SIAT CORPORATE GOVERNANCE CHARTER

SIAT │ Corporate Governance Charter (April 2020)

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CORPORATE GOVERNANCE CHARTER

I. EXECUTIVE SUMMARY

Introduction

Executive Management and the Board of Directors of nv Siat sa (“SIAT” or the “Company”) shall endorse a robust corporate governance framework with clear rules and guidelines of accountability, control, and sound stewardship.

The Corporate Governance Charter (the “Charter”) is a foundational document that sets out the corporate governance framework for the Company and its subsidiaries, branches and / or affiliates (together referred to as the “Group”). It defines the relationships between Executive Management, the Board, and shareholders. It tries to achieve a proper balance between entrepreneurship and control, as well as between performance and compliance.

This Charter, supplemented with the articles of association of the Company, as well as with the provisions of corporate governance of the new Belgian companies’ code (in Dutch: Wetboek van Vennootschappen en Verenigingen or WVV), determine the corporate governance rules of SIAT.

This Charter was drawn up in April 2020. It should be updated periodically in line with developments in corporate governance policy and good practice.

Main Objectives

It is well known that firms that are well governed attract customers, investors, and honest employees and will usually outperform their competitors. Poorly governed firms have lower growth potential and may become vulnerable to financial difficulties or regulatory breaches.

SIAT is doing business under various regulations and across many jurisdictions and therefore a strong and robust governance structure is vital for (i) our sustainable growth within the regions we operate, and (ii) to ensure that we are fully aligned in adopting risk and regulatory best practice.

Good corporate governance should help determine and attain the Company’s vision and objectives and ensure that the Board and management pursue objectives that are in the interest not only of the Company and shareholders but also of other stakeholders like clients, suppliers, regulators, financial partners and the communities in which the Company operates. There shall be strong alignment with the Company’s core values as set out in Section II.

Governance Principles

Considering the Company's shareholding structure, activities and risk profile, the Company has formulated a set of governance principles that are further described in Section III of this Charter.

These principles are based on the new Belgian Corporate Governance Code 2020 and set out, among others, (i) the governance structure of the Company, (ii) clear terms of reference for each governing body, (iii) specific requirements for efficiency, effectiveness, integrity, independence and transparency, and (iv) strict compliance with social, environmental and governance regulations.

Governance Structure

The Company's board of directors (the "Board") is entrusted with determining the general strategy of the Company. The Board appoints a chief executive officer ("CEO") responsible for the daily management of the Company. Additionally, an executive committee ("EXCO") is established to deal with high level management and organizational issues and to provide support to the CEO (and the Board) in dealing with the most pressing operational and strategic matters. Furthermore, in order to effectively discharge its other duties, the Board shall set up two advisory committees, an **Audit and Risk Committee** (**ARC**) and a **Governance and Remuneration Committee** (**GRC**).

- **ARC** oversees the internal control systems; reviews issues of risk management, accounting, and financial reporting as well as compliance with the undertakings towards our financial partners and adherence to laws and regulations (including ESG regulations).

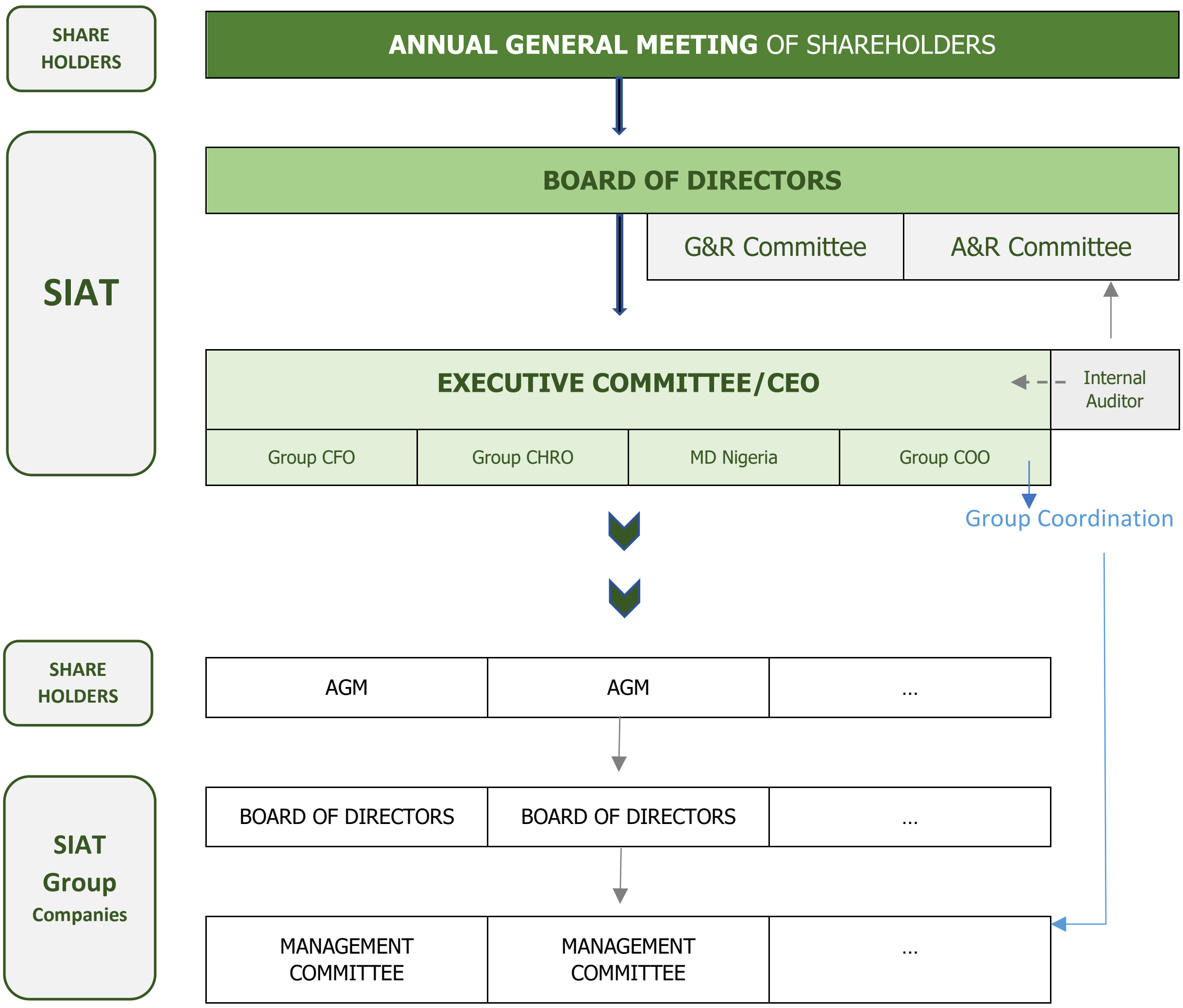
- **GRC** covers a series of critical issues around corporate governance, such as nominations of directors and executives, executive pay, diversity, business ethics and governance assurance. It acts as the Board Nominations Committee.

These committees shall provide support to the Board, the CEO and EXCO to make, each within their delegated authority, appropriate decision in a timely and efficient manner.

In Section IV, the corporate governance structure and arrangements of the Company are described in greater detail. Clear and precise terms of reference have been established for the Board and EXCO.

The diagram on page 6 summarises the main relations between the most important governance bodies:

DIAGRAM



NOTE

- COO: Chief Operations Officer
- CFO: Chief Financial Officer
- CHRO: Chief HR Officer
- AGM: Annual General Meeting

Risk Management and Oversight

The Company believes in sustained and controlled growth and therefore considers risk management and oversight as central to the achievement of this objective.

Equally, the Company recognises and promotes the importance of internal controls in accordance with the practice of 'three lines of defence' at business unit, oversight unit and audit unit levels.

These three units work together as follows:

- Subsidiary/business unit (first line of defence): There is a separation of duties between local operators and supervisors, and good care shall be given to the preparation of accurate, timely, and reliable business, risk, or financial reports.

- Oversight unit (second line of defence): At central level, each of the members of EXCO will be accountable, each within their respective delegated authority, for the oversight and control of specifically assigned risk categories.

- Audit unit (third line of defence): At central and local level, Internal auditors, in conjunction with the ARC, are responsible for assessing the adequacy of internal controls and providing advice to management and the Board to ensure that the Company has effective internal control systems. External auditors have a similar role in relation to financial reporting and the integrity of the Company's accounts.

The Board has collective responsibility for determining the risk tolerance and appetite for the Company. Based on the input from the different units, the Board shall define the priorities for risk management which shall be implemented through the management.

II. CORE VALUES

The Company defines corporate culture as the typical style of behaviour specific to a particular organization. This style determines "how we get business done" and determines the way people behave, talk and make decisions without conscious thinking.

As the Company is in the process of transforming its business model through a stronger governance framework, it shall also adapt its corporate culture. It has identified the need to transparently re-engage with its stakeholders and to respond to their rapidly changing expectations. This will require a willingness to embrace new ways of working and communication across the entire Group.

In the specific context of the Company, we have identified a few good practices that will lead the direction of culture change:

1. The Board and senior Executive Management have to lead by example and set the tone.
2. Greater diversity at Board and senior management level will inspire a balance between consistency and flexibility.
3. Right behaviour, taking into account risk, society, clients, financial partners and shareholders, will be supported through human resources management (employee engagement, performance management, employee development and communication).
4. Good behaviour and best business practices will be embedded into the culture and values of the Company's organization through incentives (not necessarily financial), recruitment and training. The aim is that collectively, there is the belief that culture is important and doing the right thing will ultimately be recognized and rewarded.

This new corporate culture shall be largely determined by the values set and adopted by the Board and executive management. The Company has identified these core values to be based on a simple framework under the name of "**I CARE**".

I CARE stands for:

- **I** = INTEGRITY, we act fairly in everything we do.

- **C** = COLLABORATION, we work together in teams across different departments and geographies to achieve the objectives of the organization, without overriding the individual interest.

- **A** = ACCOUNTABILITY, we are all individually responsible for our decisions and actions we take on behalf of the Company.

- **R** = RESPECT, we make decisions taking into account the opinions and needs of others, regardless of their origin, gender or creed.

- **E** = ETHICS, we behave according to the ethical values of the Company.

III. CORPORATE GOVERNANCE PRINCIPLES

SIAT is committed to adopt the following Governance Principles:

1. **The Company makes an explicit choice to adopt a clear governance structure consisting of a board of directors and an executive committee.**
    a. The Company is headed by a collegial Board of directors whose responsibilities are defined in the articles of association (aka *de Statuten van de Vennootschap*) and in the terms of reference of the Board.
    b. The Board shall ensure that its obligations to the Company's shareholders are understood and met, including adequate disclosure and communication to enable the shareholders to exercise their rights.
    c. The Board decides on the Executive Management structure and ensures there will be a clear division of responsibilities between the running of the Board and the executive responsibility for the running of the Company's business (e.g. the chair of the Board and the CEO are not the same individual).

2. **The Company has an effective, efficient and balanced board of directors that takes decisions in the corporate interest**

    a. The Board's composition ensures that decisions are made in the Company's interest and that no individual or Group of directors dominate its decision-making.
    b. It shall reflect adequate diversity of gender, experience, skills and knowledge, in particular: of (i) the geographies where the Company operates, (ii) its main industries and markets, and (iii) audit, risk and regulatory matters.
    c. The Board shall be comprised of exclusively non-executive directors and at least half of them are independent according to the criteria set out in Section IV.

3. **All directors demonstrate an independent and challenging mind-set, and always act with integrity and full commitment**.
    a. All directors should scrutinise the performance of the executive management and constructively challenge strategy and key policies proposed by them.
    b. Each director discloses upfront any direct and indirect conflict of interest with the Company as they arise, so that they can be avoided, mitigated or managed.
    c. All directors have an obligation to handle the confidential information received exclusively for the discharge of their Board duties.

4. **The Company shall have a rigorous and transparent procedure for the selection and re-election of board members.**
    a. The Board shall draw up nomination procedures and selection criteria for Board members in accordance with Governance Principle 2 hereabove.
    b. The Chair of the Board leads the nomination process for independent directors through the Governance and Remuneration Committee ("GRC"), which recommends suitable candidates to the Board who then makes proposals for appointment to the shareholders. The general shareholders' meeting shall appoint Board members from the list of candidates so proposed by the Board or explains why it departed from said list.

c. Where applicable, the Board will gather the necessary information about the candidate's independence.

5. **The Board shall set up specialised, advisory committees.**

a. The Board shall set up an <u>audit & risk commitee</u>, in accordance with the provisions set out in section IV.
b. The Board shall set up an <u>governance & remuneration committee</u>, in accordance with the provisions set out in section IV.
c. The board shall appoint a chair for each of the committees, who then can appoint at least two committee members and invite non-member experts to attend its meetings.

6. **The Company develops a clear structure for the executive management.**

a. The Board shall determine in close consultation with the CEO, the terms of reference of the <u>executive committee</u> detailing its responsibilities, duties, composition and operation, in accordance with the provisions set out in Section IV.
b. The Board shall empower the executive management to enable it to perform its responsibilities and duties with sufficient latitude without undue interference from Board members or shareholders.
c. There will be clear procedures for decision-making by executive management (and its reporting to the Board) and for proposals from executive management for decisions to be taken by the Board.

7. **The Company shall comply with environmental, social and governance principles (ESG).**

a. Through the Audit and Risk Committee, the Company shall examine on a regular basis how it complies with human rights and manages relationships with employees, suppliers, customers and the communities where it operates, and proactively prevent and manage associated social risk.
b. The Audit and Risk Committee shall evaluate the Company's performance relating to environmental matters such as pollution, carbon emissions and resource utilisation, and proactively prevent and manage associated environmental risk.

8. The Company shall ensure adequate assurance, disclosure and regular evaluation of its corporate governance

a. The Governance and Remuneration Committee will make recommendations to the Board on matters like executive pay, governance structure, board accountability and shareholder rights.
b. This Charter will be made available on the Company's website, in the annual report and, where applicable, to any relevant external parties.
c. The Board through the Governance and Remuneration Committee will make a regular assessment of its corporate governance and disclose the report to the shareholders and other relevant stakeholders.
d. If the Company has not complied fully with its governance principles and procedures described in the Charter, the Board shall explain its reasons for not having done so.

IV. GOVERNANCE STRUCTURE OF THE COMPANY

The Company is governed by a monistic governance structure comprising of the Board which is supported by multiple advisory committees in order to provide the necessary checks and balances. This structure ensures a balanced and sensible governance, while remaining operational and flexible and shall set the Company on a course towards a sustainable and prosperous future.

The different governing bodies of the Group are:

1. SIAT Board, responsible for the strategy and general policies of SIAT, and for overseeing Senior Management. The Board is supported by two advisory committees, an Audit and Risk Committee (ARC) and a Governance and Remuneration Committee (GRC);

2. SIAT Executive Committee (EXCO), which is charged with the day-to-day operational management of the Company;

3. SIAT General Shareholders Meeting (General Meeting), which is competent to change the capital structure, appoint and revoke the directors, approve the annual accounts, declare dividends, among other things; and

4. The governance bodies of the foreign subsidiaries controlled or owned by the Company.

1. BOARD OF DIRECTORS

The Board manages the Company as a collegial body and is accountable to the General Meeting. It has full management authority, including policy formulation and policy control. The Board has delegated the day-to-day management of the Company to a CEO supported by the EXCO which is also a collegial body.

1.1 The task of the Board of Directors

The Board is responsible for determining and reviewing the Company's business and strategy and overseeing the overall governance and management. In consultation with the EXCO it shall decide the operational and risk strategies. The Board, with the assistance of its different committees, closely monitors the strategical, business and financial performance of the Company, the alignment with stipulated risk appetite and strategies and compliance with applicable rules and regulations.

1.1.1. Legal powers include among others:

- The presentation of the (consolidated) annual accounts with respect for the standards of integrity and quality, as well as the timely publication of the approved annual accounts and other financial and non-financial information;
- The drafting of the special reports that are prescribed by law (e.g. in the event of a capital increase in kind or cancellation of preferential subscription right);
- The application of the alarm bell procedure when the net assets decrease to the extent determined by law; and
- Convening the general meeting and determining its agenda.

1.1.2. Directory of the Company:

The Board takes decisions on important and strategic matters, such as:

- Determining the long-term objectives of the Company and its strategy;
- The follow-up of the operational plans and strategic projects;
- The approval of the budgets;
- Decision on major (dis)investments;
- Analysis and determination of financing means
- Determination and approval of the remuneration policy for members of EXCO;
- Determination of the remuneration policy for members of the board of directors and recommendation to the General Meeting for approval;
- Determination of the composition, remuneration and responsibilities of the advisory committees, and appointment of their chair;
- The determination of the Company's risk policy and the establishment of a frame of reference for internal control and risk management, proposed by Management.
- Assessment of the implementation of this framework;
- Follow-up of the performance of subsidiaries by means of periodic reporting by Management.
- Supervision of the performance of the Statutory Auditor;

The Board shall consult the Governance and Remuneration Committee with regard to certain matters listed above in accordance with section 2.3.

1.1.3. Supervision

The Board supervises the way in which the business activity is conducted in order to evaluate whether this is done properly, and in line with its core values. In doing so, the quality of Executive Management is assessed based on its decisions and especially the results. Supervision also includes financial and operational control, including the establishment and monitoring of an internal control system.

1.1.4. Sounding Board

The Board of Directors not only supervises Senior Management, but also acts as a sounding board and advisor to Senior Management.

1.1.5 Employer

The Board, after consultation with the Governance and Remuneration Committee, is responsible for filling several key positions within the Company. For example:

- The appointment and dismissal of the Chief Executive Officer (CEO), and the members of EXCO, including those charged with the day-to-day management of the subsidiaries of the Company.
- Determining the compensation of these persons and the main contract terms.
- The evaluation and assessment of the performance of these persons.
- The preparation and organization of the follow-up of these persons.

1.1.6 Ambassador

The Board is the ambassador of the Company. The directors embody the values of the Company and thus serve as an example, both within the Company and to the outside world. The Board acts as a pivot between shareholders, management and other stakeholders. It will enable management and shareholders to take initiatives that fall within their powers and will be a point of contact for them.

1.2 Composition of the Board

The Board will henceforth be composed of exclusively non-executive directors, at least half of whom are independent.

1.2.1 Number of Directors

In accordance with Article 7:85 of the Belgian Code on Companies and Associations and the articles of association, the Board shall have at least three members. Furthermore, the number of members of the governing body is not subject to any statutory rule.

- The Board shall endeavour to limit the number of members in order to allow efficient deliberation and decision-making. On the other hand, the Board endeavours to ensure that it is sufficiently broadly composed of honest persons with diverse backgrounds who have the required knowledge and experience as well as complementary skills to perform their duties properly.

- The Board is composed of at least 6 non-executive directors appointed by the shareholders of which (i) three are appointed from a list of candidates proposed by shareholders and (ii) three independent members meeting the criteria of independence, under section 1.3 hereof, for which the Governance and Remuneration Committee and the Board shall propose adequate candidates, *it being understood* that the shareholders' meeting shall retain the freedom to choose otherwise, in which case it has to explain why it did so.

- The size of the Board must also allow it to accommodate changes in its composition without disrupting its functioning.

1.2.2 Appointment

Directors are appointed by the general meeting, upon nomination by the shareholders or Board. Board delegates the search, selection and proposal to nominate independent directors to the Governance and Remuneration Committee (GRC) who acts as the board Nominations Committee.

The process and criteria for nomination are established in the company's Nominations Procedure.

Criteria for (re) appointment are (i) the necessary skills (knowledge, experience or specific skills) to supplement the already existing skills in the Board, (ii) availability and capacity and (iii) having core competencies (financial acumen, audit knowledge, risk and governance consciousness, strategic insight, industry and geographic knowledge, deep network).

1.2.3 Duration

Directors are appointed for a term of 6 years. The mandates can be extended. The directors resign voluntarily on the date of the ordinary general meeting of the year in which they reach the age of 70. In the interest of the Company, the Board may request the director concerned to continue the current mandate after the age of 70.

1.3 Independence criteria

The independent directors must meet the criteria stated in article 7:87 of the Belgian Code on Companies and Associations and as set forth in article 3.5 of the Belgian Corporate Governance Code 2020.

These independence criteria are as follows:

1. Not be an executive or exercising a function as a person entrusted with the daily management of the Company or a related company or person, and not have been in such a position for the previous three years before their appointment. Alternatively, no longer enjoying stock options of the Company related to this position;
2. Not having served for a total term of more than twelve years as a non-executive board member;
3. Not be an employee of the senior management (as defined in article 19,2° of the law of 20 September 1948 regarding the organisation of the business industry) of the Company or a related company or person, and not have been in such a position for the previous three years before their appointment. Alternatively, no longer enjoying stock options of the Company related to this position;
4. Not be receiving, or having received during their mandate or for a period of three years prior to their appointment, any significant remuneration or any other significant advantage of a patrimonial nature from the Company or a related Company or person, apart from any fee they receive or have received as a non-executive board member;
5. (a) Not hold shares, either directly or indirectly, either alone or in concert, representing globally one tenth or more of the Company’s capital or one tenth or more of the voting rights in the Company at the moment of appointment and (b) not having been nominated, in any circumstances, by a shareholder fulfilling the conditions covered under (a) ;
6. Not maintain, nor have maintained in the past year before their appointment, a significant business relationship with the Company or a related company or person, either directly or as partner, shareholder, board member, member of the senior management of a company or person who maintains such a relationship;
7. Not be or have been within the last three years before their appointment, a partner or member of the audit team of the Company or person who is, or has been within the last three years before their appointment, the external auditor of the Company or a related company;
8. Not be an executive of another company in which an executive of the Company is a non-executive board member, and not have other significant links with executive board members of the Company through involvement in other companies or bodies;
9. Not have, in the Company or a related company or person, a spouse, legal partner or close family member to the second degree, exercising a function as board member or executive or person entrusted with the daily management or employee of the senior management, or falling in one of the other cases referred to in 1. to 8. above, and as far as point 2. is concerned, up to three years after the date on which the relevant relative has terminated their last term;

The Company's articles of association do not provide for additional criteria.

1.4 Training and duties of the directors

1. Training:
   The chair ensures that new directors receive appropriate explanations of the Group's values and objectives; the functioning of the governing bodies of the Company; the specific responsibilities and duties of the director and answers any questions the new directors may have.

2. Obligations:
   Before accepting his position, the director must become acquainted with the law and the regulatory texts relating to his position and with the special regulations of the Company resulting from its articles of association, this Charter and other internal operating rules of the Board.

   In exercising his mandate, the director respects the following principles:
   - he/she attends the meetings of the Board and, if participation is prevented, informs the Chair in advance;
   - he/she decides in the interest of the Company and retains her independence from analysis and judgment in all circumstances;
   - he/she respects the confidentiality of the information which is communicated to her in the performance of her mandate with due observance of the applicable regulations and external disclosure is only permitted if it is either by law, valid court order, a government, regulatory agency; or shared with legal counsel in the ordinary course of business;
   - he/she informs the Chair of the existence of a possible conflict of interest and applies the legal provisions regarding conflicts of interest;
   - he/she will refrain from communicating any non-public information or any comments about the Company to the media, analysts or investors and may refer them to the persons responsible for communication of the Company.

1.5 Collegiality

The collegial nature of the Board must be emphasized. The added value of an active Board lies precisely in the interaction between independent and other directors. It is important to avoid a division within the Board between independent and other directors, even though it should be possible for independent directors to meet separately when the need arises. Decisions of the Board must be made after consultation and in an ongoing quest for consensus.

The chair must ensure that the individual and independent opinions of all directors are addressed.

1.6 Deliberation and decision-making

The Board typically meets five (5) times a year at times set at the beginning of the year. In addition, the Board meets whenever the interest of the Company requires it, and also when at least two directors request it. The meetings of the Board are convened by the Chair or by a director appointed by the Chair.

The agenda of the meeting is determined by the chair in close collaboration with the CEO and includes any relevant topic that is requested by a director. The agenda is divided into points that are presented to the directors for approval, deliberation and information.

Except in cases of urgency, the directors receive the agenda in due time, in advance, and in accordance with the confidentiality requirements, including the documents which are reasonably required to enable an substantive debate of the topics on the agenda (such as an overview of the Company's financial position, files regarding investment and divestment proposals, periodic operational and numerical reports on the Group companies).

The Board may validly deliberate if the majority of its members is present or represented at a meeting.

A director who is unable to attend a meeting can grant a special proxy to another director, on the understanding that each director may only represent one other director. He / she cannot be represented by a non-director. He / she may also participate in the discussions and votes of a meeting of the Board by conference or video conference.

With the exception of cases established by law, a director can only be accompanied by an independent expert with the approval of the Board. Explanatory notes to the items on the agenda and presentations to the Board are given by a director, or by the CEO or someone of the Executive Management.

The Board always strives to take decisions by unanimity. If no consensus is possible for a particular decision, the decision is taken by simple majority. In the event of a tie, the chair's vote will be decisive.

The company secretary, who does not have to be a board member, is mandated by the Board to take the minutes of the meeting. These summarize the discussions, contain the decisions and state the possible reservations of certain directors. The company secretary can assist the chair with certain aspects of his/her duties, such as distributing the information in advance for the preparation of the Board, distributing the minutes of the previous meeting, and keeping up to date at a subsequent meeting. He/she monitors agenda points and compliance with certain rules and procedures, for example in the area of governance or legal procedures such as the conflict of interest scheme.

1.7 Representation

Without prejudice to the general representation power of the board of directors acting as a collegiate body, the Company shall be represented by two directors who act jointly, one of which shall be the Chair of the Board.

With respect to matters which are within the scope of the daily management , the Company shall be validly represented by the CEO, or in his/her absence, by two directors acting jointly or by one director acting jointly with a member of the EXCO.

With respect to specific matters, the Company may be validly represented by a special proxyholder as appointed by the relevant competent body.

1.8 Role of the Chair

The Board appoints a chairperson (the “Chair”) from among its members based on his/her knowledge, skills, experience and mediation skills.

The Chair is a key figure who:

- ensures that the Board functions properly;
- knows what is going on with shareholders, directors and Executive Management;
- is a contact point and sounding board for each of these players;
- takes initiatives quickly and expertly where necessary;
- has the profile of a mediator and an umpire;
- is an ambassador for the Company.

The Chair has the main role in organizing the appropriate corporate governance.

The role of the Chair presupposes a very good knowledge of the Company, its key persons, its strategy and the strategic challenges. This will also allow the Chair to take a quick and expert initiative in crisis situations. In crisis situations, the Chair is the point of contact for everyone involved.

The Chair ensures that the Board performs its tasks properly and takes decisions in good time. The Chair is the guardian of the processes that govern the functioning of the Board. He/she sets the agenda of the meetings and ensures that the procedure with regard to preparation, deliberation, approval, taking minutes and implementation of decisions is followed. The Chair ensures that the directors receive accurate, timely and reliable information before the meetings and, if necessary, between the meetings. All directors receive the same information.

He/she also ensures that new directors are properly informed and familiarized with the Company. The Chair chairs the meeting. He/she will take the necessary measures to establish a climate of trust within the Board, which will contribute to open discussion, constructive criticism and support for the Board's decisions. He / she ensures that all positions can be discussed and strives for consensus among the directors.

The Chair initiates and directs the evaluation process of the Board and its individual members. He/she leads and directs the process of appointing top management and members of the Board.

The Chair must know what is going on among the shareholders. He/she should know the long-term vision of the owners and he/she can play a role in guiding any tensions between shareholders.
The Chair knows the key persons in the Company and is also a point of contact for management.
The CEO and the Chair maintain regular contact and exchange information on time. They support each other and respect each other's role.

1.9 Compensation policy

The shareholders' meeting, after consultation with the Governance and Remuneration Committee, decides on the remuneration for the members of the Board, taking into account the following.

- For exercising their director's mandate, the directors receive a fixed sum. The level of that amount shall take into account the role of the individual directors as ordinary board members and their specific positions as chair of the board, chair or member of a board advisory committee, as well as their resulting responsibilities and commitment in time;
- The non-executive directors do not receive any variable remuneration directly linked to the results of the Company. No share options, loans or advances are granted to non-executive directors.

The Board shall, after consultation with the Governance and Remuneration Committee, establish the remuneration policy for the CEO and other members of the ECXO, on the basis of market practices.

The remuneration policy for the members of the EXCO describes the various components of the remuneration and establishes the proper balance between fixed and variable remuneration and financial and deferred remuneration.

1.10 Conflicts of Interest

Transactions between the Company or one of its affiliated companies and a member of the Board shall always be conducted at market conditions. The same applies to transactions between the Company or one of its affiliated companies and a person closely associated with a member of the Board. Details are provided in the procedure laid down in Article 7:96 of the Belgian Code on Companies and Associations, and in case of doubt, such provisions shall be applied.

Directors shall, as far as reasonably possible, avoid the occurrence of conflicts of interest.

If a director has a direct or indirect conflict of interest of a pecuniary nature relating to a decision or a transaction that comes under the authority of the Board, the director in question must also refrain from taking part in the discussion and vote. The decisions are validly adopted by a majority of the other members of the board who have taken part in the meeting.

2. ADVISORY COMMITTEES

2.1 General principles applicable to all committees

1) Composition

The advisory committees consist of at least three members, of which at least two should be directors of the Board.

The Board should satisfy itself that the committees have sufficient relevant expertise to fulfil its role effectively.

The Board ensures that for each advisory committee, a chair is appointed from the non-executive members of the Board.

The Chair of the advisory committee then appoints the other members. The Chief Executive Officer is eligible to be a member of an advisory committee.

The advisory committees have the right to invite from time to time third party experts (including persons who are not a director of the Company) and members of the Executive Management to their meetings.

Advisory meetings can convene physically or through video- or voice conferencing tools.

2) Role and responsibilities

The advisory committees have, as their name stipulates, a sole advisory function. The committees shall have no executive powers.

They are authorised by the Board to consider any matters within its terms of reference. They are mandated to execute certain duties, to research and evaluate specific items and to formulate advice to the Board.

The Board supervises the advisory committees and determines the mandate, the composition and working approach.

3) Approach

A meeting of an advisory committee can be legally held if a quorum is achieved of three members. A resolution of an advisory committee will be valid when it has been approved by a majority of the votes of committee members.

On occasions when the chair is unable to attend, the chair will appoint, from one of the other non-executive directors, a designate to carry out the role. If a member of the committee is unable to attend a meeting, an alternative director may be appointed by that member to attend such meeting in his/her place.

The committee is authorised by the Board, up to a maximum of EUR 12,500 per annum, to obtain outside professional independent advice or to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The committee shall advise the Board of any decision taken to obtain such advice.

The committee shall be provided with training on such matters as it considers necessary.

The secretary shall circulate the minutes of the meetings of the committees to all members of the Board following approval by the chair. The committee will also report orally or in writing to the Board on the respective agenda points, deliberations and recommendations to the Board.

2.2 Audit and Risk Committee (ARC)

1) Composition

The ARC comprises of at least three members, at least one of which having relevant accounting and audit expertise.

The CEO, CFO, GSO and the internal auditor are required to attend meetings of the committee 'by invitation'. Other members of management may be required from time to time to attend meetings of the committee in order to enable the committee to discharge its duties as set out in paragraph 2) hereof.

2) Role and responsibilities

a. Financial Reporting

Reviewing the Company's financial reports and accounts before submission to the Board, focusing particularly on reviewing:

- The integrity, relevance, and consistency of (or any changes in) accounting standards, policies and practices used by the Company and the Group;
- The criteria for the consolidation of the accounts of companies in the Group;
- The correctness, completeness, and consistency of financial information and any significant adjustments resulting from any audit;
- All material information presented with the financial statements, such as the operating and financial review;
- Any problems or reservations raised by the external auditors arising from the annual management letters and any response of the management thereto;
- This Charter (insofar as it relates to risk management or compliance);
- Compliance with legal and regulatory requirements;
- The going concern assumption.

b. External Audit

Reviewing and monitoring the independence of the Company's external auditors and the effectiveness of the external audit process and recommending any changes to the Board.

Focus will be on reviewing:

- The Company's policy on selection, tendering, and appointment of the external audit contract;
- The policy on independence of the external auditor and the provision of non-audit services by external auditors; and
- The relationships between the external auditor and the Company and the wider Group.

c. Internal Audit

Considering the reports of internal audit on the implementation of agreed recommendations and when necessary, advising the Board thereon. Focus will be on reviewing:

- The way management ensures and monitors the adequacy, nature, extent and effectiveness of the Company's internal control systems and procedures;
- The effectiveness of the internal audit function by reviewing, inter alia, the annual internal audit plans and the quarterly summaries of progress against such plan;
- The independence of the internal audit function, its available resources and skills adapted to the Company's nature and size;
- The need for investigations to be instigated into any matters which the committee deems necessary and making recommendations to the Board; and
- The effective coordination and liaising as appropriate with the local Internal Auditors of the Group companies.

d. Internal control and Risk Management

Overseeing the management's responsibilities to assess and manage the Company's risk culture and profile at Group level (excluding Strategic risk). Those responsibilities refer to the Company's Risk Taxonomy as defined in the **Accountability Framework for Performance and Risk** in appendix 1 and include:

- Operational risk (agriculture, factories, people, IT, business continuity);
- Financial risk (funding and liquidity, capital, market risk);
- Reputational risk (compliance with laws and regulations).

Reviewing and recommend as appropriate to the Board, the strategies, policies, models, limits in place to govern the understanding, identification, measurement, reporting and mitigation of material risks:

- The development, implementation and maintenance of the overall risk management framework and risk appetite;
- The Company's operational, financial and HR risk profile and monitoring, with respect to the following:
  - The ongoing effectiveness and independence of risk management functions;
  - The effectiveness of the Company's risk management, internal control systems and reporting;
- The appropriateness of the Company's compliance culture and effectiveness of procedures and controls to combat bribery, corruption, and fraud;

- The specific arrangements in place to enable staff in confidence to raise concerns about possible improprieties in financial reporting or any other matters of relevance, and to protect them when doing so; and
- The effective coordination and liaising as appropriate with the local risk managers of the Group companies.

e. Environmental and Social Sustainability

Reviewing the Company's policies and practices relating to environmental awareness and preservation, social responsibility, ethical conduct, and good communications with all stakeholders (including the local communities in which we operate) focusing particularly on reviewing:

- Compliance with human rights and related laws and regulations;
- The application of strategies and plans to address and manage the impact of diseases (malaria, viruses, etc) on Company employees and their families;
- The application of strategies and plans to address and manage a healthy and safe working environment for all employees, in particular the prevention of workplace incidents;
- The application of operations and investment choices that minimise or avoid harm to the environment, particularly in areas with delicate populations and/or ecology;
- The Company’s performance on matters of pollution, carbon emissions and resource utilisation;
- The Company’s communications policy and the quality and frequency of communication and reporting in relation to environmental and social responsibility to all stakeholders and the general public.

3) Approach

The Company Secretary shall be the secretary of the committee. The secretary, in conjunction with the chair of the committee, shall draw up the agenda for each meeting of the committee which shall normally be circulated to attendees at least one week prior to that meeting together with any relevant papers.

The committee will meet not less than four times a year. One meeting will be held immediately prior to the submission of any audited financial statements to the Board for approval. Additional meetings may be requested by any member of the committee, or by the Company's external auditors.

At least once a year the committee shall meet alone with the external auditors without the presence of the CEO and CFO.

2.3 Governance and Remuneration Committee (GRC)

1) Composition

The GRC comprises of at least three members, at least one of which having relevant Corporate Governance and HR expertise.

The Group HR Manager is required to attend meetings of the committee ‘by invitation’. Other members of management may be required from time to time to attend meetings of the committee in order to enable the committee to discharge its duties as set out in paragraph 2) hereof.

2) Role and responsibilities

a. Governance

Reviewing and monitoring the Company’s compliance with its governance principles and procedures described in the Corporate Governance Charter, with special focus on reviewing and evaluating:

- The Company culture, and at least annually, corporate governance policies, procedures, and practices applicable to the Company and recommend to the Board any change that should be made thereto and monitor the disclosure of such procedures;
- The evaluation of the performance and effectiveness of the Board as a whole and of board committees and individual directors;
- The procedures for the oversight of the evaluation of management;
- The Board’s oversight role with respect to: (i) conflicts of interest, (ii) confidential information, and (iii) complaints of shareholders, directors, and customers;
- The Company’s ethics policies and codes of practice; and
- The Company’s policy and working practices towards politically exposed persons and/or government bodies.

b. Nominations

Considering the evaluation, selection, appointment, or removal of the most senior positions in the Company, both at Board and EXCO and advising the Board thereon. Focus will be on reviewing:

- The composition and size of the Board and developing criteria in regard of the appropriate skill mix, personal qualities, expertise and experience, ability to exercise independent judgment required for each director to discharge the Board’s duties;
- The board vacancies as they arise and identifying and recommending to the Board candidates which the committee considers appropriate for appointment to the Board having regard to the skills, experience, and ability to exercise good judgment;
- The removal from the Board, if required, of candidates the committee considers “non–performing” regarding the required skills, personal qualities, experience, and ability to exercise sustained good judgment;
- Executive Management vacancies as they arise, and ensuring there is an effective process for the selection, appointment, removal, and succession planning of the Company’s CEO/Executive Management;
- Any disciplinary proceedings against a member of executive management or a non-executive director of the Company; and
- The appointments that are the most senior position in any subsidiary of the Company outside of Belgium and make recommendations to the Board.

When the reappointment, succession, or removal of a member of the board of directors is discussed, the person in question shall not be present.

c. Remuneration

Considering the remuneration of the most senior positions in the Company, both at Board and EXCO and advising the Board thereon, amongst other:

- make recommendations to the Board on the appropriate remuneration structure, in relation to both the amount and its composition, for executive management and non-executive directors (including the Chair of the Board);
- consider and recommend to the Board significant changes to the above remuneration structure;
- make recommendations specifically to review and approve individual remuneration and contractual arrangements for all executive management and non-executive directors;
- consider and recommend to the Board the design of, and broad targets for, any variable and/or performance related pay schemes operated by the Company;
- ensure that publicly disclosed remuneration information meets all legal requirements;
- ensure that no director or executive manager shall be present at any meeting of the Committee when their own remuneration is being discussed, however a non-executive-director may participate in any discussions or decisions of the Committee in respect of their own remuneration, provided it is for that class of non-executive director as a whole and not in an individual capacity;
- agree the policy for authorising claims for expenses by all directors; and
- be responsible for selecting, appointing, reviewing, and setting the terms of reference for any remuneration advisors who advise the Committee; and to obtain reliable up to date information about remuneration in other companies of comparable scale and complexity.

3) Approach

The Company Secretary shall be the secretary of the committee. The secretary, in conjunction with the chair of the committee, shall draw up the agenda for each meeting of the committee which shall normally be circulated to attendees at least one week prior to that meeting together with any relevant papers.

The committee will undertake an annual self-assessment of its performance and effectiveness as a committee, the findings of which must be reported to the Board.

The committee will meet not less than twice a year. Additional meetings may be requested by any member of the committee.

3. MANAGEMENT

The management is accountable for carrying out the business and operational strategies established by the Board. They oversee the overall governance and management, strategy and business performance, risk management, regulatory/reputational issues, and financial performance of the Company.
The management will lead by example, taking into account the Company's interest and core principles and values set out in this Charter.

3.1 Definition

Executive Management is defined as the entirety of the Company's top management who are members of and sit on the Executive Committee (**EXCO**).

Management is defined as the entirety of the broader management team of the Company reporting to the EXCO, including the management of the subsidiaries of the SIAT group, as well as, where appropriate, the executive directors.

3.2 The Chief Executive Officer or CEO

The CEO is a member of EXCO. He is the person who holds the highest operational position in the Company. He/she is entrusted with the day-to-day management of the Company. He/she is not necessarily a director on the Board and shall never be the same person as the Chair of the Board.

The CEO leads supports and controls management in the performance of its duties and is responsible for the proper functioning of the management. He/she is responsible for achieving the financial results as provided in the annual budget.

The CEO is the connecting link between the management and the Board. He/she is responsible for communication with and the flow of information to the Board. Together with the Chair, he/she creates a climate of trust between the Board and management.

The CEO maintains close relationships with the Chair of the Board.

More specifically, this translates into:
- frequent and transparent communication, both formal and informal;
- mutual respect; and
- a common vision of the Company's objectives and policies.

The Chair provides support and advice to the CEO, while respecting the executive responsibility of the CEO.

3.3 Mission

The Executive Management represented in EXCO is charged with the operational management and decision-making of the Company, within the powers delegated by the Board.

It is important that Executive Management is given sufficient room to manoeuvre in fulfilling this role in general, and in particular with regard to business strategy.

EXCO strives for optimal collegiality, and decisions by EXCO must be made after consultation and in a continuous striving for consensus. The CEO must ensure that the views of all EXCO members are heard, but he/she has the final decision power in case consensus cannot be reached within the EXCO.

In terms of strategy, both the Board of Directors and Executive Management play an important role:
- management prepares the strategy;
- the Board approves them;
- management implements the strategy;
- the Board monitors the implementation of the strategy;
- management takes the necessary initiatives to adjust the strategy in function of changed (market) circumstances;
- the Board supervises all this and, if necessary, takes the necessary initiatives.

Executive Management informs the board of directors about all aspects of the operational management and in particular, about the evolution of the financial results. The Executive Management is responsible for the correct and regular updating of the reporting, which serves as a guideline for the Board.

3.4 Appointment of Executive Management and EXCO

Executive Management is appointed by the Board after advice from the Governance and Remuneration Committee (GRC).

1) Authorisation

   The EXCO is constituted by the Board and is authorised to consider, review, investigate or decide upon any activity within its terms of reference.

   The EXCO shall function as a central consultation body through which the top management of the Company shall discuss matters related to their respective competences, but which have a broader impact. Through EXCO, the senior managers shall try to reach consensus in order to make recommendations to the Board on all material matters of policy, rules, and limits, including material changes and significant commitments within their respective competencies.

   EXCO is empowered to form any management sub-committee deemed necessary. Management sub-committees will report to EXCO. It is authorised to seek information it may require from any employee and all employees are directed to co-operate with any request made by EXCO.

EXCO may also obtain outside legal or other independent professional advice and secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

2) Composition

The composition and number of members of EXCO is not subject to any statutory rule. The intention is to limit the number of members in order to allow efficient deliberation and decision-making.

On the other hand, the CEO tries to ensure that the team has the required knowledge and experience as well as complementary skills to perform the tasks properly, such as expert matters of strategy, agro-industrial operations, risk management, finance and ESG.

Diversity of this knowledge, experience and skills as well as gender is an important parameter in the composition of EXCO.

3) Specific Duties

The EXCO shall have the duties entrusted to it by the Board, inter alia:

- Reviewing and monitoring the corporate values of the Company, articulating the expected culture and employee behaviours;
- The implementation of the Company's strategy and the associated business plans, monitoring performance of each subsidiary/business unit against such plans;
- Establishment and review (for recommendation to the Board) of the Company's key policies, rules and limits as required from time to time, and ensure their effectiveness and internal alignment;
- Implementing the Company's risk strategy, policies, and risk appetite framework, together with a regular review of the Company's main risks and a determination of any actions required to mitigate such risks;
- Ensuring that the Company's activities are undertaken in compliance with internal policies and procedures and all applicable laws, regulatory and statutory rules;
- Oversight of the Company's capital, liquidity and associated legal and financial covenants, including reviewing capital and liquidity projections, and taking appropriate action;
- Overseeing the Company's IT security and resilience in respect of digital agility, cybercrime, and data integrity, and take appropriate action;
- Overseeing developments in and adherence to regulatory and ESG standards, review gap analysis and take appropriate actions;
- Monitoring the supervision and control by management, including the implications and resolution of significant issues raised following reviews by internal and external auditors
- Monitoring significant litigation to which the Company is subject;
- Reviewing and determination of any material contracts with, or commitments to, third parties, including outsourcing risk;
- Reviewing and determination of HR policies and activity, including changes to remuneration, performance management system, recruitment processes, talent management and Company pension schemes;
- Overseeing the design and testing of the Company's business continuity and disaster recovery plan.

4) Evaluation

It is recommended to provide for a procedure for annual evaluation of the Executive Management. Clear agreements must be made with regard to the parameters and assessment criteria used.

The CEO provides the Board with the necessary information for the evaluation of the Executive Management. When evaluating the CEO, the Board takes into account the specific assignments of the CEO.

4. ANNUAL GENERAL MEETING

The ordinary shareholders meeting shall be held on the third (3rd) Monday of the month of May.
In addition to the annual shareholders' meeting, extraordinary or special shareholders' meetings may be convened at any time when the interest of the Company so requires.

The agenda of the shareholders' meetings as well as all the documents which pursuant to the provisions of the Belgian Code on Companies and Associations must be transmitted to the shareholder or other invitees shall be made available in accordance with the law. At the same time the Company shall, as far as available, provide useful background information to the agenda (e.g. dividend policy). The notice convening the meeting shall state where such background information, if any, can be found.

At the annual general meeting, the shareholders may ask questions about the reports of the directors and the external auditor and about all items on the agenda. The Chair of the Board leads the meeting and ensures a proper exchange of questions and answers between the shareholders on the one hand and the directors and external auditor on the other. The directors and the external auditor may refuse to answer certain questions provided the disclosure of certain facts or circumstances would be detrimental to the interests of the Company or constitute an infringement of the confidentiality undertakings of the Company, the directors or the external auditor.

The Board shall be obliged to convene a shareholders meeting at the request of shareholders who have a 10 percent stake in the Company.

The rules for holding and convening general meetings and the formalities to be met to be able to take part are stated in the articles of association of the Company.

5. SHAREHOLDERS AND SHAREHOLDERS STRUCTURE

As of 29 April 2020, the SIAT shareholder structure is characterized by the presence of a large reference shareholder, FIMAVE NV (represented by the family Vandebeeck) holding 86,73% of share capital and a significant co-shareholder, THEMISTO BV holding 11,6%.

With a stable shareholding of SIAT, the aim of the shareholders is to promote a balanced development and profitable growth of the Group.

The Company has no knowledge of other agreements between shareholders or of the existence of shareholder committees.

6. GOVERNANCE IN THE LOCAL SUBSIDIARIES

The Company owns and controls several subsidiaries across multiple jurisdictions and business areas.

The Company's objective is to cascade, consistently and effectively, its Corporate Governance Principles down to the subsidiaries and to establish subsidiary governance frameworks to create sound governance and promote best practice.

In the coming year, the Company will prepare, design, and implement best practice corporate governance throughout the Group where possible, bearing in mind local laws, regulation, and local customs. It will consider whether prescription or flexibility or a balance between the two is desirable in terms of, for example, policies and procedures; a 'one size fits all' approach may not be suitable. The first steps will be to involve and encourage subsidiary boards and management and clearly communicate the rationale for the project with the key people to be involved in setting up the subsidiary governance framework.

Key issues will be to draft or refresh Group-wide policies, statements, and procedures (e.g. anti-bribery; ethics; health and safety; human rights; and more) and make them easily accessible.

The Company will also redefine and establish clear reporting lines to the parent company and put in place measures for encouraging communication and engagement. In order to bring about effective outcomes, it will hold close relationships with subsidiary boards and management and regularly review, and encourage regular feedback on, the progress of the overall subsidiary governance framework.

[END]