

APPENDIX 1 – TERMS OF REFERENCE OF THE BOARD
THROMBOGENICS 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 article 1 of the CG Charter.

1. COMPOSITION

1.1 Composition

- (a) The Board has 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) At least half the Board must comprise non-executive directors.¹
- (c) At least three directors must be independent directors.²

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 Appendix A of the CGC should be taken into account, as well as article 526ter of the Belgian Companies Code and any other relevant law or regulation.³

Any independent director who ceases to satisfy the requirements of independence must immediately inform the Board.⁴

- (d) A list of the members of the Board must be disclosed in the CG Statement. This list sets out which members are independent.⁵

1.2 Appointment

- (e) 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 519 of the Belgian Companies Code.
- (f) 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. The Board should then make proposals for appointment or re-election to the general shareholders' meeting⁶.

¹ Provision 2.3 CGC

² Provision 2.3 CGC

³ Provision 2.3 CGC

⁴ Provision 2.4 CGC

⁵ Provision 2.4 CGC

⁶ Provision 4.2 CGC

- (g) The composition of the Board is determined based on gender diversity (in particular taking into account article 518bis BCC), diversity in general and complementary skills, experience and knowledge.⁷
- (h) Members of the Board are appointed for a period not exceeding four years.⁸

2. POWERS OF THE BOARD

2.1 Role

The Board is entrusted with the management of the Company with a view to ensuring the long-term success of the Company by providing entrepreneurial leadership and at the same time assessing and managing the risks of the Company.⁹

The Board accounts to the general meeting in this respect.¹⁰ The Board fosters an effective dialogue with the shareholders and potential shareholders, based on a mutual understanding of the objectives and concerns.¹¹

The responsibility for the management of the Company rests with the Board as a collegial body.¹²

2.2 Duties

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

- The Board decides on the Company's strategy, its risk appetite, its values and key policies.¹³
- The Board ensures that the necessary leadership and financial and human resources are in place for the Company to meet its objectives.¹⁴
- When translating values and strategies into the key policies, the Board must pay attention to corporate social responsibility, gender diversity (taking into account article 518bis BCC) and diversity in general.¹⁵
- The Board approves a framework of internal control and risk management, set up by the Executive Team. Such a framework must 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. 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.¹⁶
- The Board reviews the effectiveness of the Board's committees.¹⁷
- The Board decides on the structure of the Executive Team of the Company, determines its powers and duties and reviews the Executive Team's performance.¹⁸

⁷ Provision 2.1 CGC and article 518bis BCC

⁸ Provision 4.6 CGC

⁹ Provision 1.1 CGC

¹⁰ Provision 1.8 CGC

¹¹ Provision 1.7 CGC

¹² Provision 1.1 CGC

¹³ Provision 1.2 CGC

¹⁴ Provision 1.2 CGC

¹⁵ Provision 1.2 CGC

¹⁶ Provision 1.3 CGC

¹⁷ Provision 1.3 CGC

¹⁸ Provision 1.3 CGC and 1.4 CGC

- The Board is responsible for the quality and completeness of the disclosed financial notices. In particular the Board ensures the integrity and the timely disclosure of the financial statements and other material financial and non-financial information disclosed to the shareholders and potential shareholders.

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.¹⁹

- The Board is responsible for the Corporate Governance structure of the Company and compliance with the CGC provisions.
- The Board ensures that the Company's obligations to its shareholders are met, taking into account the interests of any parties having an interest in the Company.²⁰
- The Board decides on the agreements for the appointment of the CEO and other members of the Management Team, upon recommendation of the Nomination and Remuneration Committee. Such agreements explicitly refer to the criteria to be taken into account when determining variable remuneration and include specific provisions on the early termination of the agreement.²¹

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

3. OPERATION OF THE BOARD

3.1 Meetings of the Board

- (i) 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 percentage attendance records of directors are disclosed in the CG Statement.²²

- (j) The non-executive directors must meet at least once a year without the CEO and the other executive directors.²³
- (k) Board meetings must be convened in the manner laid down in the Company's articles of association.

Except where urgent issues have arisen, 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 should state whether they will be discussed for information, deliberation or decision making purposes.²⁴

- (l) Board meetings are chaired by the Chairman of the Board. In the absence of the Chairman of the Board, the meeting is chaired by another Board member designated by

¹⁹ Provision 1.3 CGC

²⁰ Provision 1.8 CGC

²¹ Art. 7.17 CGC

²² Provision 2.7 CGC

²³ Provision 4.12 CGC

²⁴ Provision 2.6 CGC

a majority of the votes cast by the Board members present or represented at the meeting.²⁵

- (m) Each member of the Board is entitled to have another member of the Board represent him or her by proxy.²⁶ The powers of attorney must be submitted to the Chairman of the Board, or in his or her absence to the members of the Board present at the meeting.
- (n) No individual or group of directors should dominate the board's decision-making. No one individual should have unfettered powers of decision-making²⁷.
- (o) 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.
- (p) The Secretary of the Company, or another person designated by the chairman of the meeting, 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.²⁸ The minutes are approved by the Board in the same or at the next meeting.

3.2 Committees

With a view to the efficient performance of its duties and responsibilities, the Board has set up specialised Committees to analyse specific issues and advise the Board on those issues.²⁹ Regardless of the right to set up other Committees, the Board has set up an Audit Committee and a Nomination and Remuneration Committee.³⁰

These Committees merely have an advisory role, the actual decision-making remains with the Board, which remains collegially responsible.³¹

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, consideration is given to the specific knowledge and qualifications required for the optimal functioning of that Committee.³²

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.³³

No executive committee referred to in article 524bis of the Belgian Company Code was established. However, 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](#)).

²⁵ Art. 16 and 17 of the Company's articles of association

²⁶ Art. 18 of the Company's articles of association

²⁷ Provision 2.2 CGC

²⁸ Provision 2.9 CGC

²⁹ Provision 5.1 CGC

³⁰ Provision 5.2, 5.3 and 5.4 CGC

³¹ Provision 5.1 CGC

³² Provision 5.5 CGC

³³ Provision 5.1 CGC

3.3 Secretary of the Company

The Board must appoint a Company Secretary, who assists the Board, the Chairman, the Committee chairmen, the Executive Team and the members of the Board in the performance of their duties. All Board members have access to the Secretary of the Company for advice and services.³⁴

The Secretary must ensure that the corporate bodies of the Company comply with the laws and with the articles of association, the CG Charter and the terms of reference of the Company. The Secretary reports to the Board.³⁵

The Secretary of the Company assists the Chairman of the Board and the chairmen of the Committees in the organisation of matters relating to the Board and its Committees (preparing meetings, reporting on meetings, information, etc.).

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.³⁶

The Secretary reports regularly to the Board, under the direction of the Chairman of the Board, on how procedures, rules and regulations of the Board are being followed and complied with.³⁷

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 Chairman of the Board.

4. CHAIRMAN OF THE BOARD

4.1 Appointment

The Board appoints one of its members as Chairman of the Board.

The Board appoints its chairman on the basis of his or her knowledge, skills, experience and mediation strengths. If the Board envisages appointing the former CEO as chairman, 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.³⁸

4.2 Role of the Chairman

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

The Chairman must take the necessary measures to develop a climate of trust within the Board which promotes open discussion, constructive dissent and support for the Board's decisions.³⁹

4.3 The Office of the Chairman

The Chairman should promote effective interaction between the Board and the Executive Team. He or she should establish a close relationship with the CEO, providing support and advice, while fully respecting the executive responsibilities of the CEO.⁴⁰

³⁴ Provision 2.9 CGC

³⁵ Provision 2.9 CGC

³⁶ Guideline 2.9 CGC

³⁷ Guideline 2.9 CGC

³⁸ Provision 4.7 CGC

³⁹ Provision 2.4 CGC

⁴⁰ Provision 1.6 CGC

In this view, meetings are set up, in principle every two weeks, between the Chairman and the CEO and CFO during which the latter update the Chairman on material evolutions and relevant information to enable the Chairman to carry out his duties and set the agenda for the Board meetings. The agenda and minutes of these meetings are archived under the heading “Global Oversight Committee meetings”.

4.3.1 Composition

- (a) The Office of the Chairman includes (i) the Chairman of ThromboGenics NV, the CEO and CFO.
- (b) The Office is chaired by the Chairman of the Company.

4.3.2 The role and duties of the Office

The Office of the Chairman will discuss and prepare for approval of the Board proposals related to all important strategic, operational and financial issues within the ThromboGenics Group. It will ensure the consistency of all policies and procedures within ThromboGenics and all its subsidiaries in particular the fast growing US subsidiary and it will contribute to the cohesion of the decision making process within the Group.

Following items, amongst others, will be reviewed in a systematic manner and will require a visa by the Office of the Chairman before formal execution or transfer to the board:

- Major strategic alliances: in-and out licensing or M&A activities
- All issues related to the IP position of the Group
- All HR matters related to senior positions
- All major developments in Finance (capital operations, shareholder evolutions, ...)

This Committee will make formal minutes which will be attached to the board package and will be sent to the full board of ThromboGenics on a quarterly basis and discussed during these board meetings. The above matters must be finally approved by the Board.

4.3.3 Meetings and decision making

- (a) The Office of the Chairman meets every two weeks or whenever a meeting is required for a proper operation.
- (b) In principle, meetings of the Office are convened by the Chairman.
- (c) Members of the Office may attend a meeting in person or by conference call.
- (d) Decisions must be taken by full consensus.
- (e) The CFO will serve as secretary of the Office.

4.3.4 Reporting to the Board

The secretary must draw up a minutes of the resolutions of the meetings and provide these to all members of the Committee as soon as possible after the meeting. On a quarterly basis the minutes of the GOC will be shared with all members of the Board.

4.4 Duties of the Chairman

Within the Board, the Chairman is primarily responsible for:

- setting the agenda of the Board meetings, after consultation with the CEO;⁴¹
- ensuring that procedures relating to preparatory work, deliberations, passing of resolutions and implementation of decisions are properly complied with;⁴²
- ensuring that the directors receive accurate, timely and clear information before the meetings and, where necessary, between meetings, and that all directors receive the same information;⁴³
- 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;
- ensuring that newly appointed directors receive an appropriate induction;⁴⁴
- leading the nomination process of directors⁴⁵, in consultation with the Nomination and Remuneration Committee, and ensuring that the Board appoints Committee members and chairmen;⁴⁶
- leading the self-evaluation process of the Board and its Committees with respect to their size, composition and performance;⁴⁷
- being accessible to the Executive Team and the head of the internal audit function to discuss issues relating to the management of the Company.

The Board may decide to entrust the Chairman of the Board with additional responsibilities. In any event, the Chairman of the Board has a permanent invitation to attend the meetings of any Committee. However, the Chairman 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 Chairman is mainly responsible for:

- chairing the general meeting and ensuring that relevant questions from shareholders are answered;⁴⁸
- upon request of the Board, representing the Company at meetings with analysts, professional organisations, socio-economic groups, the government, etc.

⁴¹ Provision 2.6 CGC

⁴² Provision 2.6 CGC

⁴³ Provision 2.7 CGC

⁴⁴ Provision 4.8 CGC

⁴⁵ Provision 4.2 CGC

⁴⁶ Provision 5.5 CGC

⁴⁷ Art. 4.11 CGC

⁴⁸ Provision 8.10 CGC

5. PROFESSIONAL DEVELOPMENT OF THE BOARD

5.1 Training and professional development

- (q) Newly appointed directors should receive an appropriate induction after joining the Board.⁴⁹ 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;⁵⁰
 - (ii) to advise the new directors on their rights and duties as directors.

If a newly appointed director is also a member of a Committee, the induction will include a description of the operation and objectives of that Committee, including a description of the specific role and duties of the Committee.⁵¹

The Chairman of the Board prepares a general induction programme with the help of the Secretary of the Company. The purpose of this programme is to provide each new director with a general induction, as stated above, to ensure their early contribution to the Board.⁵²

- (r) 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.⁵³

5.2 Advice

Directors are entitled to seek external professional advice, at the Company's expense, about issues that fall within their powers⁵⁴, having first obtained the permission of the Chairman of the Board.

5.3 Evaluation

- (s) 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.⁵⁵

In this respect, every three years, under the lead of its Chairman, the Board must assess the size, composition, operation of the Board and its Committees and the interaction with the Executive Team. This evaluation has four objectives:

- (i) assessing the operation of the Board and the Committees;
- (ii) verifying whether the important issues are thoroughly prepared and discussed;
- (iii) evaluating the actual contribution of each director to the operation of the Board, his or her attendance at the Board and Committee meetings and his or her constructive involvement in discussions and decision-making;

⁴⁹ Provision 4.8 CGC

⁵⁰ Provision 4.8 CGC

⁵¹ Provision 4.9 CGC

⁵² Provision 4.8 CGC

⁵³ Provision 4.10 CGC

⁵⁴ Provision 2.7 CGC

⁵⁵ Provision 4.11 CGC

- (iv) verifying the current composition of the Board and its Committees against their desired composition.⁵⁶

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.⁵⁷

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.⁵⁸

- (t) 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.⁵⁹
- (u) The non-executive directors must assess their interaction with the Executive Team annually.⁶⁰
- (v) The CG Statement discloses information on the main features of the evaluation process of the Board, its committees and its individual directors.⁶¹

6. 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.

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

7. CODE OF CONDUCT

- (w) Each member of the Board of the Company is expected to perform his or her duties in an honest, ethical and justified manner.

The first priority of all directors is to protect the interests of the Company. Independence of judgement is required in the decisions of all directors, executive and non-executive alike, irrespective of whether they are independent.⁶²

- (x) All members of the Board are expected to commit themselves appropriately to the performance of their duties.

The directors must ensure that they receive detailed and accurate information, which they must study carefully so as to acquire and maintain a strong command of the key issues relating to the Company's business. They seek clarification whenever they deem it necessary.⁶³

⁵⁶ Provision 4.11 CGC

⁵⁷ Provision 4.13 CGC

⁵⁸ Provision 4.14 CGC

⁵⁹ Provision 4.11 CGC

⁶⁰ Provision 4.12 CGC

⁶¹ Provision 4.15 CGC

⁶² Provision 3.1 CGC

⁶³ Provision 3.2 CGC

- (y) Each member of the Board undertakes, both during his or her membership of the Board and afterwards, not to disclose to anyone in any manner any confidential information relating to the business of the Company or companies in which the Company has an interest that came to his or her knowledge within the normal scope of his or her activities for the Company and that he or she knows is, or should know is, confidential, unless he or she has a legal obligation to disclose that information.

However, a member of the Board may disclose the information described above to staff members of the Company, or of companies in which the Company has an interest, who need to be informed of such information in view of their activities for the Company or for the companies in which the Company has an interest.

No member of the Board may use the information described above to his or her own advantage.⁶⁴

- (z) Each member of the Board undertakes not to develop, either directly or indirectly, during the term of his or her mandate, any activities nor perform any actions that conflict with the activities of the Company or its subsidiaries. In this respect, the directors must abstain from the following actions in all territories where the Company operates:
- attempting to encourage staff members of the Company or its subsidiaries to terminate their relationship with the Company or its subsidiaries;
 - attempting to encourage a buyer, customer, supplier, agent, franchisee, network supplier or any other contracting party to terminate a relationship with the Company or its subsidiaries or to change the terms of any such relationship in a way that is detrimental to the Company or its subsidiaries.
- (aa) Each member of the Board must comply with the policy relating to transactions and other contractual relationships between the Company and its Board members, as included in [Appendix 3](#).
- (bb) The above code of conduct also applies to the Secretary of the Company

⁶⁴ Provision 3.4 CGC