the General Meeting is not taken into account.
24. The shareholder shall further indicate his desire to attend the General Meeting no later than the sixth day preceding the date of the General Meeting.
25. Each shareholder may give proxy to a trustee of his choice to represent him at the General Meeting. These proxies, the form of which is determined by the Board of Directors, must be laid down at the Company's seat no later than the sixth day preceding the meeting.

#### **PROCEEDINGS OF THE MEETING**

26. The General Meeting is chaired by the Chairman of the Board of Directors or, in his absence, by another director. The Chairman appoints a Secretary who may be a non-shareholder and selects two Tellers from among the present shareholders.
27. Except for the cases provided for by the law or by the Articles of Association, the meeting rules validly whatever the number of shares represented, and by a simple majority of the votes.
28. The decisions of the General Meeting are documented in the minutes, which are signed by the Chairman, the Secretary, the two Tellers and any shareholder who so requests. These minutes mention for each decision the number of shares for which votes have been validly cast, the proportion of the share capital represented by these votes, the total number of votes validly cast, the number of votes cast for and against each decision and, when applicable, the number of abstentions. Abstentions are not taken into account for the calculation of the required majorities. The minutes are published on the Company's website.

## **Board of Directors**

### **RESPONSIBILITIES**

29. The Board of Directors is the management body of the Company. The Board considers that the tier structure is most appropriate to the operation of the company.
30. It is competent to undertake all actions that are necessary or useful to realise the corporate object, except for those matters that are by law or by the Articles of Association expressly entrusted to the General Meeting.
31. It is responsible for the general strategy of the Company and the implementation thereof.
32. The powers of the Board of Directors mainly relate to:
- Defining the strategic objectives and implementing structures enabling their achievement
  - Convenes and proposes agendas for ordinary and extraordinary general meetings
  - Proposes the candidates for the positions of director including the independent ones for approval by the general assembly
  - Establishing the annual accounts and proposing the appropriation of the result
  - Approving investments
  - Establishes and closes the financial statements
  - Ensuring the timely publication of the financial statements and other significant financial or non-financial information communicated to the shareholders and to the general public
  - Ensuring that the necessary human, IT and financial resources are available to allow the Company to achieve its objectives
  - Implementing systems of internal control and risk management
  - Examining the performance of the General Manager
  - Establishes communication policy regarding the company and oversees all external modes of communication
  - Determine the management structure of the company (and re-evaluate it every 5 years)
  - Adopts the remuneration policy and submits it to the general meeting
  - Ensures the proper implementation of the Company's governance rules based on the principles of the Code.
  -
33. The Board of Directors allocates adequate resources for the exercise of its duties.
34. It assumes towards the Company the joint responsibility of the proper exercise of its powers.

#### **COMPOSITION**

35. According to the Articles of Association, the Board of Directors consists of at least three members. The General Meeting fixes the number of directors.
36. The composition of the Board is published on the company website ([www.financiere-tubize.be](http://www.financiere-tubize.be))
37. All members are non-executive. Independent directors comply with the conditions foreseen by article 7:87, § 1 of the Companies and Associations Code and principle 3.5 of the Governance Code.

#### **APPOINTMENTS**

38. A transparent procedure is adopted to ensure the effectiveness of appointments and reappointments of directors according to objective selection criteria and taking into account the code of conduct. The Board of Directors submits to the General Meeting the appointments or renewals of directorships that it proposes. The shareholders may also propose candidates.
39. Proposals for appointment shall specify the term proposed for the mandate and indicate the useful information on the professional qualifications of the candidate, as well as a list of functions that the proposed director already exercises.
40. The General Meeting decides on the proposals by a majority of the votes cast.
41. Directors are appointed by the General Meeting for a term of 4 years. The outgoing directors are re-eligible. The mandates that come to maturity expire after the Ordinary General Meeting, which has not renewed them.
42. In the event of a vacancy on the Board, the directors may fill the vacancy temporarily. The General Meeting will at its next meeting conduct a definitive election.
43. An age limit has been set at the date of the Ordinary General Meeting following the seventy-fifth anniversary of a member. In such a case, the person concerned withdraws from his mandate.

#### **FUNCTIONING**

44. The Board does not have any specialised committees (audit committee, appointment committee, remuneration committee). The Company benefits in this regard from the exemptions set out in articles 7:99 et 7:100 § 3 of the Company and Association Code with respect to audit committee and remuneration committee. It is therefore the Board in its entirety that serves as the audit committee and the remuneration committee and performs the duties assigned by the Code to the Nomination Committee. The derogation from the principles 4.21, 4.22 and 4.23 of the Code is justified with regard to the activity of the Company (essentially a participation in UCB SA), the simplicity of its

mode of operation (no executive director, no staff, directors paid only by fixed emoluments) and the structure of its shareholding.

45. The Board of Directors elects a Chairman from among its members. The Chairman coordinates the activities of the Board of Directors and ensures its proper functioning. He ensures in particular that the best practices of corporate governance apply to the relations between the shareholders, the Board of Directors and the General Manager also responsible for the day-to-day management (see below n° 58-63). If the Chairman is prevented from exercising his function, he will be replaced by a director designated by his or her colleagues.
46. Under the leadership of the President, the General manager assures the support of the Board of Directors in all areas related to governance, the preparation of this charter as well as the governance statement, the proper communication of information within the Board of Directors and ensure that most of the discussions and decisions at board meetings are reflected correctly in the minutes. He also facilitates induction of directors and, if necessary, assists them in their professional development as required. The Company Secretary regularly reports to the Board, under the leadership of the Chairman, on how Board procedures, rules and regulations are complied with. Under the direction of the Chairman, the General Manager regularly reports to the Board of Directors on how the rules and procedures applicable to the Board are being observed.
47. The Board of Directors meets when it is convened by the Chairman or by the director replacing him, as often as the interests of the Company so require. It must in addition be convened when at least two directors so request. The Board of Directors meets at least three times a year. Convening the Board is done by written notice to all directors eight days before the meeting, except in cases of urgency, and contains the agenda. The Board of Directors validly meets without convening if all directors are present or represented and agree on the agenda.
48. The Chairman of the Board of Directors draws up the agenda of the meetings by consulting the Company Secretary. He ensures that the directors receive, prior to the meetings and in good time, the same precise and detailed information.
49. The meetings of the Board of Directors are chaired by the Chairman or by the director replacing him.
50. The Board may rule only if half of the members are present or represented. The quorum of presence is calculated on the basis of the number of directors taking part in the voting, without taking into account those who should withdraw from the deliberation pursuant to the Company and Associations Code.
51. Each director may delegate another Board member the power to replace him and to vote on his or her behalf. However, no director may have more than two votes, including her or his own vote.



52. Resolutions are adopted by a majority of votes. In the event of a tie, the Chairman of the meeting has the casting vote.
53. Decisions of the Board of Directors may be taken by the unanimous written consent of the directors.
54. The deliberations of the Board of Directors are documented in the minutes that are kept in a special register at the seat of the Company. These minutes are signed by at least the majority of the members who have taken part in the deliberations (including the one chairing the meeting).
55. The Board regularly assesses (at least every three years) its size, composition, and its operating effectiveness and (at least every five years) whether the one tier governance structure is the most appropriate.

#### **REMUNERATION**

56. The General Meeting approves the remuneration policy adapted by the board of directors and which is published on the company's website (at least every four years). Compensation does not include any variable element related to the result or other performance criteria. Directors do not receive share-based compensation, stock option rights or extra-legal pension plans. The exception to Principle 7.6 of the Code is justified by the specific features of the Company and in particular the absence of executive directors.
57. The General Meeting of 26 April 2017 has set the remuneration for a Board member at a fixed annual amount of € 30,000. Furthermore, an attendance fee of € 1,000 per board meeting attended is attributed. The Chairman of the Board of Directors is remunerated by a fixed amount that is twice the amount of the other directors. The system of an attendance fee also applies to the Chairman.

## **General manager**

58. The function of General Manager is presently exercised by ENRE srl represented by Eric Nys.
59. The modalities for exercising its mandate are defined by a service agreement signed between the Company and ENRE srl.
60. Through this agreement, in addition to the day-to-day management of the Company has, amongst others, entrusted the following missions to the General Manager:
- Bookkeeping
  - Preparation of annual and consolidated accounts and related Board report
  - Management of the tax file
  - Preparation of the periodic information
  - Maintenance of the Company's website
  - Secretary of the General Meeting and the Board
  - Contact-person/privileged spokesman towards the shareholders and the directors
  - Contacts with Euronext Brussels, Euroclear, FSMA, Statutory Auditor, banks, external advisers
  - Role of Compliance Officer in the context of the Dealing Code
  - Management of the archives.
61. The board of directors has granted the General Manager the power to sign alone, all acts which commit the Company up to an amount of € 15,000.
62. The remuneration of the General Manager consists of a fixed remuneration of € 1.200 (excluding VAT) per day worked payable monthly plus an annual bonus of € 40,000 (excluding VAT) allocated according to the achievement of objectives set by mutual agreement with the Chairman of the Board of Directors at the start of each fiscal year. The director will not be entitled to an annual bonus in the event of misconduct that directly caused a material breach for the Company in fulfilling its fiscal, accounting or supervisory obligations. The director does not benefit from any other form of variable compensation, pension or other benefits and does not benefit from shares, stock options or any other right to acquire shares of the Company.
63. Notwithstanding principle 7: 9 of the Code, it has been agreed with the General Manager that he will not directly or indirectly hold shares of the Company or UCB during the term of his mandate.
64. At each meeting of the Board of Directors, the General Manager reports about his principal activities deployed within his mandate, and about the follow-up that has been given to decisions of the Board.

## Special powers

65. The Board of Directors or the General Manager – the latter within the limits of his mandate – can attribute special powers to one or more persons of their choice.
66. The mandatories report regularly on the execution of their mandate.
67. In case of doubt about the scope or application of their mandate, the mandatories consult with the Chairman of the Board of Directors or the General Manager as to how to proceed further; they inform the directors about this consult.

## Representation

68. The Company is validly represented in all acts and before court by two directors acting jointly, as well as by the General Manager within the limits of the day-to-day management. The Company is further validly represented by special mandatories within the limits of their mandate.
69. Each commitment of the Company resulting from a decision of the Board or of its mandatories, to enter into a relationship with a third party, must, to the extent possible, be formalised by a signed written agreement; if such an agreement is not appropriate given the nature of the anticipated transactions, the mandatories ensure that the commitment of the Company is justified by other evidence (legal and regulatory rules, invoices, decision of the Board, ...). The concerned directors and mandatories decide, on the basis of their professional judgment concerning the materiality and the risks involved with the transaction, whether or not the agreement has to be submitted in draft to an external legal adviser for review.

## External Audit

70. The external audit function is carried out by the Statutory Auditor.
71. The General Meeting appoints, every 3 years and for a period of 3 years, the statutory auditor.

## Code of conduct

72. The Board of Directors assesses compliance with this Code of Conduct at least once a year.

73. The Directors and the General Manager of the Company undertake to respect the following rules:

- Directors do not accept more than five mandates in listed companies;
- They apply the ethical rules governing the management of any company;
- They seek to demonstrate integrity and independence of mind, including by not taking actions that may affect the independence with which they exercise their management function;
- They ensure to manage in all circumstances the assets of the Company exclusively in the interests of the Company; and placing the interests of the Company above their own interests
- Outside the framework of their mandate as Director or General Manager, they refrain from acting in a way that may harm or be contrary to the interests of the Company;
- The Directors and the General Manager organize their personal and professional affairs in such a way that they avoid each conflict of interest, directly or indirectly, with the Company and affiliated entities;
- Any transactions or contractual relations between the Directors and/or the General Manager on the one hand and the Company and its affiliated entities on the other hand are always conducted at market conditions;
- They comply rigorously with the legal and regulatory provisions governing the management of conflicts of interest and relations and transactions between related parties (Company and Associations Code) and their publication (the international accounting standard IAS 24 Information on related parties);
- They respect the rights and interests of minority shareholders.