

**APPENDIX 1 – TERMS OF REFERENCE OF THE BOARD
 OXURION NV**

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INTRODUCTION

These terms of reference are part of the CG Charter of the Company.

These terms of reference supplement the provisions relating to the Board and its members, as contained in the applicable legislation and regulations and in the articles of association of the Company.

The meaning of a number of terms used, whether capitalised or not, which have not been defined in these terms of reference are given the same meaning as in the list of terms in clause 1 of the CG Charter.

1. ONE-TIER STRUCTURE

The Company has a one-tier governance structure. This one-tier structure consists of the Board which is authorized to carry out all actions that are necessary or useful to achieve the Company’s purpose, except for those for which the general meeting is authorized by law or the Company’s articles of association.

2. COMPOSITION

2.1 Composition

- (a) The Board has a minimum of three and a maximum of twelve members. The Board must be composed of executive directors, independent directors and other non-executive directors. The actual number of members may vary depending on the needs of the Company.
- (b) A majority of the Board must comprise non-executive directors.
- (c) At least three directors must be independent directors.

The decision to appoint the independent directors must state the reasons why the director is considered independent.

Independent of the decision of the shareholders, the Board decides which non-executive directors are to be regarded as independent. In assessing independence, the criteria set out in Provision 3.5 of the CGC should be taken into account, as well as

article 7:87 of the Belgian Companies and Associations Code and any other relevant law or regulation.

Any independent director who ceases to satisfy the requirements of independence must immediately inform the Board thereof through the Chairperson.

- (d) A list of the members of the Board must be disclosed in the CG Statement. This list sets out which members are independent.
- (e) The Board ensures that processes are in place for the orderly and timely succession of Board members. It satisfies itself that any appointment and re-appointment will allow an appropriate balance of skills, knowledge, experience and diversity to be maintained on the Board and its Committees.
- (f) The Board should ensure that, when considering nominating the former CEO as a Board member, the necessary safeguards are in place so that the new CEO has the required autonomy.

2.2 Appointment

- (a) The members of the Board are appointed by the general meeting. If a position of director becomes vacant, the remaining Board members may provisionally fill the vacancy, as set out in article 7:88 of the Belgian Companies and Associations Code.
- (b) The Nomination and Remuneration Committee recommends one or several candidates, to fill any vacant director mandate, taking into account the needs of the Company and following the appointment procedure set out in the Terms of Reference of the Nomination and Remuneration Committee and the selection criteria drawn up by the Board for that purpose.
- (c) The Board then makes proposals for appointment or re-election to the general shareholders' meeting. The appointment proposal put to the general shareholders' meeting includes a recommendation from the Board. Any proposal specifies the proposed term of the mandate and includes 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 as set out in Provision 3.5 of the CGC. (This provision also applies to proposals for appointments originating from shareholders.)
- (d) The Board has a composition appropriate to the Company's purpose, its operations, phase of development, structure of ownership and other specifics. The composition of the Board is determined so as to gather sufficient expertise in the Company's areas of activity as well as sufficient diversity of skills, background, age and gender.
- (e) Members of the Board are appointed for a period not exceeding four years.

3. POWERS OF THE BOARD

3.1 Role

The Board pursues sustainable value creation by the Company, by setting the Company's strategy, putting place effective, responsible and ethical leadership and monitoring the Company's performance.

In order to effectively pursue such sustainable value creation, the Board develops an inclusive approach that balances the legitimate interests and expectations of shareholders and other stakeholders.

The Board supports the Executive Team in the fulfilment of their duties and constructively challenges the Executive Team whenever appropriate.

The Board members are available to give advice, also outside Board meetings.

The Board functions as a collegial body.

3.2 Duties

In this respect, the main duties of the Board are as follows:

- The Board decides on and regularly reviews the Company's medium and long-term strategy based on the proposals from Executive Management.
- The Board ensures that it approves the operational plans and main policies developed by the Executive Team to give effect to the approved Company strategy.
- The Board ensures that the Company's culture is supportive of the realization of its strategy and promotes responsible and ethical behaviour.
- The Board determines the risk appetite of the Company in order to achieve the Company's strategic objectives.
- The Board approves a framework of internal control and risk management, proposed by the Executive Team. It reviews the implementation of the framework, taking into account the evaluation made by the Audit Committee. The Board will also describe the main features of these internal control and risk management systems of the Company and disclose them in the CG Statement.
- The Board takes all necessary measures to ensure the integrity and timely disclosure of the Company's financial statements and other material financial and non-financial information in accordance with applicable law.
- The Board ensures that the Company presents an integrated view of the Company's performance in its annual report and that it contains sufficient information on issues of societal concern and the relevant environmental and social indicators.
- The Board ensures that there is a process in place for monitoring the Company's compliance with laws and other regulations, as well as for the application of internal guidelines relating thereto.
- The Board also appoints and dismisses the members of the Executive Team, in consultation with the CEO, and taking into account the need for a balanced Executive Team. The Board determines the powers and duties entrusted to the Executive Team and develops a clear delegation policy.
- The Board approves the main terms and conditions of the contracts of the CEO and other executives further to the advice of the Nomination and Remuneration Committee.
- The Board satisfies itself that there is a succession plan in place for the CEO and the other members of the Executive Team, and reviews this plan periodically.
- The Board reviews the Executive Team's performance and the realisation of the Company's strategic objectives annually against agreed performance measures and targets.

- The Board selects the External Auditor on recommendation of the Audit Committee and supervises its performance and is responsible for monitoring the Internal Auditor, taking into account the review made by the Audit Committee.
- The Board is responsible for the Corporate Governance structure of the Company and compliance with the CGC provisions and monitoring thereof.
- The Board ensures an effective dialogue with shareholders and potential shareholders through appropriate investor relation programmes, in order to achieve a better understanding of their objectives and concerns. Feedback of such dialogue should be given to the Board, on at least an annual basis.
- The Board encourages shareholders, and in particular, institutional investors, to communicate their evaluation of the Company's corporate governance prior to the general shareholders' meetings and at least through participation in the general shareholders' meeting.

When performing its duties, the Board must act in accordance with the interests of the Company.

4. OPERATION OF THE BOARD

4.1 Meetings of the Board

- (a) In principle, the Board meets every three months or as many times as is deemed necessary or advisable by one or several members of the Board for the proper functioning of the Board.

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

- (b) The non-executive directors must meet at least once a year without the CEO and the other executive directors being present.
- (c) Board meetings must be convened in the manner set forth in the Company's articles of association.
- (d) Except where urgent issues have arisen (as determined by the Chairperson of the Board), the agenda of the meeting will be sent to all members of the Board at least two working days prior to the meeting. Every agenda item is accompanied by as much written information as possible and any relevant documents are appended. The agenda items state whether they will be discussed for information, deliberation or decision making purposes.
- (e) Board meetings are chaired by the Chairperson of the Board. In the absence of the Chairperson of the Board, the meeting is chaired by another Board member designated by a majority of the votes cast by the Board members present or represented at the meeting.
- (f) Each member of the Board is entitled to have another member of the Board represent him or her by proxy. The powers of attorney must be submitted to the Chairperson of the Board, or in his or her absence to the members of the Board present at the meeting.
- (g) No individual or group of directors dominates the board's decision-making.
- (h) Without prejudice to the provisions of the articles of association of the Company, the members of the Board present or represented at the meeting decide by majority vote on

the admission to the meeting of persons other than the members of the Board and the Secretary of the Company or his or her substitute.

- (i) The Secretary of the Company, or another person designated by the Chairperson, draws up minutes of the deliberations of a meeting of the Board. The minutes must sum up the discussions, specify the decisions taken and state any reservations voiced by directors. The names of the interveners are only be recorded if specifically requested by them. The minutes are approved by the Board in the same or at the next meeting.

4.2 Committees

With a view to the efficient performance or its duties and responsibilities, the Board has set up specialised Committees in order to advise the Board in respect of decisions to be taken, to give comfort to the Board that certain issues have adequately been addressed and, if necessary, to bring specific issues to the attention of the Board. Strategy formulation is not referred to a permanent committee.

These Committees merely have an advisory role, the actual decision-making remains with the Board, which remains collegially responsible.

The Board must pay particular attention to the composition of each of the Committees. It must ensure that in appointing the members of each Committee each Committee, as a whole, has a balanced composition and has the necessary independence, skills, knowledge, experience and capacity to execute its duties effectively.

The Board ensures that a chairperson is appointed for each Committee.

Each Committee meet sufficiently regularly to execute its duties effectively. Members of the Executive Team may be invited to attend Committee meetings to provide relevant information and insights into their areas of responsibility. Each Committee is entitled to meet with any relevant person without any executive being present.

After each Committee meeting, the Board receives a written report on its findings and recommendations (“minutes”) from each committee and oral feedback from each committee at the next Board meeting.

The Board determines the terms of reference for the Committees. The Board also specifies the composition and operation of each Committee in the CG Statement.

Regardless of the right to set up other Committees, the Board has set up an Audit Committee and a Nomination and Remuneration Committee, of which the composition, the role, the tasks, the duties and the operations are set out in the relevant terms of reference (see, respectively, [Appendix 4](#) and [5](#)).

The Company has an Executive Team, of which the composition, the role, the tasks, the duties and the operations are set out in the relevant terms of reference (see [Appendix 2](#)).

4.3 Secretary of the Company

The Board must appoint a Company Secretary, who assists the Board, the Chairperson, the Committee chairmen, the Executive Team and the members of the Board in the performance of their duties. The Board oversees that the person appointed as the Company Secretary has the necessary skills and knowledge of corporate governance matters.

All individual Board members have access to the Company Secretary.

The role of the Company Secretary includes:

- The Secretary of the Company supports the Board and its Committees on all governance matters and assists the Chairperson of the Board in the organisation of matters relating to the Board and its Committees (preparing meetings, reporting on meetings, information, etc.).
- The Secretary of the Company prepares the CG Charter and the CG Statement.
- The Secretary ensures a good information flow within the Board and its Committees and between the Executive Team and the non-executive directors. The Secretary facilitates the initial induction and assists with professional development as required.
- The Secretary reports regularly to the Board, under the direction of the Chairperson of the Board, on how procedures, rules and regulations of the Board are being followed and complied with.
- The Secretary ensures that the essence of discussions and decisions at Board meetings are accurately captured in the minutes.

The Secretary of the Company may delegate his or her duties arising under the CG Charter, or parts thereof, to a substitute appointed by him or her following consultation with the Chairperson of the Board.

5. CHAIRPERSON OF THE BOARD

5.1 Appointment

The Board appoints one of its members as Chairperson of the Board. The Chairperson and the CEO are not the same individual. There is a clear division of responsibilities between the Chairperson and the CEO.

The Board appoints its Chairperson on the basis of his or her knowledge, skills, experience and mediation strengths. The Chairperson is a person trusted for their professionalism, independence of mind, coaching capabilities, ability to build consensus and, communication and meeting management skills.

If the Board envisages appointing the former CEO as Chairperson, it must 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.

5.2 Role of the Chairperson

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

The Chairperson must take the necessary measures to develop a climate of trust within the Board allowing for open discussions and constructive challenge. The Chairperson ensures that there is sufficient time for consideration and discussion before decision-making. Once decisions are taken, all directors should be supportive of their execution.

5.3 Duties of the Chairperson

Within the Board, the Chairperson is primarily responsible for:

- setting the agenda of the Board meetings, after consultation with the CEO and the Company Secretary. The agenda specifies which topics are for information, for deliberation or for decision-making purposes;
- ensuring that procedures relating to preparatory work, deliberations, passing of resolutions and implementation of decisions are properly complied with;
- ensuring, assisted by the Company Secretary, that the directors receive accurate, concise, timely and clear information before the meetings and, where necessary, between meetings, and that all directors receive the same information so that they can make a knowledgeable and informed contribution to Board discussions. All Board members receive the same Board information;
- chairing the meetings of the Board and ensuring that the Board operates and takes decisions as a collegial body;
- ensuring a regular assessment of the corporate structure and the corporate governance of the Company and assessing whether their operation is satisfactory;
- being accessible to the Executive Team and the head of the internal audit and compliance function(s) to discuss issues relating to the management of the Company.

The Board may decide to entrust the Chairperson of the Board with additional responsibilities. In any event, the Chairperson of the Board has a permanent invitation to attend the meetings of any Committee. However, the Chairperson of the Board may not attend the meetings of the Nomination and Remuneration Committee during which his own reappointment or removal is discussed or during which his remuneration is discussed.

With regard to shareholders and third parties, the Chairperson is mainly responsible for:

- ensuring effective communication with shareholders and that Board members develop and maintain an understanding of the views of the shareholders and other significant stakeholders;
- chairing the general meeting and ensuring that relevant questions from shareholders are answered;
- upon request of the Board, representing the Company at meetings with analysts, professional organisations, socio-economic groups, the government, etc.

6. PROFESSIONAL DEVELOPMENT OF THE BOARD

6.1 Training and professional development

- (a) Newly appointed directors receive an appropriate induction, geared to their role, including an update on the legal and regulatory environment, to ensure their capacity to swiftly contribute to the Board. The purpose of the induction process is:
 - (i) to help the new directors grasp the fundamentals of the Company, including its governance, strategy, key policies, financial and business challenges;
 - (ii) to advise the new directors on their rights and duties as directors.
- (b) The directors are individually responsible for developing and updating the knowledge and qualifications that are required to perform their duties in the Board and in the

Committees of which they are members. For that purpose, the Company makes the necessary (financial) resources available.

6.2 Advice

Board members and members of Committee are entitled to seek independent professional advice, at the Company's expense, about issues that fall within their powers, having first obtained the permission of the Chairperson of the Board.

6.3 Evaluation

- (a) The Board is responsible for a periodic assessment of its own effectiveness with a view to ensuring continuous improvement in the governance of the Company.
 - (i) The Board assesses at least every three years its own performance and its interaction with the Executive Team, as well as its size, composition, functioning and that of its Committees. The evaluation is carried out through a formal process, whether or not externally facilitated, in accordance with a methodology approved by the Board

At the end of each Board member's term, the Nomination and Remuneration Committee evaluates this Board member's presence at the Board or Committee meetings, their commitment and their constructive involvement in discussions and decision-making in accordance with a pre-established and transparent procedure. The Nomination and Remuneration Committee should also assess whether the contribution of each Board member is adapted to changing circumstances.

The Board acts on the results of the performance evaluation. Where appropriate, this will involve proposing new Board members for appointment, proposing not to re-appoint existing Board members or taking any measure deemed appropriate for the effective operation of the Board.

- (b) In order to make a periodic individual evaluation possible, the directors must give their full assistance to the Nomination and Remuneration Committee and any other persons, whether internal or external to the Company, entrusted with the evaluation of the directors.
- (c) The non-executive directors must assess their interaction with the Executive Team annually.
- (d) The CG Statement discloses information on the main features of the evaluation process of the Board, its committees and its individual directors.

7. REMUNERATION POLICY

The Nomination and Remuneration Committee, set up by the Board, is responsible for outlining a remuneration policy for the executive and non-executive directors, taking into account the overall remuneration framework of the Company.

The Company's current remuneration policy for the executive and non-executive directors is set out in Appendix 5.

8. CODE OF CONDUCT

(a) This code of conduct sets out the expectations for the Company's leadership and employees in terms of responsible and ethical behaviour. The Board monitors compliance with the code of conduct at least on an annual basis. The code of conduct also applies to the Secretary of the Company.

(b) All Board members uphold the highest standards of integrity and probity.

All Board members shall demonstrate independence of mind and shall always act in the best interests of the Company. Each member of the Board must also comply with the policy relating to transactions and other contractual relationships between the Company and its Board members, as included in Appendix 3.

(c) Integrity and independence of mind

(i) Board members engage actively in their duties and should be able to make their own sound, objective and independent judgements when discharging their responsibilities. Acting with independence of mind includes developing a personal conviction and having the courage to act accordingly by assessing and challenging the views of other Board members, by interrogating the executives when appropriate in the light of the issues and risks involved, and by being able to resist group pressure.

(ii) Board members make sure they receive detailed and accurate information and should spend sufficient time studying it carefully so as to acquire and maintain a clear understanding of the key issues relevant to the Company's business. Board members seek clarification whenever they deem it necessary.

(iii) Board members do not use the information obtained in their capacity as a Board member for purposes other than for the exercise of their mandate. Board members handle the confidential information received in their capacity as a Board member with utmost care.

(iv) Board members communicate to the Board any information in their possession that could be relevant to the Board's decision-making. In the case of sensitive or confidential information, Board members should consult the Chairperson.

(d) Conflict of Interest

(i) Each Board member place the Company's interests above their own. The Board members have the duty to look after the interests of all shareholders on an equivalent basis. Each Board member act according to the principles of reasonableness and fairness.

(ii) Each Board member informs the Board of any conflict of interests that could in their opinion affect their capacity of judgement. In particular, at the beginning of each Board or Committee meeting, Board members declare whether they have any conflict of interests regarding the items on the agenda.

(iii) Each Board member is, in particular, attentive to conflicts of interests that may arise between the Company, its Board members, its significant or controlling shareholder(s) and other shareholders. The Board members who are proposed by significant or controlling shareholder(s) should ensure that the interests and

intentions of these shareholder(s) are sufficiently clear and communicated to the Bard in a timely manner.

- (iv) The Board acts in such a manner that a conflict of interests, or the appearance of such a conflict, is avoided. In the possible case of a conflict of interests, the Board, under the lead of its Chairperson, decides which procedure it will follow to protect the interests of the Company and all its shareholders, and also taking into account the applicable provision of the Belgian Companies and Associations Code. In the next annual report, the Board explains why they chose this procedure. However, where there is a substantial conflict of interests, the Board carefully considers communicating as soon as possible on the procedure followed, the most important considerations and the conclusions.
- (v) When the Board takes a decision, Board members disregard their personal interests. They do not use business opportunities intended for the Company for their own benefit.
- (vi) If article 7:96 of the Belgian Companies and Associations is applicable, the Board member involved must abstain from participating in the deliberations and the voting regarding the agenda items affected by such conflict of interest.