

IBA
CORPORATE GOVERNANCE CHARTER

1. FOREWORD

This Corporate Governance Charter (hereafter, the “**Charter**”) has been endorsed by IBA’s Board of Directors (hereafter, the “**Board**”) during its meeting held on 18 December 2020. It aims at providing information on the capital, governance and management structure of the Group and may be updated as necessary from time to time. The Charter is also closely interlinked with the **Board Governance Statement** signed by all Board members on 18 December 2020. Both documents are published on IBA’s website.

In accordance with section 3:6, §2, *in fine*, of the Belgian Companies and Associations’ Code (hereafter, the “**BCAC**”), IBA’s Corporate Governance Code of reference is the Belgian Corporate Governance Code 2020 (hereafter, the “**2020 Code**”). The 2020 Code is available on the Belgian Corporate Governance Committee’s website (<https://www.corporategovernancecommittee.be>).

The principles of corporate governance contained in the 2020 Code correspond to the generally accepted standards of governance. However, compliance with some of those principles may not be suitable in specific circumstances. IBA generally adheres to the 2020 Code, and where it deviates from it, IBA explains the reasons for it in this Charter.

Information contained in this Charter is supplemented by periodical, governance-related information contained in our Annual Reports, more specifically, in two regulated sections of our Annual Reports, being respectively (1) the Corporate Governance Statement and (2) the Non-Financial Report. Our Annual Reports are available on our website, at www.iba-group.com.

2. WHO WE ARE & HOW WE WORK | OUR MISSION & OUR VALUES

IBA SA (hereafter, “**IBA**” or the “**Company**”) has been founded in Belgium in 1986 and is nowadays the proud holding company of a reputable group in several subsidiaries and branches worldwide (hereafter or above, the “**IBA Group**” or the “**Group**”). IBA is registered under company number 0428.750.985 and is headquartered in 1348 Louvain-la-Neuve, Chemin du Cyclotron 3.

At IBA, we acknowledge the value of corporate governance principles. We believe that our governance structure must be clear, agile, and transparent.

Our history is driven by innovation, patient care, and commitment. Such history has inevitably coloured both our shareholding & governance structure, and we are proud to present it in this Charter.

As a company, we are firmly committed to operating our business in a responsible, ethical and sustainable manner. We have a strong Belgian foothold but an as strong consciousness of the broader World we are living in. We cherish and have a responsibility to all our stakeholders and have anchored this stakeholder approach in our Articles of Association (Articles 3 and 10).

Our mission (*to Protect, Enhance and Save lives*) and our values (*Care, Dare, Share & Be Fair*) drive the way we are structured, as a Company and as a Group, as well as the way we interact with our stakeholders.

Our values are not mere words; they are implemented in different ways that benefit each of our stakeholders. Endorsing this Charter is one of those ways.



3. CAPITAL STRUCTURE

3.1. Shares and share capital

IBA is a listed company in the meaning of section 1:11 of the BCAC. Its shares are traded on the regulated market Euronext Brussels under the ISIN code IBAB BE0003766806.

IBA shares have been admitted to trading on Euronext Brussels.

IBA's share capital is divided into ordinary shares, each incorporating equal rights.

IBA shares do not bear a nominal value. Each share represents the same portion of the share capital.

Each share conveys one voting right but registered shares that have been registered under the name of the same shareholder for at least two uninterrupted years, convey multiple voting rights, under the conditions laid down in the BCAC and the Company's articles of association (hereafter, the "**AoA**").

IBA shares are either registered shares or dematerialised shares. Each shareholder has the right to request the conversion of its shares into the other form.

IBA may also issue other types of securities, such as bonds, convertible bonds, and subscription rights. The Annual Report sets out the number of convertible bonds and subscription rights (i.e. stock options) outstanding at the end of each financial year. The number of outstanding convertible bonds and subscription rights is also disclosed with each notification we publish pursuant to section 15 of the Act of 2 May 2007 relating to the disclosure of large shareholdings (i.e. denominator's notifications) (hereafter, the "**Transparency Act**").

3.2. Shareholding structure

IBA has maintained its anchorage in Belgium since its inception in particular through its shareholder base.

IBA's shareholding structure may be checked at any time based on the so-called "transparency notifications" we receive from our Shareholders pursuant to section 6 of the Transparency Act and which we publish on our website. Pursuant to applicable transparency regulation and our AoA indeed, any Shareholder crossing certain thresholds (upwards or downwards) in terms of percentage of voting rights issued and outstanding at all times, must notify its crossing to us (at shareholderrelations@iba-group.com) and to the Belgian Financial Services and Market Authority (hereafter, the "FSMA"). Applicable thresholds are laid down in our AoA (currently under article 35).

Based on the most recent transparency notifications we receive, we publish an update of our shareholding structure on our website (at <https://iba-worldwide.com/investor-relations/legal>) on a regular basis, as well as the allocation of the corresponding voting rights.

IBA's reference shareholder is Sustainable Anchorage SA, a privately owned, non-listed Belgian company. Its shareholding is composed of a number of (former and current) IBA managers and employees and their heirs.

IBA is not aware of any voting or similar agreements in force among its shareholders.

3.3. General Meeting of Shareholders

All shareholders form together the Company's general meeting of shareholders (hereafter and above, the "General Meeting").

The General Meeting gathers at least once a year at the date set out in the AoA (hereafter, the "AGM" or the "Annual General Meeting").

In addition to the AGM, the General Meeting may be convened by the Board or the External Auditor at any other time. It may also be convened at the request of shareholder(s) representing at least 10% of the Company's share capital. Furthermore, shareholder(s) representing at least 3% of the Company's share capital may request to add an item to the agenda of an already convened General Meeting, or to add new voting proposals, in accordance with applicable legal rules.

We make sure to facilitate the participation of our shareholders to General Meetings by carefully reminding all admission formalities in the convening notices and by providing both (a) voting forms and (b) proxy forms, to our shareholders. All forms, reports and other documents relating to a specific General Meeting are made freely available on our website one month in advance and stay on our website afterwards.

Detailed procedures applicable to the holding of General Meetings are set out in our AoA (currently under Title IV) and in the BCAC (currently in sections 7:123 and following).

3.4. Dividend policy

IBA's financial year begins on 1 January and ends on 31 December.

The annual accounts presented by the Board to the Annual General Meeting for approval include the proposed allocation of the results, which can consist, as the case may be, in a dividend distribution.

Pursuant to the BCAC, 5% of the year's result must be allocated to a non-distributable reserve booked in the equity section of the balance sheet, until such reserve has reached 10% of the share capital. The remainder of the net profits can be distributed to the shareholders, subject to a double test, i.e. a liquidity test and an equity test, in accordance with the BCAC.

Pursuant to our AoA, the Board is also authorised to distribute interim dividends in accordance with applicable legal provisions.

The Board supports a dividend policy favouring long-term development. The standard dividend pay-out policy is 30% of net profit.

3.5. Communication with our Shareholders and other Stakeholders

We communicate with our shareholders mainly through our website, where we post all information we deem to be of interest to all our stakeholders, including convening notices to the General Meetings, periodical financial results, regulated information (such as denominator's notifications pursuant to section 15 of the Transparency Act and notifications of threshold's crossing pursuant to section 14 of the Transparency Act), as well as updates on our business activities and social events.

For the sake of clarity, regulated information is gathered and made available in an investors-dedicated section of our website at <https://iba-worldwide.com/investor-relations/legal>.

Our website also offers the possibility to register to our latest news, in order to receive email notifications concerning information on various topics.

Our Chief Financial Officer (hereafter, the "CFO") acts as primary point of contact for our shareholders and can be reached at shareholderrelations@iba-group.com. The CFO and the Chief Executive Officer (hereafter, the "CEO") organise investors' conferences and presentations on a regular basis.

4. MANAGEMENT STRUCTURE AND GOVERNANCE

4.1. One-tier Board, Committees and Management Team

IBA has opted for a one-tier structure and is, as such, administered by the Board. We deem that this structure is the one that best fits our size, needs, and culture.

Among its members, the Board has created several specialised committees, in accordance with the BCAC and the 2020 Code. Governance rules applicable to such committees are defined further in this Charter (section 4.4).

The day-to-day management of the Company and the authority to represent the Company in such matters has been delegated to each of the Managing Directors (*administrateurs délégués*), being currently Mr. Olivier Legrain, CEO, and Mr. Yves Jongen, Chief Research Officer (hereafter, the "CRO").

The CEO is primarily responsible for implementing the Group strategy defined by the Board. In this task, the CEO is assisted by a management team consisting of:

- the CRO;
- the CFO; and
- the Chief Human Resources and Sustainability Officer.

Together with the CEO, they form the Group Management Team (hereafter, the “**Management Team**” or the “**MT**”). Governance rules applicable to the MT and its interaction with the Board are defined further in this Charter (section 4.2).

4.2. The Management Team

4.2.1. Composition

Members of the MT are appointed and dismissed by the Board, taking into account the need for a balanced executive team. The CEO is appointed by the Board

The MT is currently composed of the CEO, the CFO, the CRO and the Chief Human Resources and Sustainability Officer (CHRSO). The Board monitors the diversity of the MT composition.

4.2.2. Role & Responsibilities of the MT

The Board determines the powers and responsibilities of the MT.

Without being exhaustive, the role and responsibilities of the MT are listed in the 202 Code and comprise mainly running the day-to-day operations of the Company, each member of the MT in his/her own specific area of competence and in compliance with the core values, strategic objectives, policies and budgets approved by the Board;

4.2.3. Interaction with the Board

The CEO and the CFO make regular reports to the Board.

The Board has also asked the MT to report to the Board on two specific topics:

- defining and implementing the strategic plan; and
- defining and implementing the annual budget.

4.2.4. Remuneration policy of the MT

The Board assesses the MT’s performance and the realisation of the Company’s strategic objectives annually in comparison to agreed targets and Key Performance Indicators.

Those targets and Key Performance Indicators are defined at the end of each financial year for the next financial year and are subject to review at any time.

The Board defines the main terms and conditions of the agreements entered into with the CEO and the other executive Board members and members of the MT, upon the Remuneration Committee’s advice. The Board includes in those contracts the appropriate provisions enabling the Company to recover (or to withhold the payment of) their variable remuneration as well as specific provisions governing early termination of their contract.

4.3. The Board

4.3.1. Composition

The composition and size of the Board is consistent with IBA's purpose and mission (as defined in the AoA), its shareholding structure and its history. The Board evaluates its own structure and policies on a regular basis (at least every three year but, in practice, more frequently), *inter alia* in terms of size, skills, diversity, allocation of roles and responsibilities, and way of working.

Pursuant to the AoA (currently article 11), the Board is composed of minimum three (as per law) and maximum twelve Directors. As per law, Directors are appointed and dismissed by the General Meeting.

Diversity in terms of field of expertise, age, and gender among the Directors is carefully monitored.

The Board is composed of a majority of non-executive members and a suitable number of independent directors (at least three at all times) (hereafter, the "**Independent Directors**"). The (nine) criteria defining the "*independence*" of the Independent Directors are laid down in provision 3.5 of the 2020 Code. IBA's independent Directors comply with this definition.

The AoA (currently under article 12) define a precise equilibrium that the composition of the Board must reflect at all times.

4.3.2. Role & Responsibilities of the Board

As per law, the Board has the authority to carry out all actions that are necessary or useful to achieve IBA's purpose as described in the AoA, except for those actions requiring the General Meeting's approval.

The AoA do not provide for any restriction to the authority of the Board as defined by the BCAC.

In practice, the Board's main responsibilities include:

- The definition of the long-term strategy of IBA, including its core values, policies (such as the risk management policies and the internal governance policies), and strategic objectives (including in terms of geographical presence, major partnerships, acquisitions and divestments); this responsibility is not delegated to a specialised Board committee and at least one annual Board meeting is fully dedicated to defining the Company strategy
- The definition of product and sustainability strategy through dedicated Board meetings
- The monitoring and evaluation of IBA's performance in respect of its strategic objectives;
- The determination of the composition of the MT and the Board Committees and the holding of regular dialogues and interactions with the same;
- The monitoring and evaluation of the MT and Board Committees' members;
- The submitting of the annual and consolidated accounts to the General Meeting;
- The approval of stock option plans and share award programs for employees; and
- The representation of the Company vis-à-vis third parties and the delegation of authority in this respect.

The Board acts as a corporate body and takes collective responsibility for the performance of its mandate.

In carrying out its duties, the Board is expected, pursuant to article 10 of the AoA, to take into account *inter alia* the social, financial, legal, and ethical consequences of their decision on the patients, the

clients, the shareholders, the employees, the region in which activities are conducted, the local and global environment, as well as the short- and long-term interests of the Company.

As far as the representation of the Company is concerned, pursuant to article 21 of the AoA, the Company is also validly represented by any two Board members acting jointly or, within the framework of the daily management, by each Managing Director (*administrateur délégué*) acting individually.

Furthermore, pursuant to a decision of the Board published in the Annexes to the Belgian State Gazette on 11 May 2018, the Managing Directors (*administrateurs délégués*) have been granted, each individually, the authority to represent the Company in specific transactions listed in such publication up to 75 million euros.

Pursuant to a decision of the Board published in the Annexes to the Belgian State Gazette on 31 January 2019, the CFO has been granted the authority to represent the Company in all tax matters as detailed in such publication.

4.3.3. Qualities of the Board members

At IBA, Board members are expected to meet the highest standards in terms of professionalism, ethics, and independence of mind. They comply with the provisions of the 2020 Code in this respect.

Board members are also expected to watch out for potential conflict of interests that may arise between the Company, its directors, its major shareholders, and the other shareholders.

4.3.4. Appointment of the Board members

Board members are appointed and dismissed by the General Meeting at the simple majority of the votes. The General Meeting also determines whether their mandate is remunerated. The General Meeting is also responsible to grant them discharge for the carrying out of their mandate during the financial year, at the Annual General Meeting, after the approval of the annual accounts.

The process for the appointment of the Board members is set out in article 12 of the AoA and can be summarised as follows.

Proposals on the appointment of the **Internal Directors** are presented by the Managing Directors (*administrateurs délégués*) to the Board for it to submit their names to the General Meeting.

Proposals on the appointment of the **Independent Directors** and the **Other Directors** are presented by the Nomination Committee to the Board for it to submit their names to the General Meeting.

Regarding the appointment of the **Independent Directors** more specifically:

- should the Board present to the General Meeting any candidate-Independent Director who does not meet all or part of the criteria listed in provision 3.5 of the 2020 Code, the Board shall explain the reasons for it to deem that such candidate is nonetheless “independent” in the meaning of section 7:87, §1, of the BCAC; and
- the name of the candidates presented by the Board (whether for first appointment or renewal) is submitted to the Works Council prior to their appointment (or renewal) by the General Meeting.

Each appointment proposal must furthermore:

- contain all pieces of information regarding the proposed candidate(s) enabling to assess the merits of his/her profile and to control that the equilibrium defined in the AoA (and summarised above in this Charter) is abided by; and
- indicate whether the candidate must be deemed to be an “Independent Director”, an “Internal Director” or a director “related, directly or indirectly to a shareholder” within the meaning of article 12 of the AoA.

In case of vacancy, the Board has the authority to co-opt a new Board member while complying with the equilibrium defined in article 12 of the AoA and summarised above in this Charter. The first ensuing General Meeting shall confirm the mandate of the co-opted Board member.

4.3.5. Remuneration policy for executive and non-executive Board members

The Board is responsible for defining the remuneration policy applicable to executive and non-executive Board members, taking into account the general compensation framework applicable within the Company. The remuneration policy is enacted by the Board based on the Remuneration Committee’s advice

The remuneration policy is subject to the General Meeting’s approval.

The remuneration of the **non-executive Board members** takes into account their role, responsibilities and dedicated time as director and, as the case may be, as Chairman of the Board or as member or chairman of a Committee. Furthermore, non-executive Board members are not entitled to any remuneration linked to the results of the Company, nor to any stock options.

The 2020 Code (provision 7.6) recommends that a portion of the **non-executive Board members’** remuneration consist of shares (which they are expected to keep for at least one year after the term of their mandate and at least three years as from granting). However, IBA is not in a position to comply with this recommendation. As explained in our Annual Reports, national law applicable to some of our non-executive Board members prohibits them from receiving part of their remuneration under the form of shares of the Company. As long as such national laws are in force and applicable to some of our non-executive Board members, we will not be able to comply with this recommendation.

The remuneration policy applicable to **executive Board members** and **members of the MT** describes the various components of their remuneration and ensures an equilibrium between fixed and variable remuneration and between immediate and deferred remuneration.

Criteria applicable to the allocation of a variable remuneration attributable to an executive member of the Board are determined in the contract governing the relationship between the Company and such executive Board member and the actual allocation of such variable remuneration may not take place if those criteria have not been met over the period at stake.

Furthermore, variable remuneration attributable to the **executive Board members and members of the MT** is structured with a view to align their interests with the Company’s objective of creating long-term and sustainable value and is, as such, linked not only to their individual achievements but also to the general performance of the Company.

Should the Company grant a short-term variable remuneration to Board members or members of the MT, such remuneration must be capped.

Pursuant to article 15 of the AoA, the Company may deviate from section 7:91, indents 1 and 2, of the BCAC, as permitted by such legal provision. More specifically:

- Section 7:91, indent 1, of the BCAC, provides that shares, stock options (or other rights to acquire shares) attributed to Board members as part of their remuneration may not be vested (i.e. definitively acquired) or exercised prior to a three year-term following their attribution.
- Section 7:91, indent 2, of the BCAC, provides that at least 25% of the variable remuneration of an executive Board member must be based on pre-determined and measurable targets over a period of at least two years and that another 25% of said variable remuneration must be based on pre-determined and measurable targets over a period of at least three years, it being understood that such limits do not apply if the variable remuneration does not exceed 25% of the total annual remuneration.

At IBA, the current remuneration policy does deviate from the rules set out in section 7:91 of the BCAC. The policy and reasons for deviation are explained in the policy as published in the Remuneration Report.

If an agreement is in force between the Company and an executive Board member, a Managing Director (*administrateur délégué*), or a member of the MT, providing for a **termination-of-service allowance** exceeding 12 months of remuneration, such provision must be approved by the General Meeting. If it exceeds 18 months, the General Meeting may only approve it based on the reasoned opinion and assent of the Remuneration Committee.

Termination-of-service allowances applicable to Board members are disclosed in the Remuneration Report.

As per law (currently section 7:92 of the BCAC), **Independent Directors** are not entitled to any variable remuneration and variable remuneration attributable to the other non-executive Board members is subject to the prior approval of the General Meeting.

The total amount paid by IBA to its Board members over the financial period is published in its Annual Report.

4.3.6. Chairman of the Board

The Chairman and, as the case may be, the deputy Chairman, is appointed by and among the Board members. The Board has currently not elected any permanent deputy Chairman.

The Chairman may not be the CEO and a clear separation between their respective role and responsibilities is in place. The Chairman is elected based on his/her professionalism, independence of mind, coaching capabilities, ability to build consensus, communication skills, and ability to conduct the Board meetings.

Furthermore, pursuant to article 14 of the AoA, unless unanimous consent of the Board, the Chairman and the deputy Chairman may not be one of the directors defined in article 12, paragraph 1, point (d), of the AoA, i.e. a director presented by, or appointed following the decisive vote of, an institutional investor (or a group of institutional investors).

Pursuant to the AoA (currently article 26), the Chairman also chairs the General Meeting.

4.3.7. Secretary of the Board

The Board appoints and dismisses the Secretary.

The current Secretary of the Board is the Chief Legal Officer, who also acts as Compliance Officer.

The Secretary is responsible for the tasks as described in the 2020 Code:

4.3.8. Board meetings

The Board meets as frequently as required by the Company's interest. It is convened at the request of at least two members.

In practice, the Board meets at least five times a year.

Furthermore, the Board holds an annual meeting during which, on the basis of recommendations made by the CEO, it evaluates IBA's strategies and competitive positions and validates the strategies to be further implemented by and under the supervision of the CEO.

In order to enhance the frequency of the meetings of the Board and to enable that decisions are taken in a timely manner, the AoA have explicitly authorised the Board members to participate to the meetings by conference call or video-conference, as well as by granting a proxy to another Board member. As per law, unanimous written decisions are also allowed.

As per law, the Board is a collegial body. As such, the decision-making process within the Board is not monopolised by any Board member or group of Board members. It also means that, once enacted, a decision of the Board is supported and implemented by all Board members.

Non-executive Board members meet at least once a year without the CEO and the other executive Board members being present.

The agenda of each Board meeting convened explicitly states whether the item is subject to a presentation and discussion only or to a deliberation and decision.

The Board always acts to prevent any conflict of interests or even the mere perception of a conflict of interests. If and when such a conflict arises, the Board determines the appropriate procedure to be followed to safeguard the Company's interests and those of all its shareholders.

At the beginning of each Board meeting, each Board member discloses, at the case may be, any potential conflict of interests likely to affect his/her decision.

When resolving on any item on the agenda of a Board meeting, Board members do not favour their personal interest and do not take advantage of any business opportunity to the detriment of the Company.

4.4. The Board's Committees

4.4.1. Types of Committees

Pursuant to article 20 of the AoA, the Board creates among its members the specialised Committees that are required by law.

Besides the legally required Committees, IBA's Board may create specialised Committees on a need basis from time to time. Such Committees can be permanent or *ad hoc*, according to the Company's needs. Their composition and their permanent or *ad hoc* nature is reviewed on a regular basis to adapt and fit the Company's requirements.

The members of the various Committees are appointed by the Board among its members. They are evaluated on a regular basis by the Board.

4.4.2. Structure and role of the Committees

Specialised Committees created within the Board are carefully composed of the proper competences targeted to the subject matter falling within their respective field of responsibilities. The Board sees to it that their composition reflects the right equilibrium of competences, experience, and expertise.

The Audit Committee, the Remuneration Committee and the Nomination Committee are composed of at least three Board members and each committee has a chair.

Specialised Committees meet as frequently as needed and, as the case may be, by conference call or video conference.

At the beginning of each meeting of a Committee, each of its members discloses, at the case may be, any potential conflict of interests likely to affect his/her opinion.

When resolving on any item on the agenda of a Committee's meeting, its members do not favour their personal interest and do not take advantage of any business opportunity to the detriment of the Company.

4.4.3. Nomination Committee

(a) Composition

Pursuant to article 12 of the AoA, IBA's Nomination Committee is composed of five Board members, among which (a) three Internal Directors and (b) two Independent Directors. Furthermore, none of the members of the Nomination Committee may be one of the directors defined in article 12, paragraph 1, point (d), of the AoA, i.e. a director presented by, or appointed following the decisive vote of, an institutional investor (or a group of institutional investors), unless such director is an Internal Director at the same time.

The Nomination Committee is chaired by the Chairman of the Board.

Currently, IBA deviates from provision 4.19 of the 2020 Code, which states that the Nomination Committee should be composed of a majority of non-executive and Independent Directors.

IBA's Nomination Committee is indeed composed of a majority of non-executive Directors but not of a majority of Independent Directors.

The reason for such deviation is explained in the 2019 Annual Report.

The Nomination Committee and the Remuneration Committee may be combined. This is not the case at IBA.

(b) Role and responsibilities

The Nomination Committee's main role and responsibilities include in addition to those listed in the 2020 Code:

- Reviewing the competences and qualifications requirements for the selection and appointment of Board members;
- Determining and implementing the succession program for Board members, members of the MT and the Chairman of the Board;
- Assisting the Board in the assessment of its members and of the members of the MT.

The Nomination Committee meets as frequently as necessary at the request of its chairman, or of another of its members, or of the CEO.

4.4.4. Remuneration Committee

(a) Composition

The Remuneration Committee is composed exclusively of non-executive Directors and of a majority of Independent Directors. The chairman of the Remuneration Committee can be the Chairman of the Board or another non-executive member of the Board. In practice at IBA, the Remuneration Committee is composed of four Board members and is chaired by the Chairman of the Board.

The main representative of, respectively, the executive Board members, the members of the MT and the Managing Directors (*administrateurs délégués*) attends the meeting of the Remuneration Committee as well – although in an advisory capacity only (i.e. without any voting right) – when such Committee is called to deliberate upon the remuneration of, respectively, the executive Board members, the members of the MT or the Managing Directors.

(b) Role and responsibilities

The Remuneration Committee's main role is to define appropriate remuneration policies applicable to executive and non-executive Board members and to members of the MT.

The role and responsibilities of the Remuneration Committee are detailed in the BCAC

The Remuneration Committee also makes suggestions to the Board on the annual evaluation of the executive Directors and members of the MT based on pre-agreed Key Performance Indicators and targets.

The Remuneration Committee meets as frequently as required to fulfil its duties and at least twice a year. In practice, IBA's Remuneration Committees usually meets three times a year

The Remuneration Committees reports regularly to the Board on its activities and communicates the Remuneration Report to the Works Council.

4.4.5. Audit committee

(a) Composition

The Audit Committee is composed exclusively of non-executive members of the Board and comprises at least one Independent Director and at least one member having the required qualifications in accounting and audit. The chairman of the Audit Committee is elected by and among its members. In practice at IBA, the Audit Committee is composed of three Board members and is chaired by an Independent Director elected for his/her qualifications in accounting and audit.

(b) Role and responsibilities

The role and responsibilities of the Audit Committee are detailed in the BCAC

Furthermore, the Audit Committee ensures that a specific procedure is in place enabling staff members to report their concerns relating to the accuracy of financial or other information regarding the Company on a confidential basis. The Audit Committees follows up on such concerns, as the case may be.

The Audit Committee meets as frequently as required to fulfil its duties and at least four times a year

The Audit Committees reports regularly to the Board on its activities and at least when the Board prepares the annual and consolidated accounts, or the periodical financial information to be published.

5. EXTERNAL AUDIT & SUPERVISION

As a Euronext listed company incorporated in Belgium, IBA is under the supervision of the Belgian Financial Services and Markets Authority (the “FSMA”; <https://www.fsma.be/en>).

IBA’s financial statements are also subject to annual audit by an External Auditor whose mission, scope of powers, appointment, term of mandate, renewal of mandate, remuneration and conditions for potential early termination of mandate are strictly governed by the BCAC.

The appointment and remuneration of the External Auditor are a prerogative of the General Meeting, who is provided with the External Auditor’s annual report together with the annual and consolidated financial statements, ahead of the Annual General Meeting.

The External Auditor reports independently to the Audit Committee and is in regular contact with the CFO.

6. COMPLIANCE OFFICER

The Board has appointed a Compliance Officer whose main role and responsibilities are:

- To receive and handle any concern raised by shareholders or other stakeholders in relation to the governance of the Company or other compliance-related matters;
- To monitor the implementation of the rules applicable to listed companies in Belgium; and
- To make suggestions and to report to the Board in all matters relating to compliance with applicable law and regulation.

The Compliance Officer may be reached at legalcompliance@iba-group.com.

The current Compliance Officer is the Chief Legal Officer.

7. BUSINESS CONDUCT AND ETHICS

The Board has enacted two specific codes of conduct and is responsible for their compliance by their respective addressees, i.e.:

- a Code of Business Conduct; and
- a Dealing Code.

7.1. Code of Business Conduct

The **Code of Business Conduct** is targeted primarily to employees in the broadest sense (for whom certification is a condition of employment at IBA) but also to our suppliers and service providers. It goes without saying that it also applies to Board members.

The Code of Business Conduct sets forth the fundamental ethics principles for conducting business and serves as a guide for employees and others who act on our behalf. Its purpose is to help each of us make the best possible decision when confronted with ethical or legal dilemmas, such as conflict of interests, confidentiality, and antitrust.

It is appended to this Charter as Appendix 1 and is available on our website.

7.2. Dealing Code

The **Dealing Code** is addressed to employees, management and Board members and must be signed by them. It is also applicable to all consultants and advisers of IBA. It contains guidelines and policies aiming to prevent insider dealing and market abuse behaviours.

Whenever an employee has a question or concern in relation to the rules set forth in the Dealing Code, (s)he can direct his/her query to the Chief Legal Officer, who is the primary point of contact for all questions relating to market abuse regulation in relation to IBA.

The Dealing Code is appended to this Charter as Appendix 2 and is available on our website.

8. APPENDICES

8.1. IBA's Code of Business Conduct

8.2. IBA's Dealing Code
