



Corporate  
Governance  
COMMITTEE

## **Overview of changes to the 2009 Belgian Code on Corporate Governance**

## THE 2009 CODE VERSUS THE 2020 VERSION

The principles and provisions in the 2009 Belgian Code on Corporate Governance ('2009 Code') are detailed in the left-hand column. The right-hand column shows where they have been incorporated into the revised Code, deleted (with "statutory provision" if it is integrated into Belgian law) or have become part of the disclosure process (CG Charter and CG Statement, as referred to in Provisions 1.2 and 1.3 of the 2020 Belgian Code on Corporate Governance). It must be noted that the principles and provisions of the 2009 Code, which have been maintained in the revised 2020 Code, have been clarified and specified in most cases.

2009 CODE	2020 CODE
<p><b>PRINCIPLE 1.</b> THE COMPANY SHALL ADOPT A CLEAR GOVERNANCE STRUCTURE</p>	<p><b>PRINCIPLE 1.</b> THE COMPANY SHALL MAKE AN EXPLICIT CHOICE REGARDING ITS GOVERNANCE STRUCTURE AND CLEARLY COMMUNICATE IT</p> <p>and</p> <p><b>PRINCIPLE 2.</b> THE BOARD AND THE EXECUTIVE MANAGEMENT SHALL REMAIN WITHIN THEIR RESPECTIVE REMITS AND INTERACT CONSTRUCTIVELY</p> <p>and</p> <p><b>PRINCIPLE 3.</b> THE COMPANY SHALL HAVE AN EFFECTIVE AND BALANCED BOARD</p>
<p><b>Provision 1.1</b> Every company should be headed by a collegial board. The company should define and disclose the board's terms of reference in its Corporate Governance Charter (hereinafter "CG Charter").</p>	<p><b>Provision 3.7:</b> first sentence <b>Disclosure:</b> second sentence</p>
<p><b>Guideline (1)</b> The board's role should be to pursue the long-term success of the company by providing entrepreneurial leadership and enabling risks to be assessed and managed.</p>	<p><b>Provision 2.1</b> <b>Provision 2.14</b></p>
<p><b>Guideline (2)</b> The board's responsibilities should be defined in the articles of association of the company and in the terms of reference of the board. It should detail its responsibilities, duties, composition and operation, within the limits defined by the company's articles of association.</p>	<p><b>Disclosure</b></p>
<p><b>Guideline (3)</b> The board should be organized in order to perform its tasks efficiently.</p>	<p><b>Deleted</b></p>

<p><b>Guideline (4)</b> The company should adapt its governance structure to its evolving needs.</p>	<p><b>Provision 1.1</b></p>
<p><b>Provision 1.2</b> The board should decide on the company’s values and strategy, its risk appetite and key policies.</p>	<p><b>Provision 2.1</b> <b>Provision 2.5</b> <b>Provision 2.6</b> <b>Provision 2.8</b></p>
<p><b>Guideline (1)</b> The board should ensure that the necessary leadership, human and financial resources are in place for the company to meet its objectives.</p>	<p><b>Provision 2.1</b></p>
<p><b>Guideline (2)</b> In translating values and strategies into key policies, the board should pay attention to corporate social responsibility, gender diversity and diversity in general.</p>	<p><b>Provision 2.2</b> <b>Provision 2.6</b> <b>Provision 3.3</b></p>
<p><b>Provision 1.3</b> With respect to its monitoring responsibilities, the board should at least:</p> <ul style="list-style-type: none"> <li>- review executive management performance and the realisation of the company’s strategy;</li> <li>- monitor and review the effectiveness of the board’s committees;</li> <li>- take all necessary measures to ensure the integrity and timely disclosure of the company’s financial statements and other material financial and non-financial information disclosed to the shareholders and potential shareholders;</li> <li>- approve a framework of internal control and risk management set up by the executive management;</li> <li>- review the implementation of this framework, taking into account the review made by the audit committee;</li> <li>- supervise the performance of the statutory and/or registered auditor (hereinafter “external auditor”) and supervise the internal audit function, taking into account the review made by the audit committee;</li> <li>- describe the main features of the company’s internal control and risk management systems, to be disclosed in the Corporate Governance Statement (hereinafter “CG Statement”).</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Provision 2.12</b></li> <li>- <b>Provision 9.1</b></li> <li>- <b>Provision 2.15</b></li> <li>- <b>Provision 2.14</b></li> <li>- <b>Provision 2.14</b></li> <li>- <b>Deleted (statutory provision)</b></li> <li>- <b>Deleted (statutory provision)</b></li> </ul>

<p><b>Guideline (1)</b>  “Timely disclosure” means the disclosure in due time according to the existing legislation and regulations.</p>	<p><b>Deleted</b></p>
<p><b>Guideline (2)</b>  Such a framework should be clear, define the meaning of ‘internal control’ and ‘risk management’ and help the executive management to put internal control and risk management systems in place.</p>	<p><b>Deleted</b></p>
<p><b>Provision 1.4</b>  The board should decide on the executive management structure and determine the powers and duties entrusted to the executive management. These should be included in the terms of reference of the board and in those of the executive management.</p>	<p><b>Provision 1.1 and 2.19:</b> first sentence  <b>Disclosure:</b> second sentence</p>
<p><b>Provision 1.5</b>  There should be a clear division of responsibilities at the head of the company between the running of the board and the executive responsibility for the running of the company’s business. The chairman of the board and the chief executive officer (hereinafter “CEO”) should not be the same individual. The division of responsibilities between the chairman and the CEO should be clearly established, set out in writing and agreed by the board.</p>	<p><b>Provision 3.12</b></p>
<p><b>Provision 1.6</b>  The chairman should establish a close relationship with the CEO, providing support and advice, while fully respecting the executive responsibilities of the CEO.</p>	<p><b>Provision 3.16</b></p>
<p><b>Provision 1.7</b>  The board should foster – through appropriate measures – an effective dialogue with the shareholders and potential shareholders based on a mutual understanding of objectives and concerns.</p>	<p><b>Provisions 3.17 and 8.1</b></p>
<p><b>Provision 1.8</b>  The board should ensure that its obligations to all shareholders are understood and met. It should account to the shareholders for the discharge of its responsibilities.</p>	<p><b>Deleted</b></p>

<b>PRINCIPLE 2.</b> <b>THE COMPANY SHALL HAVE AN EFFECTIVE AND EFFICIENT BOARD THAT TAKES DECISIONS IN THE CORPORATE INTEREST</b>	<b>PRINCIPLE 3.</b> <b>THE COMPANY SHALL HAVE AN EFFECTIVE AND BALANCED BOARD</b>
<b>Provision 2.1</b> The board's composition should ensure that decisions are made in the corporate interest. It should be determined on the basis of gender diversity and diversity in general, as well as complementary skills, experience and knowledge. A list of the members of the board should be disclosed in the CG Statement.	<b>Provision 3.1</b> <b>Provision 3.3</b> <b>Provision 6.6 (first sentence)</b> <b>Disclosure:</b> last sentence
<b>Guideline</b> The board should be small enough for efficient decision-making. It should be large enough for its members to contribute experience and knowledge from different fields and for changes to the board's composition to be managed without undue disruption.	<b>Provision 3.2</b>
<b>Provision 2.2</b> No individual or group of directors should dominate the board's decision-making. No one individual should have unfettered powers of decision-making.	<b>Provision 3.7:</b> first sentence <b>Deleted:</b> second sentence
<b>Provision 2.3</b> At least one half of the board should comprise non-executive directors and at least three of them should be independent according to the criteria set out in Appendix A.	<b>Provision 3.4</b>
<b>Guideline</b> A non-executive director is any member of the board who has no executive responsibilities in the company.	<b>Deleted</b>
<b>Provision 2.4</b> The list of the members of the board, disclosed in its CG Statement, should indicate which directors are independent. An independent director who ceases to satisfy the requirements of independence should immediately inform the board.	<b>Disclosure:</b> first sentence <b>Deleted (statutory provision):</b> second sentence
<b>Provision 2.5</b> The chairman is responsible for the leadership of the board. He should take the necessary measures to develop a climate of trust within the board, contributing to open discussion, constructive dissent and support for the board's decisions.	<b>Provision 3.13</b>

<p><b>Guideline (1)</b> The chairman should promote effective interaction between the board and the executive management.</p>	<p><b>Provision 3.16</b></p>
<p><b>Guideline (2)</b> The board entrust the chairman with other specific responsibilities.</p>	<p><b>Deleted</b></p>
<p><b>Provision 2.6</b> The chairman sets the agenda of the board meetings, 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 minutes of the meeting should sum up the discussions, specify any decisions taken and state any reservations voiced by directors.</p>	<p><b>Provision 3.14:</b> first sentence <b>Provision 3.8:</b> second sentence</p>
<p><b>Guideline</b> The agenda should list the topics to be discussed and specify whether they are for information, for deliberation or for decision-making purposes.</p>	<p><b>Provision 3.14</b></p>
<p><b>Provision 2.7</b> 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.</p>	<p><b>Provision 3.15</b></p>
<p><b>Guideline (1)</b> The chairman should ensure that all directors can make a knowledgeable and informed contribution to board discussions and that there is sufficient time for consideration and discussion before decision-making.</p>	<p><b>Provision 3.15</b> <b>Provision 3.13</b></p>
<p><b>Guideline (2)</b> Directors should have access to independent professional advice at the company's expense, subject to compliance with the relevant procedure laid down by the board.</p>	<p><b>Provision 3.10</b></p>
<p><b>Provision 2.8</b> The board should meet sufficiently regularly to discharge its duties effectively. The number of board and board committee meetings and the individual attendance record of directors should be disclosed in the CG Statement.</p>	<p><b>Provision 3.9</b></p>
<p><b>Guideline</b> The company should consider organising - where necessary - board and committee</p>	<p><b>Provision 3.9</b> <b>Provision 4.5</b></p>

meetings using video, telephone or internet-based means.	
<p><b>Provision 2.9</b> The board should appoint a company secretary to advise the board on all governance matters. Where necessary, the company secretary should be assisted by the company lawyer. Individual directors should have access to the company secretary.</p>	<p><b>Provisions 3.19 and 3.20:</b> first sentence <b>Deleted:</b> second sentence <b>Provision 3.21:</b> third sentence</p>
<p><b>Guideline</b> The role of the company secretary should include ensuring, under the direction of the chairman, good information flow within the board 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, under the direction of the chairman, on how board procedures, rules and regulations are being followed and complied with. The terms of reference of the board should describe the role and tasks of the company secretary.</p>	<p><b>Provision 3.20</b> <b>Disclosure:</b> last sentence</p>
<p><b>PRINCIPLE 3.</b> <b>ALL DIRECTORS SHALL DEMONSTRATE INTEGRITY AND COMMITMENT</b></p>	<p><b>PRINCIPLE 6.</b> <b>ALL BOARD MEMBERS SHALL DEMONSTRATE INDEPENDENCE OF MIND AND SHALL ALWAYS ACT IN THE BEST INTERESTS OF THE COMPANY</b> <b>and</b> <b>PRINCIPLE 2.</b> <b>THE BOARD AND THE EXECUTIVE MANAGEMENT SHALL REMAIN WITHIN THEIR RESPECTIVE REMITS AND INTERACT CONSTRUCTIVELY</b></p>
<p><b>Provision 3.1</b> Independence of judgement is required in the decisions of all directors, executive and non-executive alike, whether the non-executive directors are independent or not.</p>	<p><b>Provision 6.1</b> <b>Provision 6.5</b></p>
<p><b>Provision 3.2</b> 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.</p>	<p><b>Provision 6.2</b></p>

<p><b>Provision 3.3</b> While executive and non-executive directors are part of the same collegial body, they each have a specific and complementary role to play on the board.</p>	Deleted
<p><b>Guideline (1)</b> Executive directors should provide all relevant business and financial information for the board to function effectively.</p>	Provision 2.19
<p><b>Guideline (2)</b> Non-executive directors should constructively challenge and help develop strategy and key policies proposed by the executive management.</p>	Provision 2.3 Provision 2.5 Provision 2.6 Provision 6.1
<p><b>Guideline (3)</b> Non-executive directors should scrutinise the performance of the executive management in meeting agreed goals.</p>	Provision 2.12
<p><b>Provision 3.4</b> Directors cannot use the information obtained in their capacity as director for purposes other than for the exercise of their mandate.</p>	Provision 6.3
<p><b>Guideline</b> Directors have an obligation to handle the confidential information received in their capacity as director with caution.</p>	Provision 6.3
<p><b>Provision 3.5</b> Each member of the board should arrange his 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.</p>	Provisions 6.6 to 6.9: first sentence Provision 6.10: second sentence
<p><b>Provision 3.6</b> The board should establish a policy for transactions or other contractual relationships between the company, including its related companies, and its board members, which are not covered by the legal provisions on conflicts of interest. This policy should be disclosed in the CG Charter. Comments on the application of this policy should be disclosed in the CG Statement.</p>	Provision 6.9 Disclosure: second and third sentences
<p><b>Provision 3.7</b> The board shall take all necessary and useful measures for effective and efficient execution of the Belgian rules on market abuse. In this respect it should at least adhere to the</p>	Deleted (statutory provision)



provisions and guidelines laid down in Appendix B.	
<b>PRINCIPLE 4.</b> THE COMPANY SHALL HAVE A RIGOROUS AND TRANSPARENT PROCEDURE FOR THE APPOINTMENT AND EVALUATION OF THE BOARD AND ITS MEMBERS	<b>PRINCIPLE 5.</b> THE COMPANY SHALL HAVE A TRANSPARENT PROCEDURE FOR THE APPOINTMENT OF BOARD MEMBERS <b>and</b> <b>PRINCIPLE 9.</b> THE COMPANY SHALL HAVE A RIGOROUS AND TRANSPARENT PROCEDURE FOR EVALUATING ITS GOVERNANCE
<b>NOMINATION AND APPOINTMENT</b>	
<b>Provision 4.1</b> There should be a rigorous and transparent procedure for an efficient appointment and re-appointment of directors. The board should draw up nomination procedures and selection criteria for board members, including specific rules for executive and non-executive directors where appropriate.	<b>Provision 5.1</b>
<b>Provision 4.2</b> The chairman of the board or another non-executive director should lead the nomination process. The nomination committee should recommend suitable candidates to the board. The board should then make proposals for appointment or re-election to the general shareholders' meeting.	<b>Provision 5.2</b>
<b>Provision 4.3</b> For any new appointment to the board, the skills, knowledge and experience already present and those needed on the board should be evaluated and, in the light of that evaluation, a description of the role and skills, experience and knowledge needed should be prepared (also referred to as a 'profile').	<b>Provision 5.3</b>
<b>Provision 4.4</b> When dealing with a new appointment, the chairman of the board should ensure that, before considering the candidate, the board has received sufficient information such as the candidate's curriculum vitae, an assessment of the candidate based on the candidate's initial interview, a list of the positions currently held by the candidate, and, if applicable, the necessary information about the candidate's independence.	<b>Provision 5.4</b>

<p><b>Provision 4.5</b> Non-executive directors should be made aware of the extent of their duties at the time of their application, in particular as to the time commitment involved in carrying out those duties. They should not consider taking on more than five directorships in listed companies. Changes to their other relevant commitments and their new commitments outside the company should be reported to the chairman of the board as they arise.</p>	<p><b>Provision 5.5</b></p>
<p><b>Guideline</b> Non-executive directors should undertake to have sufficient time to meet what is expected of them, taking into account the number and importance of their other commitments.</p>	<p><b>Provisions 6.1 and 6.2</b></p>
<p><b>Provision 4.6</b> Any proposal for the appointment of a director by the general shareholders' meeting should be accompanied by a recommendation from the board, based on the advice of the nomination committee. This provision also applies to proposals for appointment originating from shareholders.</p> <p>The proposal should specify the proposed term of the mandate, which should not exceed four years. It should be accompanied by relevant information on the candidate's professional qualifications together with a list of the positions the candidate already holds. The board will indicate which candidates satisfy the independence criteria set out in Appendix A.</p> <p>Without prejudice to applicable legal provisions, proposals for appointment should be communicated at least 24 days before the general shareholders' meeting, together with the other points on the agenda of the general shareholders' meeting.</p>	<p><b>Provision 5.6</b></p> <p><b>Provision 5.6</b></p> <p><b>Deleted (statutory provision)</b></p>
<p><b>Provision 4.7</b> The board should appoint its chairman on the basis of his knowledge, skills, experience and mediation strength. If the board envisages appointing the former CEO as chairman, it should carefully consider the positive and negative aspects in favour of such a decision and disclose in the CG Statement why such appointment is in the best interest of the company.</p>	<p><b>Provision 5.9:</b> first sentence <b>Provision 5.8:</b> second sentence</p>

<b>PROFESSIONAL DEVELOPMENT</b>	
<b>Provision 4.8</b> The chairman should ensure that the newly appointed directors receive an appropriate induction to ensure their swift contribution to the board.	<b>Provision 5.10</b>
<b>Guideline</b> 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.	<b>Deleted</b>
<b>Provision 4.9</b> For directors joining board committees, the induction provided should encompass a description of their specific role and duties and any other information linked to the specific role of that committee.	<b>Deleted</b>
<b>Guideline</b> For new audit committee members, this programme should cover the audit committee's terms of reference and provide an overview of the company's internal control organisation and risk management systems. They should be provided, in particular, with full information on the company's specific operational, financial, accounting and auditing features. This induction should also include meeting the external auditor and the relevant company staff.	<b>Deleted</b>
<b>Provision 4.10</b> Directors should update their skills and improve their knowledge of the company to fulfil their role both on the board and on board committees.	<b>Provision 5.11</b>
<b>Guideline</b> Necessary resources should be made available to develop and update the directors' knowledge and skills.	<b>Provision 5.11</b>
<b>EVALUATION</b>	
<b>Provision 4.11</b> Under the lead of its chairman, the board should 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.	<b>Provision 9.1</b>

<p><b>Guideline (1)</b> Regular evaluation by the board of its own effectiveness should promote continuous improvement in the governance of the company.</p>	<p><b>Deleted</b></p>
<p><b>Guideline (2)</b> The evaluation process should have four objectives:</p> <ul style="list-style-type: none"> <li>- assessing how the board or the relevant committee operates;</li> <li>- checking that the important issues are suitably prepared and discussed;</li> <li>- evaluating the actual contribution of each director's work, the director's presence at board and committee meetings and his constructive involvement in discussions and decision-making; and</li> <li>- checking the board's or committee's current composition against the board's or committee's desired composition.</li> </ul>	<p><b>Provision 9.1</b> <b>Provision 9.1</b> <b>Provision 9.2</b>  <b>Provision 9.1</b></p>
<p><b>Guideline (3)</b> Although evaluation is a board responsibility, the board should be assisted in this evaluation by the nomination committee, and possibly also by external experts.</p>	<p><b>Provision 9.1</b></p>
<p><b>Provision 4.12</b> The non-executive directors should regularly (preferably once a year) assess their interaction with the executive management. In this respect, non-executive directors should meet at least once a year in the absence of the CEO and the other executive directors.</p>	<p><b>Provision 9.1: first sentence</b> <b>Provision 3.11: second sentence</b></p>
<p><b>Provision 4.13</b> There should be a periodic evaluation of the contribution of each director aimed at adapting the composition of the board to take account of changing circumstances. When dealing with re-election, the director's commitment and effectiveness should be evaluated in accordance with a pre-established and transparent procedure.</p>	<p><b>Provision 9.2</b></p>
<p><b>Guideline</b> Special attention should be given to the evaluation of the chairman of the board and the chairmen of the committees.</p>	<p><b>Deleted</b></p>

<p><b>Provision 4.14</b> The board should act on the results of the performance evaluation by recognising its strengths and addressing its weaknesses. Where appropriate, this will 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.</p>	<p><b>Provision 9.3</b></p>
<p><b>Guideline</b> The board should satisfy itself that plans are in place for the orderly succession of appointments to the board. It should satisfy itself that any appointment and re-election, whether of executive or non-exec- utive directors, will allow an appropriate balance of skills and experience to be maintained on the board.</p>	<p><b>Provision 5.12</b></p>
<p><b>Provision 4.15</b> Information on the main features of the evaluation process of the board, its committees and its individual directors should be disclosed in the CG Statement.</p>	<p><b>Disclosure</b></p>
<p><b>PRINCIPLE 5.</b> <b>THE BOARD SHALL SET UP SPECIALIZED COMMITTEES</b></p>	<p><b>PRINCIPLE 4.</b> <b>SPECIALISED COMMITTEES SHALL ASSIST THE BOARD IN THE EXECUTION OF ITS RESPONSIBILITIES</b></p>
<p><b>Provision 5.1</b> The board should set up specialised committees to analyse specific issues and advise the board on those issues. The decision-making remains within the collegial responsibility of the board. The board should determine and disclose the terms of reference of each committee in the CG Charter. It should also detail the composition and operation of each committee in the CG Statement.</p>	<p><b>Provision 4.1:</b> first and second sentences <b>Disclosure:</b> third and fourth sentences</p>
<p><b>Provision 5.2</b> The board shall set up an audit committee in accordance with the Code on Companies. It should assist the board in fulfilling its monitoring responsibilities in respect of control in the broadest sense and follow the provisions set out in Appendix C.</p>	<p><b>Provision 4.10:</b> first sentence <b>Provision 4.11:</b> second sentence</p>
<p><b>Provision 5.3</b> The board should set up a nomination committee following the provisions set out in Appendix D.</p>	<p><b>Provision 4.19</b></p>

<p><b>Provision 5.4</b> The board should set up a remuneration committee following the provisions set out in Appendix E.</p>	<p><b>Provision 4.17</b></p>
<p><b>Guideline</b> The nomination committee and the remuneration committee may be combined, provided that the combined committee satisfies the composition requirements for the remuneration committee.</p>	<p><b>Provision 4.20</b></p>
<p><b>Provision 5.5</b> The chairman of the board should ensure that the board appoints committee members and a chairman for each of those committees. Each committee is composed of at least three members. The appointments should not be for a term exceeding that of board membership.</p>	<p><b>Provision 4.3 and 4.4:</b> first sentence <b>Provision 4.3:</b> second sentence <b>Deleted:</b> third sentence</p>
<p><b>Guideline (1)</b> In deciding on the specific composition of a committee, consideration should be given to the needs and qualifications required for the optimal functioning of that committee.</p>	<p><b>Provision 4.3</b></p>
<p><b>Guideline (2)</b> Each committee may invite any non-member to attend its meetings.</p>	<p><b>Provision 4.6</b> <b>Provision 4.7</b></p>
<p><b>Provision 5.6</b> Board committees should be entitled to seek external professional advice at the company's expense after informing the chairman of the board.</p>	<p><b>Provision 4.8</b></p>
<p><b>Provision 5.7</b> After each committee meeting, the board should receive a report from each committee on its findings and recommendations.</p>	<p><b>Provision 4.9</b></p>
<p><b>PRINCIPLE 6.</b> <b>THE COMPANY SHALL DEFINE A CLEAR EXECUTIVE MANAGEMENT STRUCTURE</b></p>	<p><b>PRINCIPLE 2.</b> <b>THE BOARD AND THE EXECUTIVE MANAGEMENT SHALL REMAIN WITHIN THEIR RESPECTIVE REMITS AND INTERACT CONSTRUCTIVELY</b> <b>and</b> <b>PRINCIPLE 6.</b> <b>ALL BOARD MEMBERS SHALL DEMONSTRATE INDEPENDENCE OF MIND AND SHALL ALWAYS ACT IN WHAT THEY CONSIDER THE BEST INTEREST OF THE COMPANY</b></p>
<p><b>Provision 6.1</b> The board should determine, in close consultation with the CEO, the terms of</p>	<p><b>Provision 2.19</b> <b>Disclosure:</b> last sentence</p>

<p>reference of the executive management detailing its responsibilities, duties, powers, composition and operation. These terms should be disclosed in the CG Charter.</p>	
<p><b>Provision 6.2</b> The executive management should include, at least, all executive directors. If a management committee exists, the executive management should also include all members of that committee, irrespective of whether the committee has been established within the scope of article 524bis CoC (legal management committee). A list of the members of the executive management should be disclosed in the CG Statement.</p>	<p><b>Deleted:</b> first and second sentence <b>Disclosure:</b> last sentence</p>
<p><b>Provision 6.3</b> The nomination committee should assist the board on the nomination and succession planning of the CEO and the other members of the executive management, unless otherwise decided by the board.</p>	<p><b>Provision 4.21</b> <b>Provision 4.23</b></p>
<p><b>Provision 6.4</b> The board should empower the executive management to enable it to perform its responsibilities and duties. Taking into account the company's values, its risk appetite and key policies, the executive management should have sufficient latitude to propose and implement corporate strategy.</p>	<p><b>Deleted:</b> first sentence <b>Provision 2.21:</b> second sentence</p>
<p><b>Provision 6.5</b> The executive management should at least:</p> <ul style="list-style-type: none"> <li>- be entrusted with the running of the company;</li> <li>- put internal controls in place (i.e. systems to identify, assess, manage and monitor financial and other risks) without prejudice to the board's monitoring role, based on the framework approved by the board;</li> <li>- present to the board a complete, timely, reliable and accurate preparation of the company's financial statements, in accordance with the applicable accounting standards and policies of the company;</li> <li>- prepare the company's required disclosure of the financial statements and other material financial and non-financial information;</li> </ul>	<p><b>Provision 2.19</b></p>

<ul style="list-style-type: none"> <li>- present the board with a balanced and understandable assessment of the company's financial situation;</li> <li>- provide the board in due time with all information necessary for the board to carry out its duties;</li> <li>- be responsible and accountable to the board for the discharge of its responsibilities.</li> </ul>	
<p><b>Provision 6.6</b> Clear procedures should exist for:</p> <ul style="list-style-type: none"> <li>- proposals from the executive management for decisions to be taken by the board;</li> <li>- the decision-making by the executive management;</li> <li>- the reporting to the board of key decisions taken by the executive management;</li> <li>- the evaluation of the CEO and other members of the executive management.</li> </ul> <p>These procedures should be reviewed and adjusted, if required, to ensure the effective exercise by the board and the executive management of their respective powers and duties.</p>	<ul style="list-style-type: none"> <li>- Deleted</li> <li>- Provision 2.22</li> <li>- Provision 2.22</li> <li>- Provision 2.22</li> </ul> <p><b>Deleted:</b> last sentence</p>
<p><b>Guideline</b> The powers to represent the company solely or jointly and the extent of, and limitations on, those powers shall be clearly defined, taking into account the way in which the board has entrusted the executive management with the running of the company and the relevant provisions of the Code on Companies. All those concerned should be fully acquainted with the scope of those powers.</p>	<p><b>Deleted</b></p>
<p><b>Provision 6.7</b> Each member of the executive management should arrange his personal and business affairs so as to avoid direct and indirect conflicts of interest with the company. Transactions between the company and its executive managers should take place at arms' length.</p>	<p><b>Provision 6.11</b></p>
<p><b>Provision 6.8</b> The policy established by the board according to Provision 3.6 should also address transactions or other contractual relationships</p>	<p><b>Provision 6.11</b></p>



between the company, including its related companies, and its executive managers.	
<b>PRINCIPLE 7. THE COMPANY SHALL REMUNERATE DIRECTORS AND EXECUTIVE MANAGERS FAIRLY AND RESPONSIBLY</b>	<b>PRINCIPLE 7. THE COMPANY SHALL REMUNERATE BOARD MEMBERS AND EXECUTIVES FAIRLY AND RESPONSIBLY</b>
<b>Provision 7.1</b> Levels of remuneration should be sufficient to attract, retain and motivate directors and executive managers who have the profile determined by the board.	<b>Provision 7.1</b>
<b>Provision 7.2</b> The company should set up a remuneration report. This remuneration report should form a well defined part of the CG Statement.	<b>Deleted (statutory provision)</b>
<b>Provision 7.3</b> The company should disclose in its remuneration report: a description of its internal procedure 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.	<b>Deleted (statutory provision)</b>
<b>Provision 7.4</b> The company should also disclose in its remuneration report, a statement of the adopted remuneration policy for the executive managers. Any significant changes to this remuneration policy occurred since the end of the financial reported year should be explicitly emphasized in the remuneration report.	<b>Deleted (statutory provision)</b>
<b>Provision 7.5</b> An individual should not decide his own remuneration.	<b>Deleted</b>
<b>NON-EXECUTIVE DIRECTORS' REMUNERATION</b>	
<b>Provision 7.6</b> The remuneration of non-executive directors should take into account their role as ordinary board members, and specific roles, as chairman of the board, chairman or member of board committees, as well as their resulting responsibilities and commitment in time.	<b>Provision 7.4</b>
<b>Provision 7.7</b> 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.	<b>Provision 7.5</b>

<p><b>Provision 7.8</b> The amount of the remuneration and other benefits granted directly or indirectly to non-executive directors, by the company or its subsidiaries should be disclosed, on an individual basis, in the remuneration report.</p>	<p><b>Deleted (statutory provision)</b></p>
<p><b>EXECUTIVE DIRECTORS' &amp; EXECUTIVE MANAGERS' REMUNERATION</b></p>	
<p><b>Provision 7.9</b> The level and structure of the remuneration of executive managers should be such that qualified and expert professionals can be recruited, retained and motivated, taking into account the nature and scope of their individual responsibilities.</p>	<p><b>Provision 7.1</b></p>
<p><b>Provision 7.10</b> If an executive manager is also a member of the board, information on the amount of remuneration he receives in such capacity should be disclosed in the remuneration report.</p>	<p><b>Deleted (statutory provision)</b></p>
<p><b>Provision 7.11</b> An appropriate proportion of an executive manager's remuneration package should be 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.</p>	<p><b>Provision 7.8</b></p>
<p><b>Provision 7.12</b> 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 should be disclosed in the remuneration report. This information should be provided in such a way that it does not disclose any confidential information regarding the company's strategy.</p>	<p><b>Deleted (statutory provision)</b></p>
<p><b>Provision 7.13</b> Schemes under which executive managers are remunerated in shares, share options or any other right to acquire shares should be subject to prior shareholder approval by way of a resolution at the general shareholders' meeting. The approval should relate to the scheme itself and not to the grant of share-based benefits under the scheme to individuals.</p>	<p><b>Deleted (statutory provision)</b></p>

<p><b>Guideline</b></p> <p>As a rule, shares should not vest and options should not be exercisable within less than three years.</p>	<p><b>Provision 7.11</b></p>
<p><b>Provision 7.14</b></p> <p>The amount of the remuneration and other benefits granted directly or indirectly to the CEO, by the company or its subsidiaries should be disclosed in the remuneration report. This information should be disclosed, providing a split between:</p> <ul style="list-style-type: none"> <li>(a) basic remuneration;</li> <li>(b) variable remuneration: for all incentives indicating the form in which this variable remuneration is paid;</li> <li>(c) pension: the amounts paid during the financial reported year with an explanation of the applicable pension schemes; and</li> <li>(d) other components of the remuneration, such as the cost or monetary value of insurance coverage and fringe benefits, with an explanation of the details of the main components.</li> </ul> <p>If the company has materially deviated from its remuneration policy during the financial reported year, it should be explained in the remuneration report.</p>	<p><b>Deleted (statutory provision)</b></p>
<p><b>Provision 7.15</b></p> <p>The amount of the remuneration and other benefits granted directly or indirectly to other members of the executive management, by the company or its subsidiaries should be disclosed on a global basis, in the remuneration report. This information should be disclosed, providing a split between:</p> <ul style="list-style-type: none"> <li>(a) basic remuneration;</li> <li>(b) variable remuneration: for all incentives indicating the form in which this variable remuneration is paid;</li> <li>(c) pension: the amounts paid during the financial reported year with an explanation of the applicable pension schemes; and</li> <li>(d) other components of the remuneration, such as the cost or monetary value of insurance coverage and fringe benefits, with an explanation of the details of the main components.</li> </ul>	<p><b>Deleted (statutory provision)</b></p>

<p>If the company has materially deviated from its remuneration policy during the financial reported year, it should be explained in the remuneration report.</p>	
<p><b>Provision 7.16</b> For the CEO and the other executive managers, the remuneration report should disclose, on an individual basis, the number and key features of shares, share options or any other rights to acquire shares, granted, exercised or lapsed during the financial reported year.</p>	<p><b>Deleted (statutory provision)</b></p>
<p><b>CONTRACT OF THE CEO AND THE OTHER EXECUTIVE MANAGERS</b></p>	
<p><b>Provision 7.17</b> The board should approve the contracts for the appointment of the CEO and other executive managers further to the advice of the remuneration committee. The contracts made on or after 1 July 2009 should refer to the criteria to be taken into account when determining variable remuneration. The contract should contain specific provisions relating to early termination.</p>	<p><b>Provision 7.12:</b> first sentence <b>Deleted:</b> second sentence <b>Provision 7.12:</b> third sentence</p>
<p><b>SEVERANCE PAY</b></p>	
<p><b>Provision 7.18</b> Any contractual arrangement made with the company or its subsidiaries on or after 1 July 2009 concerning the remuneration of the CEO or any other executive manager should specify that severance pay awarded in the event of early termination should not exceed 12 months' basic and variable remuneration.</p> <p>The board may consider higher severance pay further to a recommendation by the remuneration committee. Such higher severance pay should be limited to a maximum of 18 months' basic and variable remuneration. The contract should specify when such higher severance pay may be paid. The board should justify this higher severance pay in the remuneration report.</p> <p>The contract should specify that the severance package should neither take account of variable remuneration nor exceed 12 months' basic remuneration if the departing CEO or executive manager did not meet the performance criteria referred to in the contract.</p>	<p><b>Deleted</b></p> <p><b>Deleted (statutory provision)</b></p> <p><b>Provision 7.12</b></p>

<p><b>Guideline (1)</b> Basic remuneration component should be based on the monthly remuneration paid the last month before termination. Variable remuneration component should be contractually determined. It should be based on variable compensation effectively paid during the contract. It could, for instance, refer to the previous year's variable remuneration or to the mean value of the variable remuneration paid over a specific number of previous years.</p>	<p><b>Deleted</b></p>
<p><b>Guideline (2)</b> Examples of when a higher severance pay could be paid include: departure because of a merger, a change of control or a change of strategy; existing termination rights within the company; the candidate's years of service in his previous position; necessary condition for obtaining the candidate's agreement.</p>	<p><b>Deleted</b></p>
<p><b>PRINCIPLE 8.</b> <b>THE COMPANY SHALL ENTER INTO A DIALOGUE WITH SHAREHOLDERS AND POTENTIAL SHAREHOLDERS BASED ON A MUTUAL UNDERSTANDING OF OBJECTIVES AND CONCERNS</b></p>	<p><b>PRINCIPLE 8.</b> <b>THE COMPANY SHALL TREAT ALL SHAREHOLDERS EQUALLY AND RESPECT THEIR RIGHTS</b></p>
<p><b>Provision 8.1</b> The company should treat all shareholders equally and respect their rights.</p>	<p><b>Principle 8</b></p>
<p><b>COMMUNICATION WITH SHAREHOLDERS AND POTENTIAL SHAREHOLDERS</b></p>	
<p><b>Provision 8.2</b> The company should design a disclosure and communication policy promoting an effective dialogue with shareholders and potential shareholders.</p>	<p><b>Provision 8.1</b></p>
<p><b>Provision 8.3</b> The company should ensure that all necessary facilities and information to enable shareholders to exercise their rights are available. The company should dedicate a specific section of its website to describing the shareholders' rights to participate and vote at the general shareholders' meeting. This section should also contain a timetable on periodic information and shareholders' meetings. The articles of association and the CG Charter should be available at any time.</p>	<p><b>Provision 8.2</b> : first sentence <b>Deleted (statutory provision)</b>: second and third sentences <b>Disclosure</b>: last sentence</p>

<p><b>Provision 8.4</b> The company should disclose the identity of its major shareholders in its CG Charter, together with a description of their voting rights and special control rights, and, if they act in concert, a description of the key elements of existing shareholders' agreements. The company should also disclose other direct and indirect relationships between the company and major shareholders.</p>	<p><b>Disclosure</b></p>
<p><b>GENERAL SHAREHOLDERS' MEETING</b></p>	
<p><b>Provision 8.5</b> The company should encourage the shareholders to participate in the general shareholders' meeting. The general shareholders' meeting should be used to communicate with shareholders. Those shareholders who are not present should be able to vote in absentia, such as by proxy voting.</p>	<p><b>Provision 8.3:</b> first sentence <b>Deleted:</b> second sentence <b>Deleted (statutory provision):</b> third sentence</p>
<p><b>Guideline (1)</b> The company could, in this respect, also take into account how non-resident shareholders can exercise their rights. Given the existing framework, the company should consider whether communication technology could offer solutions to some practical issues and whether an appropriate approach could be developed in this respect.</p>	<p><b>Provision 8.3</b></p>
<p><b>Guideline (2)</b> The company should discuss with financial intermediaries how to increase participation at the general shareholders' meeting.</p>	<p><b>Deleted</b></p>
<p><b>Guideline (3)</b> The company should ask institutional shareholders and their voting agencies for explanations on their voting behaviour.</p>	<p><b>Provision 8.8</b></p>
<p><b>Provision 8.6</b> The company should make the relevant information accessible through its website in advance of general shareholders' meeting.</p>	<p><b>Deleted (statutory provision)</b></p>
<p><b>Provision 8.7</b> On convening meetings, the company should provide appropriate explanations on agenda items and on resolutions put forward by the board. In addition to the formalities imposed by the Code on Companies in this respect, the company should use its website to make public</p>	<p><b>Deleted (statutory provision)</b></p>

all relevant information and documentation on the exercise of the shareholders' voting rights.	
<b>Provision 8.8</b> The level of shareholding for the submission of proposals by a shareholder to the general shareholders' meeting should not exceed 5% of the share capital.	<b>Deleted (statutory provision)</b>
<b>Provision 8.9</b> The chairman conducts the general shareholders' meeting and should take the necessary measures to ensure that any relevant questions from shareholders are answered. At the general shareholders' meeting, the directors should answer questions put to them by the shareholders on their annual report or on the items on the agenda.	<b>Provision 8.4</b>
<b>Guideline</b> Under the guidance of the chairman of the board, directors should answer such questions, insofar as the answers would not materially prejudice the company, its shareholders or its employees.	<b>Provision 8.4</b>
<b>Provision 8.10</b> The company should post the results of votes and the minutes of the general shareholders' meeting on its website as soon as possible after the meeting.	<b>Deleted (statutory provision)</b>
<b>COMPANIES WITH ONE OR MORE CONTROLLING SHAREHOLDER(S)</b>	
<b>Provision 8.11</b> For companies with one or more controlling shareholder(s), the board should endeavour to have the controlling shareholder(s) make a considered use of its/their position and respect the rights and interests of minority shareholders. The board should encourage the controlling shareholder(s) to respect this Code.	<b>Provision 8.6:</b> first sentence <b>Deleted:</b> second sentence
<b>SHAREHOLDERS</b>	
<b>Provision 8.12</b> Given the reliance on market monitoring to enforce the flexible 'comply or explain' approach of this Code, the board should take the necessary measures to encourage shareholders, and in particular institutional shareholders, to play an important role in carefully evaluating a company's corporate governance. The board should endeavour to ensure that institutional and other	<b>Provision 8.9</b>

shareholders weigh up all relevant factors drawn to their attention.	
<b>Provision 8.13</b> The board should endeavour to ensure that shareholders carefully consider the explanations given for deviating from this Code and encourage them to make reasoned judgements in each case. The board should engage in a dialogue with shareholders if those shareholders do not accept the company's position, bearing in mind in particular the company's size and complexity and the nature of the risks and challenges it faces.	<b>Provision 10.4</b>
<b>PRINCIPLE 9.</b> <b>THE COMPANY SHALL ENSURE ADEQUATE DISCLOSURE OF ITS CORPORATE GOVERNANCE</b>	<b>PRINCIPLE 10.</b> <b>THE COMPANY SHALL PUBLICLY REPORT ON THE APPLICATION OF THE CODE</b>
<b>Provision 9.1</b> The company should establish a CG Charter describing all the main aspects of its corporate governance policy, including at least the elements listed in the provisions of Appendix F, 9.1./1.	<b>Provision 1.2</b>
<b>Provision 9.2</b> The CG Charter should be updated as often as needed to reflect the company's corporate governance at any time. It should be made available on the company's website and should specify the date of the most recent update.	<b>Provision 1.2</b>
<b>Provision 9.3</b> The company should establish a CG Statement in its annual report describing all relevant corporate governance events that have taken place during the year under review. This CG Statement should be included in a specific section of the annual report and should contain at least the information listed in Appendix F, 9.3./1-2.	<b>Provision 1.3</b> <b>Partly deleted (statutory provision)</b>
<b>Provision 9.4</b> The company should state both in its CG Statement and its CG Charter that it has adopted this Code as its reference code. If the company has not complied fully with one or more provisions of this Code, it should explain its reasons for not having done so in the CG Statement ('comply or explain').	<b>Provision 10.1</b> <b>Partly deleted (statutory provision)</b>