

# BIO GOVERNANCE CHARTER

## 1. Introduction

This Governance Charter (the “**Charter**”) was adopted by the Board of Directors (the “**Board**”) of the Belgian Investment Company for Developing Countries SA/NV (“**BIO**”) on 26 January 2023. It aims at providing an overview of BIO’s governance and can be reviewed and updated from time to time.

## 2. BIO’s legal and regulatory framework

BIO was incorporated on 8 December 2001 pursuant to the law of 3 November 2001 relating to the incorporation of the Belgian Investment Company for Developing Countries (the “**Law**”) by the Belgian State and the Belgian Corporation for International Investment (*Société Belge d’Investissement International SA/Belgische Maatschappij voor Internationale Investerings NV*). Since 2014, the Belgian State is BIO’s sole shareholder.

The following key rules and regulations are applicable to BIO and its activities:

- the Law, which sets out the key provisions relating to, *inter alia*, BIO’s Board, its purpose, the key principles pursuant to which it conducts its activities, the management contract to be entered into with the Belgian State, the administrative supervision it is subject to, its auditors, its reporting requirements and its financing;
- the Companies and Associations Code, to the extent the Law does not deviate therefrom (article 4 of the Law);
- the law of 19 March 2013 relating to the Belgian Development Cooperation;
- the management contract between BIO and the Belgian State (the “**Management Contract**”) that determines the specific rules and conditions pursuant to which BIO carries out its purpose (article 4*bis* of the Law) and contains provisions that complement the Law;
- BIO’s by-laws (*statuts/statute*), as updated from time to time (“**By-laws**”).

As a limited company under public law, BIO is subject to many administrative legal provisions, such as the law of 22 May 2003 on State budget and accounting and public procurement laws.

BIO is required to set up and implement policies and procedures with respect to its investments in accordance with the law of 18 September 2017 on the prevention of money laundering and terrorist financing and on the restriction of use of cash (article 39 of the Management Contract).

BIO must also ensure that its investments comply with the laws of the countries in which it invests.

### 3. BIO's mission, values and purpose

#### 3.1. *Mission*

BIO's mission is to support a strong private sector in developing and emerging countries, to enable them to gain access to growth and sustainable development within the framework of the Sustainable Development Goals. As part of the Belgian Development Cooperation, BIO plays an important role in the Belgian Government's development programme for the private sector.

#### 3.2. *Values*

BIO's core values are:

- **Responsibility**
- **Open-mindedness**
- **Sustainability**
- **Determination**

They form the foundation on which BIO carries out its mission and conducts its activities.

#### 3.3. *Purpose (article 3 of the Law)*

BIO's purpose is to invest in eligible enterprises in BIO's intervention countries, as defined in the Law and the Management Contract, whereby it must comply with the following principles:

- BIO must seek to achieve a **positive development impact**;
- BIO must contribute to **sustainable productive employment**, which respects the fundamental social rights as defined by the ILO;
- BIO must seek to achieve an acceptable level of **profitability**;
- BIO's interventions must be **additional**;
- BIO's interventions are **untied** to Belgian interests;
- BIO promotes **gender equality** and has developed a gender strategy which it applies to its investments ([https://www.bio-invest.be/files/BIO-invest/Our-Impact/Gender/GenderStrategy\\_LR.pdf](https://www.bio-invest.be/files/BIO-invest/Our-Impact/Gender/GenderStrategy_LR.pdf)).

BIO conducts its activities in accordance with the investment strategy approved by the Board ([https://www.bio-invest.be/files/BIO-invest/How-we-invest/Revised-Investment-strategy-2019-2023\\_VF-EN.pdf](https://www.bio-invest.be/files/BIO-invest/How-we-invest/Revised-Investment-strategy-2019-2023_VF-EN.pdf)) and according to a well-defined investment process, ensuring an efficient, rigorous and fair treatment of investment proposals.

Based on this investment strategy, BIO developed a Theory of Change (ToC) ([https://www.bio-invest.be/files/BIO-invest/Our-Impact/ToC/ToC\\_Digital\\_V3c.pdf](https://www.bio-invest.be/files/BIO-invest/Our-Impact/ToC/ToC_Digital_V3c.pdf)) that provides a comprehensive description of BIO's contribution to the Sustainable Development Goals (SDGs).

For each investment project, BIO measures the expected and actual development contribution through a set of tools that are part of BIO development Assessment, Monitoring and Evaluation (AME)

framework. This framework is aligned with BIO’s ToC and provides the evidence-based support to manage development effectiveness of BIO’s investment projects and portfolio, in line with the Operating Principles for Impact Management ([https://www.bio-invest.be/files/BIO-invest/Our-Impact/OPIM/BIO\\_OPIM\\_Disclosure\\_2021.pdf](https://www.bio-invest.be/files/BIO-invest/Our-Impact/OPIM/BIO_OPIM_Disclosure_2021.pdf)).

BIO complies with its **E&S Policy** ([https://www.bio-invest.be/files/BIO-invest/Our-Impact/ES/BIO-ES-Policy\\_BOD-approved-27.11-2018\\_V3.pdf](https://www.bio-invest.be/files/BIO-invest/Our-Impact/ES/BIO-ES-Policy_BOD-approved-27.11-2018_V3.pdf)) which is part of BIO’s overall sustainability framework and focuses on the assessment and continuous improvement of BIO’s investees’ environmental and social performance based on international standards.

**4. BIO’s corporate structure and financing**

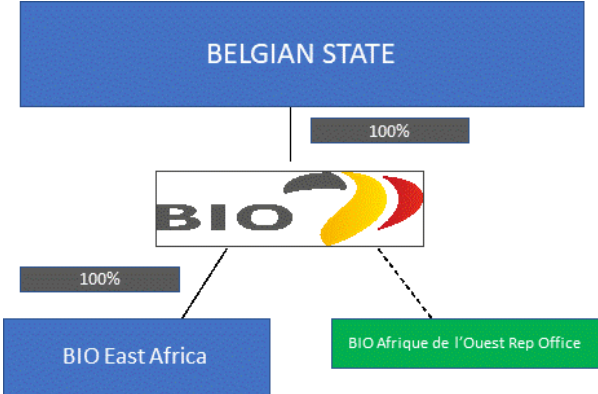
*BIO corporate structure*

BIO was incorporated on 8 December 2001 as a limited company under public law (*société anonyme de droit public/naamloze vennootschap van publiek recht*). Its registered office is in Brussels. BIO employs approximately 80 people.

BIO is wholly owned directly by the Belgian State.

BIO has one wholly owned subsidiary incorporated in Kenya, Belgian Investment Company for Developing Countries East Africa Limited, which supports BIO in the development of its activities in the East African Region. This subsidiary counts two employees.

BIO also has one representative office in Ivory Coast, which is not a separate legal entity, and which supports the development of BIO’s activities in the West African region. BIO employs two persons in Abidjan.



## *BIO's financing*

BIO's equity is composed of share capital, represented by shares that are held by the Belgian State. BIO has also issued beneficiary shares (*parts bénéficiaires/winstbewijzen*) called "development certificates" to the Belgian State, which have voting rights in the General Assembly, as provided in the By-laws. A detail of BIO's equity structure is provided in **Annex 1 (BIO's Equity Structure)**. These development certificates constitute BIO's main source of financing and are subject to a return expectation as provided in the Law and agreed with the Belgian State (article 9 §1, 2° and §2 of the Law).

BIO further receives capital subsidies from the Belgian State, which allow BIO to make investments that are highly relevant from a developmental perspective, but where the expected return is lower either because such investments represent a higher risk, or because of their cost structure. Any losses incurred by BIO on these investments do not adversely affect its balance sheet (article 9 §1, 3° and article 9 §4 of the law). The use of capital subsidies for investments is subject to a number of requirements in terms of, *inter alia*, eligible investees and investment amount (article 20 of the Management Contract).

The Belgian State also provides subsidies to BIO to allow BIO to support its investees by (co)funding technical assistance programs and other forms of investment support (article 9 §1, 4° and § 5 of the Law).

BIO can receive third party funding to develop activities within its mandate. BIO has successfully undergone the so-called "Pillar Assessment" required by the European Union to ensure participating organisations meet certain standards. As a result, BIO is authorised to manage EU funds.

## **5. BIO's governance structure**

### *5.1. The General Assembly*

The General Assembly is BIO's supreme decision-making body, composed of BIO's sole shareholder and holder of development certificates, the Belgian State.

The General Assembly has the competencies attributed to it pursuant to the Law, the Companies and Associations Code and the By-laws, including the approval of the annual accounts, the appointment of the Auditor to be appointed among the members of the Institute of Company Auditors (article 5*bis* of the Law), the approval of amendments to BIO's by-laws, etc.

Within the General Assembly, the Belgian State is represented by the member of government competent for Development Cooperation (article 2, last limb of the Law).

### *5.2. The Board*

BIO operates under the overall responsibility of the Board, BIO's principle governing body. It performs all actions required to fulfil the BIO's corporate purpose, except in matters that are expressly reserved for the General Assembly by law or pursuant to the By-laws (article 7:93 of the Belgian Companies and Associations Code).

The rules governing the Board, its composition, its role and duties, the way it operates the code of conduct its members are subject to and the rules governing conflicts of interest are detailed in **Annex 2 (Standing Rules of the Board of Directors)**.

### 5.3. The Board Committees

In the performance of its duties, the Board is assisted by:

- the Investment Committee;
- the Audit Committee; and
- the Human Resources Committee.

The Board Committees are advisory committees composed exclusively of members of the Board, except for the Investment Committee that also includes an external expert. Within their area of competence, they prepare the work for the Board and make recommendations for approval by the Board.

The rules detailing the composition of the Board Committees, their roles and duties and the way they operate are set out in **Annex 3 (Standing Rules of the Investment Committee), Annex 4 (Standing Rules of the Audit Committee) and Annex 5 (Standing Rules of the Human Resources Committee)**.

### 5.4. Delegated authorities

#### (a) The CEO and the Executive Committee

The CEO is appointed by the Board and is entrusted with BIO's daily management (*afgevaardigde voor het dagelijks bestuur/délégué à la gestion journalière*). They have the authority to represent BIO within the limits of the daily management.

The CEO leads the organisation and is responsible for the implementation of the strategies and priorities defined by the Board. The CEO is BIO's main representative vis-à-vis its stakeholders.

The CEO chairs the Executive Committee, composed of the Chief Investment Officer, the Chief Financial Officer and the Chief Legal Officer, who each head their respective department and assist the CEO in the performance of his duties.

#### (b) The Internal Review Committee

The Board has approved a limited delegation of certain well-defined investment decisions to the Internal Review Committee, an internal committee chaired by the Chief Investment Officer.

The rules detailing the composition of the Internal Review Committee, its roles and duties and the way it operates are set out in **Annex 6 (Standing Rules of the Internal Review Committee)**.

(c) Approvals for subsidies

The Board has delegated the approval of subsidies for technical assistance and feasibility studies to the CEO in accordance with the procedure detailed in **Annex 7 (Procedure for the approval of subsidies)**.

(d) Representation of BIO

In accordance with the By-laws, as a general rule BIO is validly represented by two (2) Directors, acting jointly. In addition, within the limits of the daily management, BIO is validly represented by the CEO (article 22, first and second limbs of the By-laws).

The Board has approved specific signature delegations for certain well-defined deeds and actions in accordance with article 22, last limb of the By-laws. These delegations are updated from time to time.

*5.5. Administrative supervision: Government Commissioners*

Having regard to BIO's public status, the significant public funding it receives and the importance of its activities from a public policy position, it is subject to the supervision by the Minister of Development Cooperation and the Minister of Budget. This supervision is performed through the intervention of two (2) Government Commissioners appointed by Ministerial Decree, whose role is to ensure that BIO complies with applicable laws, decrees, BIO's by-laws and the public interest (article 5 of the Law).

Each Government Commissioner suspends corporate decisions they deem contrary to the law, the By-laws and the public interest. Where the Minister they represent confirms such suspension, the decision cannot be carried out by BIO.

In the performance of their duties, the Government Commissioners have extensive access and information rights. They have a permanent invitation to attend meetings of BIO's corporate bodies.

The Government Commissioners receive a remuneration determined by Royal Decree. Such remuneration is borne by BIO.

*5.6. Control*

(a) Internal Audit

BIO has established an internal audit function, independent from management, which reports to the Audit Committee and the Board and performs its duties in accordance with BIO's Internal Audit Charter.

(b) External Auditors (article 5bis of the Law)

Two External Auditors are entrusted with the verification of BIO's financial situation, its annual accounts and the regularity of the operations recorded in its annual accounts pursuant to applicable laws and the By-laws:

- one Auditor appointed by the Court of Audit (*Cour des Comptes/Rekenhof*) among its members;
- one Auditor appointed by the General Assembly among the members of the Belgian Institute of Company Auditors. The General Assembly also approves the Auditor's remuneration.

The External Auditors conduct the legal verification of BIO's financial statements in accordance with the relevant provisions of the Companies and Associations Code and deliver an opinion on BIO's annual accounts. The Court of Audit further performs the controls and actions as required pursuant to the law of 22 May 2003 on the State budget and accounting.

The External Auditors are appointed for a renewable term of three (3) years.

## **6. BIO's integrity framework**

BIO receives a significant amount of public funding and, as an actor of the Belgian Development Cooperation, is entrusted with a mission of public interest. BIO's (potential) clients depend on BIO being a reliable and professional business partner. It is expected that BIO itself and each person who works for the organisation adheres to the highest standards of ethical behaviour and professional conduct.

All the members of the Belgian Development Cooperation, including BIO, have signed an Integrity Charter.

BIO's Code of Ethics and Rules of Conduct ([https://www.bio-invest.be/files/BIO-invest/About-BIO/Governance/Code\\_of\\_Ethics\\_Rules\\_of\\_Conduct\\_May\\_2021\\_ENG.pdf](https://www.bio-invest.be/files/BIO-invest/About-BIO/Governance/Code_of_Ethics_Rules_of_Conduct_May_2021_ENG.pdf)) sets out the principles all persons (staff, directors) who work for BIO are required to adhere to and the rules by which such principles shall be implemented. The Code of Ethics and Rules of Conduct were last updated in May 2021 and is signed by all staff members and Directors.

BIO wishes to foster an environment where breaches of integrity can be reported without risk of retaliation for the reporting party. BIO has adopted a Whistleblower Policy ([https://www.bio-invest.be/files/BIO-invest/About-BIO/Governance/BIO-Whistleblowing-policy\\_May2021\\_ENG.pdf](https://www.bio-invest.be/files/BIO-invest/About-BIO/Governance/BIO-Whistleblowing-policy_May2021_ENG.pdf)) for the benefit of persons working for BIO as a means to help BIO enforce its integrity rules.

BIO has set up a Grievance Mechanism (<https://www.bio-invest.be/en/grievance-mechanism>) to allow persons (external to BIO) who are affected by a project financed by BIO to submit complaints in connection with illegal or unethical business practices and/or material adverse effects suffered relating to environmental and social issues.

## 7. BIO's other key policies and processes

In addition to those already listed above, BIO has established a number of key policies and processes, designed to ensure the integrity of its operations, compliance with applicable rules and regulations and accountability vis-à-vis its stakeholders, including:

- BIO's **KYC Policy** that pertains to ensure compliance with AML-FT laws and regulations (including the law of 18 September 2017 on the prevention of money laundering and terrorist financing and on the restriction of the use of cash) and that BIO is not associated with parties who conduct illegal or illicit activities or can otherwise harm BIO's reputation;
- BIO's **Disclosure Policy** ([https://www.bio-invest.be/files/BIO-invest/About-BIO/Governance/20210525\\_BIO-Disclosure-Policy\\_Approved.pdf](https://www.bio-invest.be/files/BIO-invest/About-BIO/Governance/20210525_BIO-Disclosure-Policy_Approved.pdf)) provides for the information BIO discloses to the public, seeking a balance is between legitimate concerns of confidentiality and BIO's obligation to adequately inform its stakeholders on its activities;
- BIO's **OFC Policy**, the cornerstone of BIO's approach to tax and which is one of the most ambitious policies on the subject among development finance actors. The policy details the jurisdictions BIO is restricted from investing in or through (i.e. directly and indirectly), based on international (the Global Forum on Transparency and Exchange of Information for Tax Purposes and the European Union) and Belgian (states deemed "no or low tax states" as defined by Royal Decree) tax standards. The policy further details requirements with respect to shareholders of (potential) investees.

### ANNEXES:

- Annex 1: BIO's Equity Structure
- Annex 2: Standing Rules of the Board of Directors
- Annex 3: Standing Rules of the Investment Committee
- Annex 4: Standing Rules of the Audit Committee
- Annex 5: Standing Rules of the Human Resources Committee
- Annex 6: Standing Rules of the Internal Review Committee
- Annex 7: Procedure for the approval of subsidies



## Annexe 1:

### **BIO'S EQUITY STRUCTURE**

The equity of the Belgian Investment Company for Developing Countries SA/NV ("BIO") is composed of capital shares held by the Belgian State and out of beneficiary shares (*parts bénéficiaires/-winstbewijzen*), also held by the Belgian State.

#### I. Capital

The share capital of BIO amounts to EUR 4.957.873. It is entirely paid up and is composed of 2,000 shares held directly by the Belgian State.

#### II. Beneficiary Shares

The beneficiary shares (named « Development Certificates ») are equity securities that do not represent the share capital but that provide their holder with certain rights, in particular :

- voting right to general meetings on an equal footing as the shares, subject to limitations as set out in the Companies and Associations Code and bylaws of BIO (Article 33 of the bylaws) ;
- right to participate to the company earnings (Article 37 of the bylaws) ;
- right to participate to the dissolution repayment of the company (Article 39 of the bylaws).

To this day, 415,487 beneficiary shares have been issued to the Belgian State in return for equity contributions amounting to EUR 1,037,895;974.66.

The beneficiary shares are entirely paid up.

The Belgian State is the sole owner of the beneficiary shares issued by BIO.

Article 9 of the law of 3 November 2001 relating to the creation of Belgian Investment Company for Developing Countries SA/NV provides that the beneficiary shares are unavailable in the same way as the share capital.

## Annexe 2:

The Board can amend these Standing Rules at all times, subject to applicable laws and the by-laws of the Company.

### 1. Definitions Standing Rules of the Board of Directors

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**Auditor** means the Company's external auditors (*commissaires/commissarissen*), as referred to in article 5bis of the Law:

- one auditor appointed by the Court of Audit among its members; and
- one auditor appointed by the General Assembly among the members of the Belgian Institute of Company Auditors (*Institut des Réviseurs d'Entreprises/Instituut voor Bedrijfsrevisoren*).

**Board** means the Board of Directors of the Company.

**Board Secretary** means the staff member in charge of ensuring the minuting of the Board meetings and maintaining the records and administration of Board meetings, in compliance with the By-laws, applicable laws (including, without limitation, the Law and the Companies and Associations Code) and the Management Contract.

**By-laws** means the Company's by-laws (*statuts/statuten*).

**CEO** means the Company's Chief Executive Officer.

**Charter** means the Company's Corporate Governance Charter, of which these Standing Rules are a part.

**Committee** means a committee instituted by the Board in view of assisting the Board in the performance of its duties.

**Company** means the Belgian Investment Company for Developing Countries NV/SA (BIO).

**Director** means a member of the Board.

**General Assembly** means the Company's General Assembly of shareholders, currently composed of the Company's sole shareholder and sole holder of beneficiary shares (*parts bénéficiaires/winstbewijzen*) issued by the Company, the Belgian State.

**Law** means the law of 3 November 2001 relating to the incorporation of the Company, as amended from time to time.

**Management** means the Company's Chiefs and Managers.

**Management Contract** means the second management contract entered into between the Company and the Belgian State, signed on 11 December 2018 and ratified by Royal Decree dated 12 December 2018, as amended from time to time and any subsequent management contract (*beheerscontract/contrat de gestion*) entered into between the Company and the Belgian State from time to time.

**Standing Rules** means the standing rules of the Board, as set out herein.

## 2. Composition of the Board

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### 2.1 Appointment

#### 2.1.1. *Appointment by Royal Decree*

The Directors are appointed by Royal Decree deliberated in the Council of Ministers (article 2*bis* §4 of the Law and article 13, §4 of the By-laws).

#### 2.1.2. *Professional background of Directors*

The Directors are appointed among, *inter alia*, persons from:

- 1° federal public institutions;
- 2° the business community;
- 3° the academic community;
- 4° civil society organisations, institutional and governmental actors, and international organisations.

The Directors can be persons in active duty as well as retirees (article 2*bis* §2 of the Law and article 13 §2 of the By-laws).

#### 2.1.3. *Required collective and individual skills and expertise*

The Directors are appointed taking into account the diversity and complementary skills, experience and knowledge required in respect of the Company and its activities. In particular, the composition of the Board must be such that the Board, as a whole, disposes of a useful and demonstrable experience with regard to:

- 1° international cooperation and development cooperation;
- 2° international investments;
- 3° financial analysis;
- 4° business management.

Complementary individual knowledge and expertise are required in respect of at least one Director in each of the following domains:

- audit and organisational management;
- human resources and staff appraisal; and
- investments.

(article 2*bis* §2 of the Law and article 13 §2 of the By-laws)

The Board assesses, on the occasion of the self-assessment to be conducted in accordance with section 10 of these Standing Rules, whether the composition of the Board meets these requirements and/or if such composition should be reviewed and can formulate recommendations in this respect to the shareholder.

#### *2.1.4 Number of Directors*

The Board is composed of twelve (12) Directors (article 2 *bis* §1 of the Law and article 13 §1 of the By-laws).

#### *2.1.5 Linguistic parity*

The Board is composed of an equal number of Dutch-speaking and French-speaking members (article 2 *bis* §1 of the Law and article 13 §1 of the By-laws).

#### *2.1.6 Gender*

The Board promotes gender equality and, in its composition, complies with applicable gender legislation (article 2*bis* § of the Law and article 13 §3 of the By-laws).

### 2.2. Incompatibilities

Without prejudice to any other restrictions pursuant to applicable law or the By-laws, the mandate of a Director is incompatible with the following mandates or functions:

- 1° member of the European Parliament or of the European Commission;
- 2° member of the House of Representatives or of the Senate;
- 3° member of the federal government or member of the strategic unit of the Federal Minister competent for Development Cooperation;
- 4° member of a Community or Regional parliament;
- 5° member of a government of a Community or a Region;
- 6° governor of a province, including the deputy governor of the province of Flemish Brabant and the federal government commissioner with the title of vice-governor, established in the administrative arrondissement of Brussels-Capital, arrondissement commissioner or member the permanent deputation of a provincial council;
- 7° staff member of the Company;
- 8° mayor, alderman (*échevin/schepen*) or president of a Public Centre for Social Welfare (*CPAS/OCMW*) in a municipality with more than 50,000 inhabitants;
- 9° holder of a full-time mandate or of a full-time function in an intercommunal company or its related structures.

If at any time a Director is in a situation of incompatibility as described above, they shall resign from the relevant mandates or functions within a period of one (1) month. If they fail to do so, they will be deemed to have automatically resigned from their mandate as Director at the end of said period. This circumstance shall not affect the legal validity of the acts they have performed or of the deliberations in which they took part during that period (article 2*bis* §8 of the Law and article 13 §8 of the By-laws).

### 2.3. Duration of a Director's mandate

Directors are appointed for a term of five (5) years and can be dismissed (*révoqués/herroepen*) at any time by Royal Decree deliberated in the Council of Ministers (article 2*bis* §5 and §4 of the Law and article 13 §5 and §4 of the By-laws).

A Director's mandate can be renewed in the same manner as the initial appointment, i.e. by Royal Decree deliberated in the Council of Ministers.

A Director may resign by giving a written notice to the Chairperson and such resignation shall as a rule take effect upon receipt thereof by the Chairperson. However, if, as a result of the resignation of a Director, the composition of the Board of Directors would no longer be compliant with the Law or the Companies and Association Code, the resigning Director shall remain in office for a reasonable period until they are replaced, either provisionally in accordance with section 2.4 (*Co-optation*) or definitively as provided in section 2.1.1 (*Appointment by Royal Decree*) of these Standing Rules.

### 2.4. Co-optation

If the mandate of a Director ends before term (e.g. by reason of incapacity, death or resignation), the remaining Directors shall provisionally fill the vacancy and provide for an interim replacement until the definitive appointment of a new member by Royal Decree in accordance with section 2.1.1. (article 2*bis* §7 of the Law and article 13 §7 of the By-laws).

The Board shall thereby comply with the requirements described in sections 2.1.2 to 2.1.6 and 2.2 of these Standing Rules.

### 2.5. Chairperson and Vice-Chairperson

#### *2.5.1. Appointment and removal*

The Chairperson and the Vice-Chairperson are appointed among the Directors by Royal Decree deliberated in the Council of Ministers. Their mandate can be renewed in the same manner.

The Vice-Chairperson belongs to the other linguistic role and the other gender than the Chairperson.

The Chairperson and the Vice-Chairperson are removed (*révoqués/herroepen*) by Royal Decree deliberated in the Council of Ministers, on the basis of a reasoned opinion by the Board, adopted with a simple majority. If the Chairperson or Vice-Chairperson is dismissed as a Director, they shall automatically cease to be the Chairperson or Vice-Chairperson (article 2*ter*, limbs 1-3 of the Law and article 14 §1 of the By-laws).

### *2.5.2. Role of the Chairperson*

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

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

The Chairperson shall promote effective interaction between the Board and the Management. They should establish a close relationship with the CEO, providing support and advice, while fully respecting the executive responsibilities of the CEO.

### *2.5.3. Duties of the Chairperson*

Within the Board, the Chairperson, and in their absence the Vice-Chairperson, is primarily responsible for:

- (a) setting the agenda of the Board meetings, in collaboration with the CEO;
- (b) chairing the meetings of the Board and ensuring that the Board operates efficiently and effectively and takes decisions as a collegial body;
- (c) ensuring that procedures relating to preparatory work, deliberations, passing of the resolutions and implementation of decisions are properly followed;
- (d) involving and facilitating all Directors in Board meetings;
- (e) ensuring that the Directors receive accurate, timely and clear information before the meetings and, where necessary, between meetings, and that all Directors receive sufficient and adequate information;
- (f) monitoring the implementation of decisions taken and ensuring that further consultation with the Board with regard to the implementation is satisfactory;
- (g) ensuring the Board has made the necessary appointments to the Board Committees;
- (h) being accessible to the Directors and the members of the management to discuss issues relating to the management of the Company.

The Board may decide to entrust the Chairperson with additional responsibilities.

The Chairperson has a permanent invitation to attend the meetings of any Committee of which the Chairperson is not a member.

With regard to shareholders and third parties, the Chairperson is mainly responsible for chairing the General Assembly (article 30 of the By-laws) and ensuring that relevant questions from shareholders are answered.

The Vice-Chairperson shall take over the Chairperson's responsibilities in their absence.

### 3. Role and duties of the Board

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The Board has a collegial structure and is the Company's highest decision-making body. It performs all actions required to fulfil the Company's corporate purpose, except in matters that are expressly reserved for the General Assembly by law or pursuant to the Company's by-laws (article 7:93 of the Belgian Companies and Associations Code).

The Board reports to the General Assembly. When performing its duties, the Board must act in the interest of the Company. Each Director shall exercise independence of judgment while serving on the Board and exercise their mandate with integrity and commitment to carrying out the corporate interest of the Company.

The Board complies with the Law and strives to meet the overall objectives and directives agreed with the Company's main shareholder, the Belgian State.

The Board has the principal duties to:

- provide guidance to the Management and approve the Company's strategy and key policies, to be implemented by the Company's Management and determine the Company's risk appetite; and
- monitor the Management's performance in implementing the strategy and key policies decided by the Board.

The Board further has the following responsibilities:

- make investment decisions in respect of financing proposals upon recommendation by the Investment Committee and delegate specific well-defined decision-making powers with respect to investments to the executive Management where appropriate;
- ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
- approve the budget and make decisions in relation to the financing of the Company and (where appropriate) formulate proposals to the Company's shareholder;
- regularly assess the operational and financial situation of the Company;
- timely present the accounts of the Company to the General Assembly;
- ensure compliance by the Company with public accounting and budget regulations;

- be responsible for the quality and completeness of the disclosed financial statements and in particular ensure the integrity of the financial statements;
- review the existence and functioning of the internal control system, including ensuring the adequate identification and management of risks (determine the Company's risk appetite and risk policy);
- ensure the Company has an effective compliance framework in place;
- decide on the executive management structure of the Company, determine its powers and duties and review and supervises the Management's performance;
- approve the Company's human resources policies;
- approve the Company's integrity framework;
- select and propose the Auditor to be appointed by the General Assembly in accordance with article 5bis §2 of the Law and supervise the performance of the Auditor;
- ensure that the Company's obligations to the Belgian State are met, taking into account the interests of all stakeholders of the Company;
- establish Committees to assist the Board in carrying out its duties.

In performing its duties, the Board shall have due regard to the Company's obligations vis-à-vis the Company's stakeholders, its shareholder, employee representatives, etc pursuant to applicable laws (including, without limitation, the Law) and the Management Contract.

## 4. Meetings of the Board

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### 4.1. Notices, agenda and documentation

Board meetings are scheduled at least 6 times a year. Before the end of each calendar year, the Board shall approve a schedule of Board meetings for the next year.

Additional Board meetings shall be convened with specific agendas whenever justified in the Company's interest and/or upon request by at least two (2) Directors, within fourteen (14) days as from such request (article 16, 2<sup>nd</sup> limb of the By-laws).

The Chairperson establishes the agenda of each Board meeting, in collaboration with the CEO. A Director may request that an item be added to the agenda of the meeting, provided such request is addressed to the Board Secretary at least three (3) working days before the meeting.



The meetings of the Board are convened upon notice by the Chairperson, or in their absence by the Vice-Chairperson, or in absence of the Vice-Chairperson by two (2) Directors (article 16, 1<sup>st</sup> limb of the By-laws), all of whom may delegate the noticing to the CEO. Notices are sent at least five (5) working days prior to the Board meeting and contain the date, time and place of the meeting, and its agenda. In the event of urgency, the notice period is reduced to two (2) working days. Notices can be sent by letter, e-mail or any other written means. The Chairperson ensures that appropriate documentation relating to the items on the agenda is provided to the Directors at least five (5) working days prior to the Board meeting in order to allow the Directors to make an informed decision. In the event of urgency, this period is reduced to two (2) working days (article 16 of the By-laws).

If all members are present, the Board of Directors can deliberate validly and compliance with notice requirements does not need to be respected nor verified.

#### 4.2. Attendance

Board meetings are chaired by the Chairperson, or in their absence by the Vice-Chairperson.

Board meetings are held at the Company's registered office, unless otherwise provided in the notice. The Directors may attend the Board meetings physically or by means of communication or videoconference, to allow Directors geographically distant from each other to participate in the deliberations of the Board and vote remotely and to communicate simultaneously (article 17, 7<sup>th</sup> limb of the By-laws).

Directors are required to participate actively in the Board meetings and shall use their best efforts to participate personally in each Board meeting.

When a Director cannot attend a meeting personally, they may attend by giving a power of attorney to another Director by simple letter, e-mail, fax or any other means of communication supported by a printed document. One Director can hold maximum two (2) proxies (article 17, limbs 4-6 of the By-laws).

The Director General for Development Cooperation and Humanitarian Aid represents the Directorate General for Development Cooperation and Humanitarian Aid (DGD) of the Ministry Foreign Affairs, Foreign Trade and Development Cooperation at the Board and has a permanent invitation to attend Board meetings. They do not have the right to vote (article 2bis §9 of the Law and article 13 §9 of the By-laws).

The CEO has a permanent invitation to attend Board meetings, unless the Board resolves otherwise.

The Government Commissioners also have a permanent invitation to attend Board meetings and have the rights and prerogatives provided in article 5 of the Law and article 23 of the By-laws, as further described in the section "Administrative Supervision" of the Charter.

The Board can invite the Company's Management, (Senior) Investment Officers, other staff members or any other person to attend a meeting when necessary or useful in connection with any item on the agenda.

#### 4.3. Deliberations and Resolutions (article 17 of the by-laws)

The Board can validly deliberate and make resolutions on the items on the agenda provided that at least the half of the Directors are present or validly represented.

The Board acts as a collegial body and consensus must be sought among the Board members for all decisions of the Board. If despite the foregoing no consensus can be reached among the Board members, resolutions are adopted by a simple majority of votes cast. If one or several Directors abstain(s) from voting, the decision is taken by a simple majority of the other Directors (article 17, 8<sup>th</sup> limb of the By-laws). In the event of a tie vote, the Chairperson, or in their absence the Vice-Chairperson, shall have a casting vote (article 2<sup>ter</sup>, last limb of the Law and article 17, 9<sup>th</sup> limb of the By-laws).

The Board can only deliberate and make resolutions on items that are not mentioned on the agenda, provided that all Directors are present or validly represented and the Directors unanimously consent to deliberate and vote on such item (article 17, 2<sup>nd</sup> limb of the By-laws). The Directors shall be deemed to have given such consent if it appears from the minutes of the meeting that no objection was formulated.

When applicable, the Board ensures that the Company's obligations in respect of information of and consultation with the employee representatives have been duly complied with before resolving on a concerned matter.

#### 4.4. Minutes

The Board Secretary, or any other person designated by the Chairperson or the CEO, drafts the minutes of the deliberations of a meeting of the Board. The minutes summarize the discussions, specify the decisions taken and state any material reservations voiced by Directors. The minutes are approved by the Board at the next meeting. The Board minutes are kept in a special register and are signed by the Chairperson, or in their absence by the Vice-Chairperson.

Copies or extracts of minutes of the Board meetings are signed by two (2) Directors, acting jointly (article 18 of the by-laws).

#### 4.5. Resolutions in writing

The Board can take resolutions in writing with the unanimous written consent of all Directors (article 17, last limb of the By-laws).

#### 4.6. Follow-up of Board decisions and reporting

The Chairperson shall ensure adequate follow-up of the decisions of the Board and appropriate and efficient tracking and that reporting systems are put in place in this respect.

### 5. Procedure relating to the approval of financing proposals

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The Board resolves on investment financing proposals upon recommendation by the Investment Committee. The minutes of the Investment Committee are communicated to the Board at its next meeting.

The Board approves or rejects the investments proposals. The Board may also request additional information. The Board is not bound by the recommendation of the Investment Committee.

The Board has approved the delegation of certain limited decision-making powers with respect to investments to the Internal Review Committee, as set out in the Standing Rules of the Internal Review Committee.

The approval of subsidies has been delegated to the CEO, in accordance with the procedure for the approval of subsidies approved by the Board.

## 6. Board Committees

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The Board has created the following advisory Committees to assist it in carrying out its duties (article 2<sup>quater</sup> of the Law):

- (a) an Investment Committee;
- (b) an Audit Committee;
- (c) a Human Resources Committee.

When necessary to ensure the efficient functioning of the Board, the Board can institute other Committees. The Board shall determine the composition, role and remuneration for each Committee and shall establish Standing Rules for each Committee.

The Board may also create specific task forces to deal with well-defined projects, with a limited duration. The Board resolves on the duties assigned to such task force, its composition and the manner in which it operates.

## 7. Representation and delegations of authority

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### 7.1. General Rule

The Board represents the Company vis-à-vis third parties. Pursuant to article 22 of the Company's by-laws, the Company is validly represented by two (2) Directors acting jointly.

## 7.2. Day to Day Management

The Board has entrusted the day to day management of the Company with the CEO, who, acting alone, can validly represent the Company in matters that do not exceed the scope of the day to day management.

## 7.3. Specific Delegations of Authority

The Board can delegate specific matters to one or more persons, acting jointly or individually.

The Board can delegate signature powers to certain persons or categories of persons, for specified matters and amounts.

# 8. Remuneration – Reimbursement of Expenses – Extra Board Activities

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## 8.1. Remuneration for Board activities

The General Assembly resolves on the remuneration to be granted by the Company to Directors for the performance of their mandate (to article 13 §6 and to article 21 of the By-laws). The remuneration is determined based on the time commitment and level of expertise required from Directors, the Chairperson and the Vice-Chairperson.

The current remuneration, as resolved by the General Assembly held on 8 December 2001 is as follows:

- EUR 500 for each Director for each meeting attended;
- a yearly set remuneration of EUR 4,957.87 for the Chairperson; and
- a yearly set remuneration of EUR 2,478.94 for the Vice-Chairperson.

Directors are not entitled to any indemnity in the event of a dismissal.

Any change to the Directors' remuneration must be resolved by the General Assembly.

## 8.2. Special assignments

The participation by a Director, other than the Chairperson, in their capacity as Director in special assignments, such as the representation of the Company in missions abroad, require the prior written approval of the Chairperson.

The Directors are entitled to receive reimbursement of reasonable and duly justified expenses incurred in connection with such special assignments, based on supporting documentation, provided these expenses are directly attributable to the performance of tasks for the benefit of the Company.

### 8.3. Extra Board activities

As a rule, the Company shall not grant assignments that do not fall within the scope of the Director's mandate (e.g. for consultancy or other services) to a Director or a party related to a Director. Any exception to this rule must be approved in advance by the Board, including the terms of the assignment for which an exception is granted.

In any event, any such assignment approved by the Board in accordance with the previous sentence must take place in a transparent manner, at arm's length and be justified in the interest of the Company. The relevant provisions relating to conflicts of interest (see below, section 9), including, if applicable, article 7:96 of the Companies and Associations Code and/or the relevant legislation on public procurement (*overheidsopdrachten/marchés publics*), must be duly complied with.

The Board's annual management report will disclose all extra Board assignments performed by Directors or related persons in favour of the Company in accordance with this Section 8.3, subject always to compliance with article 7:96 of the Companies and Associations Code when applicable.

## 9. Introduction of new Board members – Training

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### 9.1. Introduction of new Board members

New Directors shall receive an adequate introduction to the Company, its affairs and its staff and to their role within the Board. The CEO shall organize information sessions to this effect.

The Chairperson shall stimulate active participation of new Directors in the Board discussions.

### 9.2. Training

At the request of the Board, the Company shall organize training/information sessions for the Directors to help them meet the challenges and complexity associated with their tasks, with the aim to maintain and where necessary broaden the knowledge of the Directors. Such sessions relate to relevant topics such as Board responsibilities and liabilities, good governance, board effectiveness, integrity, risk management, financial reporting and audit, private sector financing in developing countries, etc.

## 10. Self-assessment

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At the initiative and under the leadership of the Chairperson, the Board conducts, at least every other year, a self-assessment and an assessment of the Committees (taking into account the findings reported by each Committee resulting from their respective self-assessment). It can thereby review its structure, size, composition, diversity aspects, performance of the Board and Committees, organisation of meetings, quality of decision-making, compliance with procedures and relationship with Management. The Board can decide on (other) areas of focus for the assessment process.

The Board can engage external parties at the Company's expense to assist it in connection with its self-assessment.

The Chairperson shall encourage all Directors to actively participate in the assessment process. The assessment exercise shall result in recommendations and a concrete action plan with a calendar and deliverables. The Chairperson shall ensure that the action points are duly followed up.

## 11. Conflicts of interest

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A conflict of interest arises when the personal interests of a Director interfere in any way with the interests of the Company.

Each Director shall organize their (personal) affairs in such a way to avoid to the extent possible conflicts of interest in the performance of their mandate as Director in the company.

If, despite the foregoing, a conflict of interest does arise, of whatever nature (financial, functional, amicable, family, etc.) the concerned Director shall immediately disclose the conflict to the Board before the Board deliberates on the relevant matter. The Director concerned by the conflict of interest shall provide all relevant information to the Board to allow the Board to assess the scope of the conflict of interest and its implications for the Company. The conflicted Director should always abstain from participating in the decision-making on the concerned matter.

The procedure prescribed by article 7:96 of the Companies and Associations Code shall be complied with if applicable. Board members can consult the Board Secretary to assist in determining whether the conflict of interest is subject to the provisions of article 7:96 of the Companies and Associations Code. When in doubt, the procedure foreseen pursuant to article 7:96 of the Companies and Associations Code must be followed. The Board's obligations in respect of article 7:96 of the Companies and Associations Code, including the procedure to be followed are described in Appendix A to these Standing Rules.

Notwithstanding the foregoing, the entering into any agreement or transaction between a Director (or a person or company related to a Director, e.g. a company in which a Director has a significant interest) and the Company is subject to the prior approval of the Board. Any such agreement or transaction shall be at arm's length, under commercial conditions in conformity with the prevailing market conditions. Such explicit prior approval of the Board is required, even in the event article 7:96 of the Companies and Associations Code is not applicable to the contemplated agreement or transaction.

## 12. Code of Conduct

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All the Directors sign the Company's Code of Ethics and Rules of Conduct.

Each Director is required to disclose an overview of their other mandates and activities, and any subsequent changes thereto. Such disclosures shall be addressed in writing to the Chairperson and to the Belgian State, more specifically the Minister of Development Cooperation, upon accepting the Director's mandate and promptly following any change.

Each Director is expected to perform their duties in an honest, ethical and justified manner, with the highest degree of integrity.

The first priority of all Directors is to promote the mission of the Company. Independence of judgment is required in the decisions of all Directors.

All Directors shall be committed to act in the corporate interest of the Company while performing their duties.

The Directors must receive appropriate and relevant 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 must seek clarification whenever they deem it necessary.

Directors should only be closely involved in the Company's day-to-day upon previous agreement with the Chairperson and the CEO. More particularly, and also to avoid potential conflict of interest situations, Directors will not be appointed as director in the Company's portfolio companies.

Each Director undertakes, both during their membership of the Board and afterwards, not to disclose to anyone in any manner any confidential information relating to the business of the Company and/or any other company that came to his or her knowledge within the normal scope of their activities for the Company and that they know, or should know, is confidential, unless they have a legal obligation to disclose that information.

However, a Director may disclose the information described above to the CEO, who needs to be informed of such information in view of their activities for the Company or to any party when such disclosure is required pursuant to applicable law.

Directors may, at the request of the Chairperson or in consultation with them, or at the request of the CEO, participate in communication activities undertaken by the Company. In particular, Directors are expected to support, in the private and public spheres, the position of the Board with regard to the strategy, policies and actions of the Company.

No Director may use the information described above to their own advantage or for any other purpose, other than for the exercise of their mandate.

Each Director undertakes not to develop, either directly or indirectly, during the term of his or her mandate, any activities nor perform any actions that could harm the activities of the Company.

With regard to acceptance of favours, gifts, and entertainment from persons having dealings with the Company, Directors shall exercise tact and judgment to avoid appearance of improper influence on the performance of their mandate. Ordinary courtesies of international business and diplomacy, may be accepted, but gifts, favours and entertainment, as well as loans and other services, shall not be accepted unless they are of an insignificant monetary value, as determined in accordance with the normal and generally accepted trade ethic and the Code of Ethics and Rules of Conduct. When in doubt, the concerned Director shall consult with the Chairperson or, if the concerned Director is the Chairperson, with the Vice-Chairperson.

The Board has adopted the Company's Whistleblower Policy, to make it possible for members of the staff to report unethical/unlawful behaviour within the Company without fear of retaliation, in line with national and international standards, subject to applicable law.

### 13. Corporate Governance

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The Board is committed to good governance and shall endeavour to act in accordance with the highest standards of corporate governance, in line with, *inter alia*, in the principles set forth in the Belgian Corporate Governance Codes, the OECD Guidelines on Corporate Governance and the OECD Guidelines on Corporate Governance for State-owned Enterprises. The Board shall further promote good governance within the Company's investee companies, in line with the Corporate Governance Approach Statement and the Corporate Governance Development Framework to which the Company has adhered. The Company shall include a chapter relating to Corporate Governance in its annual report.

Each Director is required to sign the Charter of the BIO Director and to abide by the principles set forth therein.

Approved by the Board on 26 January 2023



## APPENDIX A

### CONFLICTS OF INTEREST – ARTICLE 7:96 OF THE COMPANIES AND ASSOCIATIONS CODE

#### 1. Article 7:96 of the Companies and Associations Code

*Art. 7:96. § 1. Wanneer een bestuurder een rechtstreeks of onrechtstreeks belang van vermogensrechtelijke aard heeft dat strijdig is met het belang van de vennootschap naar aanleiding van een beslissing of een verrichting die tot de bevoegdheid behoort van de raad van bestuur, moet de betrokken bestuurder dit mededelen aan de andere bestuurders vóór de raad van bestuur een besluit neemt. Zijn verklaring en toelichting over de aard van dit strijdig belang worden opgenomen in de notulen van de vergadering van de raad van bestuur die de beslissing moet nemen. De raad van bestuur mag deze beslissing niet delegeren.*

*De raad van bestuur omschrijft in de notulen de aard van de in het eerste lid bedoelde beslissing of verrichting en de vermogensrechtelijke gevolgen ervan voor de vennootschap en verantwoordt het genomen besluit. Dit deel van de notulen wordt in zijn geheel opgenomen in het jaarverslag of in een stuk dat samen met de jaarrekening wordt neergelegd.*

*Ingeval de vennootschap een commissaris heeft benoemd, worden de notulen van de vergadering aan hem meegedeeld. In zijn in artikel 3:74 bedoelde verslag beoordeelt de commissaris, in een afzonderlijke sectie, de vermogensrechtelijke gevolgen voor de vennootschap van de besluiten van de raad van bestuur, zoals door hem omschreven, waarvoor een strijdig belang als bedoeld in het eerste lid bestaat.*

*De bestuurder met een belangenconflict als bedoeld in het eerste lid mag niet deelnemen aan de beraadslagingen van de raad van bestuur over deze verrichtingen of beslissingen, noch aan de stemming in dat verband. Wanneer alle bestuurders een belangenconflict hebben, wordt de beslissing of de verrichting aan de algemene vergadering voorgelegd; ingeval de algemene vergadering de beslissing of de verrichting goedkeurt, kan het bestuursorgaan ze uitvoeren.*

*§ 2. Onverminderd het recht voor de in de artikelen 2:44 en 2:46 genoemde personen om de nietigheid of opschorting van het bestuursbesluit te vorderen, kan de vennootschap de nietigheid vorderen van besluiten of verrichtingen die hebben plaatsgevonden met overtreding van dit artikel, indien de wederpartij bij die besluiten of verrichtingen van die overtreding op de hoogte was of had moeten zijn.*

*§ 3. Paragraaf 1 is niet van toepassing wanneer de beslissingen of verrichtingen die tot de bevoegdheid behoren van de raad van bestuur, betrekking hebben op beslissingen of verrichtingen die tot stand zijn gekomen tussen vennootschappen waarvan de ene rechtstreeks of onrechtstreeks ten minste 95 % bezit van de stemmen verbonden aan het geheel van de door de andere uitgegeven effecten, dan wel tussen vennootschappen waarvan ten minste 95 % van de stemmen verbonden aan het geheel van de door elk van hen uitgegeven effecten in het bezit zijn van een andere vennootschap.*

*Bovendien is paragraaf 1 niet van toepassing wanneer de beslissingen van de raad van bestuur betrekking hebben op gebruikelijke verrichtingen die plaatshebben onder de voorwaarden en tegen de zekerheden die op de markt gewoonlijk gelden voor soortgelijke verrichtingen.*

*Art. 7 :96. § 1er. Lorsque le conseil d'administration est appelé à prendre une décision ou à se prononcer sur une opération relevant de sa compétence à propos de laquelle un administrateur a un intérêt direct ou indirect de nature patrimoniale qui est opposé à l'intérêt de la société, cet administrateur doit en informer les autres administrateurs avant que le conseil d'administration ne prenne une décision. Sa déclaration et ses explications sur la nature de cet intérêt opposé doivent figurer dans le procès-verbal de la réunion du conseil d'administration qui doit prendre cette décision. Le conseil d'administration ne peut déléguer sa décision.*

*Le conseil d'administration décrit, dans le procès-verbal, la nature de la décision ou de l'opération visée à l'alinéa 1er et les conséquences patrimoniales pour la société et justifie la décision qui a été prise. Cette partie du procès-verbal figure dans son intégralité dans le rapport de gestion ou dans une pièce qui est déposée en même temps que les comptes annuels.*

*Si la société a nommé un commissaire, le procès-verbal de la réunion lui est communiqué. Dans son rapport visé à l'article 3:74, le commissaire évalue dans une section séparée, les conséquences patrimoniales pour la société des décisions du conseil d'administration, telles que décrites par celui-ci, pour lesquelles il existe un intérêt opposé tel que visé à l'alinéa 1er.*

*L'administrateur ayant un conflit d'intérêts tel que visé à l'alinéa 1er ne peut prendre part aux délibérations du conseil d'administration concernant ces opérations ou ces décisions, ni prendre part au vote sur ce point. Lorsque tous les administrateurs ont un conflit d'intérêts, la décision ou l'opération est soumise à l'assemblée générale; en cas d'approbation de la décision ou de l'opération par celle-ci, l'organe d'administration peut l'exécuter.*

*§ 2. Sans préjudice du droit des personnes mentionnées aux articles 2:44 et 2:46 de demander la nullité ou la suspension de la décision de l'organe d'administration, la société peut demander la nullité des décisions prises ou des opérations accomplies en violation du présent article, si l'autre partie à ces décisions ou opérations avait ou devait avoir connaissance de cette violation.*

*§ 3. Le paragraphe 1<sup>er</sup> n'est pas applicable lorsque les décisions ou les opérations relevant du conseil d'administration concernent des décisions ou des opérations conclues entre sociétés dont l'une détient directement ou indirectement 95 % au moins des voix attachées à l'ensemble des titres émis par l'autre ou entre sociétés dont 95 % au moins des voix attachées à l'ensemble des titres émis par chacune d'elles sont détenus par une autre société.*

*De même, le paragraphe 1<sup>er</sup> ne s'applique pas lorsque les décisions du conseil d'administration concernent des opérations habituelles conclues dans des conditions et sous les garanties normales du marché pour des opérations de même nature.*

## 2. Conflicts of Interest in the sense of article 7:96.of the Companies and Associations Code

The procedure prescribed in article 7:96 of the Companies and Associations Code applies where a Director has a direct or indirect conflict of interest with the Company in respect of a decision or an operation that is of the competence of the Board.

(a) A conflict of interest

The application of article 7:96 of the Companies and Associations Code implies the existence of a conflicting interest. It is considered that there is a conflicting interest when there is, potentially, a financial advantage for one party, to the detriment of the other party. There will be typically a conflict of interest when e.g. the Company would acquire an asset owned by a Director or a company controlled by a Director.

(b) A direct or indirect conflict of interest

A direct conflict of interest would arise when the Company would transact directly with the Director.

An indirect conflict of interest relates to situations where the Company would transact with a person related to the Director, e.g. a company in which the Director is a shareholder. The relevant interest must however be sufficiently important to potentially have an influence on the concerned Director's behaviour. Therefore, generally a conflict of interest will arise when the Director is a majority shareholder of the company with which the Company contemplates transacting, whereas if the Director only holds an insignificant shareholding in such company, its interest will possibly not be strong enough and article 7:96 may not apply. However, each situation must be examined having regard to the relevant factual circumstances of the case

(c) An interest of a financial nature

A conflict of interest of a mere amicable nature, or of a functional nature (e.g. a Director sits on the board of the company with which the Company contemplates a transaction, but has no other interests in the transaction) is insufficient for the purposes of the application of article 7:96 of the Companies and Associations Code. The situation must be likely to procure an advantage of a financial nature to the concerned Director.

(d) A conflict of interest in respect of a decision that is of the competence of the Board

The relevant decision must be a final decision of the Board (or a decision for which the Board is competent). If the Board is merely requested to formulate an opinion or a recommendation, e.g. to the General Assembly, article 7:96 of the Companies and Associations Code will not apply.

§ 3 of article 7:96 of the Companies and Associations Code provides for certain exceptions to the application of the conflict of interest provisions. These are however of limited relevance for the Company.

### 3. Procedure

It is the Director who has a conflict of interest who must take the initiative to apply the procedure set forth in article 7:96 of the Companies and Associations Code.

They must disclose and justify the conflict of interest to the Board before the decision is made. The disclosure and the justification are recorded in the minutes of the meeting. The conflicted Director may participate in the decision-making.

The Board must act prudently when there is a doubt or a supposition of the existence of a conflict of interest in the sense of article 7:96 of the Companies and Associations Code and the concerned Director does not disclose its potential interest in the transaction, which would trigger the application of the procedure set forth in that article. In certain cases, it may be advisable for the Board not to proceed with the deliberation on the matter until the question regarding the existence of a conflict of interest is resolved. Legal advice must be sought in such cases. When in doubt, it is preferable to apply article 7:96 of the Companies and Associations Code.

The Auditor is informed of the potential conflict of interest. The annual audit report must include a distinct description of the financial consequences of the decision for the Company.

The minutes of the Board meeting approving the relevant decision are included *in extenso* in the annual management report of the Board to the Company's shareholders.

#### 4. Non-compliance

If the Board does not comply with the provisions of article 7:96 of the Companies and Associations Code where such is applicable, the Company may request the cancellation of the relevant decisions or operation.

#### 5. Liability

- (a) In the event of non-compliance with article 7:96 of the Companies and Associations Code.

The Directors are jointly liable for the consequences of the non-compliance with article 7:96 of the Companies and Associations Code Companies Code.

- (b) In the event article 7:96 of the Companies and Associations Code has been complied with

The Directors are personally and jointly liable for any prejudice suffered by the Company or a third party if said decision or transaction caused an abusive financial advantage of the benefit of a Director to the Company's detriment (article 7:112 of the Companies and Associations Code).

## Annexe 3:

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The Board can amend these Standing Rules at all times.

### 1. Definitions Standing Rules Investment Committee

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**Board** means the Board of Directors of the Company.

**Board Secretary** means the staff member in charge of ensuring the minuting of the Board and committee meetings and maintaining the records and administration of such meetings, in compliance with the By-laws, applicable laws (including, without limitation, the Law and the Companies and Associations Code), the Management Contract and the standing rules of the Board and committees.

**Chairperson** means the Chairperson of the Investment Committee.

**Proposal** means a proposal relating to an investment by the Company, including, without limitation, a proposal to proceed with an investment, a divestment proposal or a waiver proposal.

**CEO** means the Company's Chief Executive Officer.

**Company** means the Belgian Investment Company for Developing Countries NV/SA (BIO).

**Director** means a member of the Board.

**Law** means the law of 3 November 2001 relating to the incorporation of the Company, as amended from time to time.

**Standing Rules** means the standing rules of the Investment Committee, as set out herein.

**Management Contract** means the second management contract entered into between the Company and the Belgian State, signed on 11 December 2018 and ratified by Royal Decree dated 12 December 2018, as amended from time to time and any subsequent management contract (*beheerscontract/contrat de gestion*) entered into between the Company and the Belgian State from time to time.

### 2. Composition

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The members of the Investment Committee are appointed by the Board for a renewable term of three (3) years and can be removed at any time by the Board.

The Investment Committee is composed of minimum three (3) Directors and maximum 6 Directors.

In addition, the Board can appoint one (1) member to the Investment Committee who is not a Director. Such person shall have a professional background of at least fifteen (15) years in one or more of the following areas: corporate finance / investment banking, credit analysis, private equity or financial and legal investment structuring. The person shall ideally have professional experience in developing countries and at minima demonstrate in-depth understanding of the developing countries context.

The Board shall procure that the Investment Committee is composed in such a way as to ensure an effective collective expertise in the Company's field of activity. In addition, the Investment Committee shall include:

- at least one (1) member with proven expertise in international investments;
- at least (1) member with proven expertise in financial analysis; and
- at least (1) member with proven expertise in international cooperation and development cooperation.

The Board shall seek to achieve a balanced composition of the Investment Committee with respect to gender, language and diversity.

Where a Director is a member of the Investment Committee, their Investment Committee mandate shall automatically terminate as from the moment they are no longer a Director.

The Board appoints a Chairperson among the members of the Investment Committee.

### 3. Role

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The Investment Committee, as an advisory committee, assists the Board with respect to the Company's investment activities, as set out below.

In the performance of its duties, the Investment Committee must act in accordance with the Law, the Management Contract and the investment strategy and policies decided by the Board.

The Investment Committee has the following roles and duties:

➤ Proposals

All Proposals that are not within the powers delegated to the Internal Review Committee by the Board are submitted to the Investment Committee.

The Investment Committee reviews and formulates recommendations on the Proposals, which are then presented to the next Board meeting for final decision.

➤ Portfolio Review

The Investment Committee reviews the portfolio review reports prepared by the Portfolio Department and reports thereon to the Board.

- Review of notes relating to strategic issues concerning investment matters

Management may submit the notes relating to strategic issues concerning investment matters to the Investment Committee for discussion and recommendation before they are presented to the Board for approval.

- Eligibility of “Code 5” investments

The Investment Committee resolves on the in-principle eligibility of each investment financed with capital subsidies in accordance with article 9 §1 3° and §4 of the Law and articles 20 and following of the Management Contract (“Code 5 investments”), as provided in article 24 of the Management Contract.

- Eligibility of potential investees with shareholders in restricted jurisdictions

The Investment Committee resolves on the in-principle eligibility of potential investees with significant shareholders in jurisdictions referred to in article 3*quinquies* of the Law, in accordance with article 16 § 2 of the Management Contract.

- Others

The Investment Committee shall perform any other tasks and duties as decided by the Board.

## 4. Meetings

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### 4.1. Notices, agenda and documentation

Investment Committee meetings are scheduled as needed, according to a schedule to be approved before the beginning of each calendar year.

The Chairperson establishes the agenda of each Investment Committee meeting, in collaboration with the CEO. A member may request that an item be added to the agenda of the meeting, provided such request is addressed to the CEO at least three (3) business days before the meeting.

The meetings are convened upon notice by the Chairperson, or in their absence by another member. Notices are sent at least five (5) business days prior to the Investment Committee meeting and contain the date, time and place of the meeting, and its agenda. In the event of urgency, the notice period is reduced to two (2) business days. Notices can be sent by letter, e-mail or any other written means. Appropriate documentation relating to the items on the agenda is provided to the members at least five (5) business days prior to the Investment Committee meeting in order to allow the members of the Investment Committee to make an informed decision. In the event of urgency, such period is reduced to two (2) business days.

If all members are present, the Investment Committee can deliberate validly and compliance with notice requirements does not need to be verified.

#### 4.2. Attendance

Meetings are chaired by the Chairperson.

Investment Committee meetings are held at the Company's registered office, unless otherwise provided in the notice. Investment Committee members may attend the meetings in person or by any means of telecommunications or videoconference, to allow members who are geographically distant from each other to participate in the deliberations of the Investment Committee and vote remotely and to communicate simultaneously.

When an Investment Committee member cannot attend a meeting personally, they may attend by giving a power of attorney to another member by simple letter, e-mail, fax or any other means of written communication. One Investment Committee member can hold one (1) proxy.

The Government Commissioners have a permanent invitation to attend the meetings of the Investment Committee. The CEO is also invited to attend the meetings unless the Investment Committee decides otherwise. The Chairperson can invite any person to attend a meeting when relevant in connection any item on the agenda.

#### 4.3. Deliberations and Resolutions

The Investment Committee can validly deliberate and make resolutions on the items on the agenda provided at least a majority of members are present or validly represented, including the presence of at least two (2) members.

Resolutions are adopted by a simple majority of votes cast by the members of the Investment Committee present or represented at the meeting. In the event of a tie vote, the Chairperson shall have a casting vote.

The Investment Committee can only deliberate and make resolutions on items that are not mentioned on the agenda, provided that all members are present or validly represented and unanimously consent to deliberate and vote on such item.

Whenever a member of the Investment Committee is conflicted with regard to a matter to be resolved upon by the Investment Committee, they shall disclose such conflict of interest to the Investment Committee and the conflicted member shall not participate in the deliberation and decision-making on the concerned matter.

#### 4.4. Minutes

Minutes of each meeting are drafted by the Board Secretary and signed by the Chairperson.



#### 4.5. Written resolutions in lieu of a meeting

The Investment Committee can, with unanimous consent, pass written resolutions in lieu of a meeting.

### 5. Reporting

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The Investment Committee, through its Chairperson, reports on its activities at each first following Board meeting. The minutes of each meeting of the Investment Committee are submitted to the Directors at the first following Board meeting.

### 6. Self-assessment

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At the initiative of the Chairperson, the Investment Committee conducts a self-assessment every other year and reports its findings to the Board. It reviews its performance and relationship with Management.

The Investment Committee thereby also reviews the adequacy of these Standing Rules and recommends necessary amendments to the Board.

Where relevant, the Investment Committee, through the Chairperson, makes recommendations to the Board for trainings and other initiatives for the professional development of its members on topics relevant to the activities of the Investment Committee such as investments in developing markets, climate finance etc.

### 7. Remuneration

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The Board resolves on the remuneration to be paid to the members of the Investment Committee.

Currently, a fee of EUR 500 is paid to the Investment Committee members upon attendance of an Investment Committee meeting.

**These Standing Rules were approved by the Board on 26 January 2023**

## Annexe 4:

The Board can amend these Standing Rules at all times.

### **Standing Rules of the Audit Committee**

#### 1. Definitions

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**Auditors** means the Company's external auditors (*commissaris/commissaire*), as referred to in article 5bis of the Law:

- one auditor appointed by the Court of Audit among its members; and
- one auditor appointed by the General Assembly among the members of the Belgian Institute of Company Auditors (*Institut des Réviseurs d'Entreprises/Instituut voor Bedrijfsrevisoren*).

**Board** means the Board of Directors of the Company.

**Board Secretary** means the staff member in charge of ensuring the minuting of the Board and committee meetings and maintaining the records and administration of such meetings, in compliance with the By-laws, applicable laws (including, without limitation, the Law and the Companies and Associations Code), the Management Contract and the standing rules of the Board and committees.

**CEO** means the Company's chief executive officer.

**Chairperson** means the chairperson of the Audit Committee.

**Company** means the Belgian Investment Company for Developing Countries NV/SA.

**Court of Audit** means the *Cour des Comptes/Rekenhof*.

**Director** means a member of the Board.

**General Assembly** means the Company's general assembly of shareholders, currently composed of the Company's sole shareholder and holder of beneficiary shares, the Belgian State.

**Law** means the law of 3 November 2001 relating to the incorporation of the Company, as amended from time to time.

**Management Contract** means the second management contract entered into between the Company and the Belgian State, signed on 11 December 2018 and ratified by Royal Decree dated 12 December 2018, as amended from time to time and any subsequent management contract (*beheerscontract/contrat de gestion*) entered into between the Company and the Belgian State from time to time.

**Standing Rules** means the standing rules of the Audit Committee, as set out herein.

## 2. Composition

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The members of the Audit Committee are appointed for a renewable term of three (3) years and can be removed at any time by the Board.

The Audit Committee is composed of minimum three (3) and maximum four (4) members, who are all non-executive Directors.

The Board shall procure that the Audit Committee is composed in such a way as to ensure an effective collective expertise in the Company's field of activity. In addition, the Audit Committee shall include:

- at least one (1) member who justifies the required skills in the field of accounting and audit;
- at least one (1) member specialised in internal audits (article 36 §1 of the Management Agreement);
- at least one (1) member specialised in development cooperation (article 36 §1 of the Management Agreement).

The Board shall seek to achieve a balanced composition of the Audit Committee with respect to gender, language and diversity.

The mandate of a member of the Audit Committee shall automatically terminate as from the moment they are no longer a Director.

The Board appoints a Chairperson for the Audit Committee among its members. The chairperson of the Board should not chair the Audit Committee.

## 3. Role and duties

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The Audit Committee is appointed by the Board to assist the Board in discharging its oversight responsibilities in respect of internal control in the broadest sense, including internal control over financial reporting.

The Audit Committee has an advisory role towards the Board on all areas described hereafter and which it covers in appropriate detail. Only the Board has the power to take decisions.

The Audit Committee shall have the following duties:

- **communicate the results of the legal audit of the annual accounts and explanations on the way the legal audit of the annual accounts contributed to the integrity of the financial information, and the role played by the Audit Committee in this process, to the Board**<sup>1</sup>

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<sup>1</sup> . Adapted to reflect the terms of the Companies and Associations Code

The Audit Committee shall monitor the process of the establishment of the Company's financial statements, oversee the Company's financial reporting and monitor the integrity of the financial information provided by the Company, in particular by reviewing the relevance and consistency of the accounting standards used by the Company.

The Audit Committee shall ensure to meet separately with the Auditors to discuss any differences or disagreements with Management or any other matter that the Audit Committee or Auditors believe should be discussed privately.

The Audit Committee must assess, and challenge where necessary, the correctness, completeness and consistency of financial information before submittal to the Board and the General Assembly.

➤ **to monitor the process for the elaboration of financial information and presentation of recommendations or proposals to guarantee the integrity of the financial information**

The Audit Committee shall oversee the set up and implementation of processes and policies as required to ensure financial information is duly recorded and reported so as to guarantee the integrity of the financial statements prepared by the Company.

➤ **to monitor the effectiveness and efficiency of the Company's internal control and risk management systems and the internal audit and its effectiveness**

The Audit Committee shall oversee the design and effectiveness of internal control and risk management systems put in place by the Management, including policies and operational procedures. To this effect, the Audit Committee approves the risk and internal control assessment framework implemented by Management, oversees its implementation and discusses its outcome.

The Audit Committee shall review the Management's reports on the effectiveness and efficiency of the systems for internal control, financial reporting and risk management.

The Audit Committee shall review the statements included in the Company's annual report on the Company's internal controls and risk management framework.

The Audit Committee shall oversee internal audit activities. The internal auditor shall report directly to the Audit Committee on substantive matters, and is ultimately accountable to the Audit Committee and the board of directors

➤ **to monitor the legal audit of the Company's annual accounts, including the monitoring of the recommendations formulated by the Auditors**

The Audit Committee shall meet with Management and with the Auditors to review financial statements, key accounting policies and the results of the audit. In addition, it shall ensure that significant findings and recommendations made by the Auditors and Management's proposed response are received, discussed and acted on appropriately.

- **to assess and monitor the Auditors' performance and the independence of the Auditor appointed by the General Assembly among the members of the Belgian Institute of Company Auditors, in particular with regard to the performance of ancillary services**

The Audit Committee shall perform oversight of the work of the Auditors. In this context:

- the Audit Committee shall review the Auditors' proposed audit scope and approach for the current year in the light of the Company's circumstances and changes in regulatory and other requirements;
- the Audit Committee shall discuss with the Auditors any audit problems encountered in the normal course of audit work, including any restriction on audit scope or access to information;
- the Audit Committee shall review the audit representation letters before consideration by the Board.

The Audit Committee shall annually evaluate the performance of the Auditors and shall oversee the Company's relations with the Auditors.

The Audit Committee shall monitor and assess the independence of the Auditor appointed by the General Assembly, in particular with regard to the performance of ancillary services. In this context:

- the Audit Committee shall pay special attention to the provisions of the Belgian Companies Code relating to the independence of the Auditor and ensure that the independence criteria set forth therein are duly complied with;
- the Audit Committee shall review policies for the provision of non-audit services by the Auditor and, where applicable, the framework for pre-approval of audit and non-audit services;
- the Audit Committee shall review and monitor all audit engagement fees and terms.

- **to make a recommendation to the Board regarding the appointment of the Auditor to be appointed by the General Assembly among the members of the Belgian Institute of Company Auditors**

The Audit Committee shall provide support in respect of the appointment, compensation and retention process of the Auditor to be appointed by the General Assembly in accordance with article 5*bis* §2 of the Law among the members of the Belgian Institute of Company Auditors, subject to the relevant provisions of the Belgian Companies Code and the legislation concerning public procurement.

In this context, the Audit Committee shall formulate recommendations to the Board regarding the selection of the Auditor, its reelection or its revocation and formulate recommendations with regard to the terms of the Auditor's mandate. These recommendations will be submitted to the General Assembly called to resolve on the Auditor's mandate.

- **to monitor compliance with the Company's obligations pursuant to the law of 22 May 2003 relating to the organization of the State budget and accounting and the Management Contract**

The Audit Committee shall oversee the process of the establishment of the Company's multi-year business plan and annual budget. The Audit Committee shall also monitor the Company's compliance with its obligations pursuant to the law of 22 May 2003 relating to the organisation of the State budget and accounting.

➤ **to oversee the setup, improvement and implementation of the Company's integrity and compliance frameworks**

The Audit Committee shall oversee the implementation of the Company's integrity and compliance frameworks and of the Company's Grievance Mechanism.

In the performance of its duties, the Audit Committee shall within the scope of its responsibilities:

- have unrestricted access to the representatives of the Auditor and the Court of Audit;
- have unrestricted access to members of Management, employees to obtain all relevant information to the extent needed for the fulfillment of its mandate;
- have access to external professional advice at the Company's expense, within the budget approved by the Board (if such budget were to be exceeded, the prior approval of the Board shall be required), whenever deemed necessary in the Company's interest.

## 4. Meetings

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### 4.1. Notices, agenda and documentation

Audit Committee meetings are held at least twice a year. Additional meetings can be convened whenever required in the interest of the Company and to allow the Audit Committee to properly perform its duties.

One meeting is held in preparation of the Board meeting scheduled to establish the annual accounts to be presented to the General Assembly, to which the Auditors are invited.

The Chairperson establishes the agenda of each Audit Committee meeting, in collaboration with the CEO. A member may request that an item be added to the agenda of the meeting, provided such request is addressed to CEO at least three (3) business days before the meeting.

The meetings are convened upon notice by the Chairperson, or in their absence by another member. Notices are sent at least five (5) business days prior to the Audit Committee meeting and contain the date, time and place of the meeting, and its agenda. In the event of urgency, the notice period is reduced to two (2) business days. Notices can be sent by letter, e-mail or any other written means. Appropriate documentation relating to the items on the agenda is provided to the members at least five (5) business days prior to the Audit Committee meeting in order to allow the members of the Audit Committee to make an informed decision. In the event of urgency, such period is reduced to two (2) business days.

If all members are present, the Audit Committee can deliberate validly and compliance with notice requirements does not need to be verified.

#### 4.2. Attendance

Meetings are chaired by the Chairperson.

Audit Committee meetings and are held at the Company's registered office, unless otherwise provided in the notice. Audit Committee members may attend the meetings in person or by any means of telecommunications or videoconference, to allow members who are geographically distant from each other to participate in the deliberations of the Audit Committee and vote remotely and to communicate simultaneously.

When an Audit Committee member cannot attend a meeting personally, they may attend by giving a power of attorney to another member by simple letter, e-mail, fax or any other means of written communication. One Audit Committee member can hold one (1) proxy.

The Government Commissioners have a permanent invitation to attend the meetings of the Audit Committee. Other persons (the Auditor, the Court of Audit, the CEO, other members of the Management, non-executive directors, employees) may attend an Audit Committee meeting upon invitation of the Chairperson. The Audit Committee may always decide to hold meetings, in whole or in part, without the presence of the CEO or other members of the Management.

#### 4.3. Deliberations and Resolutions

The Audit Committee can validly deliberate and make resolutions on the items on the agenda provided at least a majority of members are present or validly represented, including the participation of at least two (2) members.

Resolutions are adopted by a simple majority of votes cast by the members of the Audit Committee present or represented at the meeting. In the event of a tie vote, the Chairperson shall have a casting vote.

The Audit Committee can only deliberate and make resolutions on items that are not mentioned on the agenda, provided that all members are present or validly represented and unanimously consent to deliberate and vote on such item.

Whenever a member of the Audit Committee is conflicted with regard to a matter to be resolved upon by the Audit Committee, they shall disclose such conflict of interest to the Audit Committee and the conflicted member shall not participate in the deliberation and decision-making on the concerned matter.

#### 4.4. Minutes

Minutes of each meeting are drafted by the Board Secretary and signed by the Chairperson.

#### 4.5. Written resolutions in lieu of a meeting

The Audit Committee can, with unanimous consent, pass written resolutions in lieu of a meeting.

### 5. Reporting

---

The Audit Committee, through its Chairperson, reports on its activities at each first following Board meeting. More specifically, the Audit Committee reports on the following to the Board:

- provide regular updates on the Audit Committee's activities and make appropriate recommendations;
- ensure that the Board is aware of any matter that can significantly affect the financial condition or affairs of the business;
- prepare the report on the Audit Committee's activities and duties to be included in the corporate governance section of the annual report.

The minutes of each meeting of the Audit Committee are submitted to the Directors at the first following Board meeting. They are also sent to the Auditors.

### 6. Self-assessment

---

At the initiative of the Chairperson, the Audit Committee conducts a self-assessment every other year and reports its findings to the Board. It reviews its performance and relationship with Management.

The Audit Committee thereby also reviews the adequacy of these Standing Rules and recommends necessary amendments to the Board.

Where relevant, the Audit Committee, through the Chairperson, makes recommendations to the Board for trainings and other initiatives for the professional development of its members on topics relevant to the activities of the Audit Committee such as financial reporting and audit, risk management, etc.

### 7. Remuneration

---

The Board resolves on the remuneration to be paid to the members of the Audit Committee.

Currently, a fee of EUR 500 is paid to the Audit Committee members upon attendance of an Audit Committee meeting.

**These Standing Rules were approved by the Board on 26 January 2023**



## Annexe 5:

The Board can amend these Standing Rules at all times.

### **1. Definitions Standing Rules of the Human Resources Committee**

---

**Board** means the Board of Directors of the Company.

**Board Secretary** means the staff member in charge of ensuring the minuting of the Board and committee meetings and maintaining the records and administration of such meetings, in compliance with the By-laws, applicable laws (including, without limitation, the law of 3 November 2001 relating to the incorporation of the Company and the Companies and Associations Code), the Management Contract and the standing rules of the Board and committees.

**CEO** means the Company's Chief Executive Officer, being the person in charge of the day-to-day management of the Company.

**Chairperson** means the chairperson of the Human Resources Committee.

**Company** means the Belgian Investment Company for Developing Countries SA (BIO).

**Director** means a member of the Board.

**Standing Rules** means the standing rules of the Human Resources Committee, as set out herein.

### **2. Composition**

---

The members of the Human Resources Committee are appointed by the Board for three (3) years and can be removed at any time by the Board.

The Human Resources Committee is composed of minimum three (3) and maximum four (4) Directors.

The Board shall procure that the Human Resources Committee is composed in such a way as to ensure an effective collective expertise in the Company's field of activity. At least one member shall justify complementary expertise in the fields of human resources, management and staff appraisals.

The Board shall seek to achieve a balanced composition of the Human Resources Committee with respect to gender, language and diversity.

The mandate of a member of the Human Resources Committee shall automatically terminate as from the moment they are no longer a Director.

The Board appoints a Chairperson for the Human Resources Committee among its members.

### 3. Role

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The Human Resources Committee, as an advisory committee, assists the Board in connection with matters pertaining to human resources, including the Company's remuneration policy and recruitment policy.

The Human Resources Committee has the following rules and duties:

- to make recommendations to the Board regarding the Company's human resources policies, including its remuneration policy, recruitment policy, well-being policy, trainings policy, staff appraisals policy, etc and to oversee the implementation thereof by Management;
- to evaluate the Company's organisational structure and make recommendations to the Board;
- to oversee the compliance by the Company of its legal obligations with respect to human resources related matters;
- to formulate recommendations to the Board with regard to the recruitment, hiring and dismissal of the CEO and other members of the Executive Committee, including proposals regarding the terms of their employment. The hiring and dismissal of the CEO and other members of the Executive Committee are subject to the approval of the Board;
- to elaborate and recommend employee incentive schemes to the Board for approval;
- to oversee the Company's relations with the employee representatives and ensure that the Company's obligations vis-à-vis the employee representative bodies (including, without limitation, the Comité voor Preventie en Bescherming op het Werk (CPBW) / Comité pour la Prévention et la Protection au Travail (CPPT)), are duly complied with.

### 4. Meetings

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#### 4.1. Notices, agenda and documentation

Human Resources Committee meetings are held as often as required in the interest of the Company and are organised at the request of the CEO or the Chairperson.

The Chairperson establishes the agenda of each Human Resources Committee meeting, in collaboration with the CEO. A member may request that an item be added to the agenda of the meeting, provided such request is addressed to the CEO at least three (3) business days before the meeting.

The meetings are convened upon notice by the Chairperson, or in their absence by another member. Notices are sent at least five (5) business days prior to the Human Resources Committee meeting and contain the date, time and place of the meeting, and its agenda. In the event of urgency, the notice period is reduced to two (2) business days. Notices can be sent by letter, e-mail or any other written means. Appropriate documentation relating to the items on the agenda is provided to the members at least five (5) business days prior to the Human Resources Committee meeting in order to allow the members of the Human Resources Committee meeting to make an informed decision. In the event of urgency, such period is reduced to two (2) business days.

If all members are present, the Human Resources Committee can deliberate validly and compliance with notice requirements does not need to be verified.

#### 4.2. Attendance

Meetings are chaired by the Chairperson.

Human Resources Committee meetings are held at the Company's registered office, unless otherwise provided in the notice. Human Resources Committee members may attend the meetings in person or by any means of telecommunications or videoconference, to allow members who are geographically distant from each other to participate in the deliberations of the Human Resources Committee and vote remotely and to communicate simultaneously.

When a Human Resources Committee member cannot attend a meeting personally, they may attend by giving a power of attorney to another member by simple letter, e-mail, fax or any other means of written communication. One Human Resources Committee member can hold one (1) proxy.

The Government Commissioners have a permanent invitation to attend the meetings of the Human Resources Committee. The CEO is invited to attend the Human Resources Committee meetings unless the Human Resources Committee decides otherwise. The Human Resources Committee can invite the Company's HR Officer, the Chief Legal Officer or any other person to attend a meeting when relevant in connection with an item on the agenda.

#### 4.3. Deliberations and Resolutions

The Human Resources Committee can validly deliberate and make resolutions on the items on the agenda provided that at least a majority of members are present or validly represented, including the presence of at least two (2) members.

Resolutions are adopted by a simple majority of votes cast by the members of the Human Resources Committee present or represented at the meeting. In the event of a tie vote, the Chairperson shall have a casting vote.

The Human Resources Committee can only deliberate and make resolutions on items that are not mentioned on the agenda, provided that all members are present or validly represented and unanimously consent to deliberate and vote on such item.

Whenever a member of the Human Resources Committee is conflicted with regard to a matter to be resolved upon by the Human Resources Committee, they shall disclose such conflict of interest to the Human Resources Committee and the conflicted member shall not participate in the deliberation and decision-making on the concerned subject.

#### 4.4. Minutes

Minutes of each meeting of the Human Resources Committee are drafted by the Board Secretary and signed by the Chairperson. The minutes are available for consultation by the Directors.

#### 4.5. Written resolutions in lieu of a meeting

The Investment Committee can, with unanimous consent, pass written resolutions in lieu of a meeting.

### 5. Reporting

---

The Human Resources Committee, through its Chairperson, reports on its activities to the Board at each first following Board meeting.

### 6. Self-assessment

---

At the initiative of the Chairperson, the Human Resources Committee conducts a self-assessment every other year and reports its findings to the Board. It reviews its performance and relationship with Management.

The Human Resources Committee thereby also reviews the adequacy of these Standing Rules and recommends necessary amendments to the Board.

Where relevant, the Human Resources Committee, through the Chairperson, makes recommendations to the Board for trainings and other initiatives for the professional development of its members on topics relevant to the activities of the Human Resources Committee.

### 7. Remuneration

---

The Board resolves on the remuneration to be paid to the members of the Human Resources Committee.

Currently, a fee of EUR 500 is paid to the Human Resources Committee upon attendance of a Human Resources Committee meeting.

**These Standing Rules were approved by the Board on 26 January 2023**

## Annexe 6:

The Board can amend these Standing Rules at all times.

### 1. Definitions Standing Rules of the Internal Review Committee

---

**Board** means the Board of Directors of the Company.

**Board Secretary** means the staff member in charge of ensuring the minuting of the Board and committee meetings and maintaining the records and administration of such meetings, in compliance with the By-laws, applicable laws (including, without limitation, the Law and the Companies and Associations Code), the Management Contract and the standing rules of the Board and committees.

**CEO** means the Company's Chief Executive Officer.

**CIO** means the Company's Chief Investment Officer.

**Company** means the Belgian Investment Company for Developing Countries NV/SA.

**Deal Team** means the team of employees of the Company assigned to the financing project of which the proposal submitted to the Internal Review Committee, which includes the Primary Investment Officer (PIO), the Secondary Investment Officer (SIO), the E&S Officer, the Development Officer and the Legal Officer.

**Director** means a member of the Board.

**Investment Proposal** means a proposal with respect to investments as defined in Section 3 of these Standing Rules.

**Law** means the law of 3 November 2001 relating to the incorporation of the Company, as amended from time to time.

**Standing Rules** means the standing rules of the Internal Review Committee, as set out herein.

**Team Manager** means, as applicable, the Manager Financial Institutions, the Manager Enterprises, the Manager Private Equity or the Manager Infrastructure.

### 2. Composition

---

The Internal Review Committee is composed of:

- the CIO;
- the Risk Manager;
- the Team Manager of the investment unit making the Investment Proposal; and
- the Deal Team.

For each meeting, the composition of the Internal Review Committee, which is project-specific, varies with respect to the Department Manager and the Deal Team.

### 3. Role and duties

---

The Internal Review Committee resolves on Investment Proposals that do not exceed (the equivalent of) EUR 2,000,000.

### 4. Meetings

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#### 4.1. Notices, agenda and documentation

Internal Review Committee meetings are held whenever required at the request of the relevant Team Manager sent to the CIO to resolve on a given Investment Proposal.

The meetings are convened upon notice by the CIO, or in his/her absence by the Team Manager to whom he/she has given a power of attorney to this effect, who shall not be the Team Manager of the investment unit making the Investment Proposal. Notices are sent at least seven (7) business days prior to the Internal Review Committee meeting and contain the date, time and place of the meeting, and its agenda. In the event of urgency, the notice period is reduced to three (3) business days. Notices are sent by e-mail. The note containing the Investment Proposal, which shall include the input of each Deal Team member and any other document relevant to the Investment Proposal to allow the Internal Review Committee to make an informed decision, are provided to the members at least five (5) business days prior to the meeting. In the event of urgency, such period is reduced to two (2) business days. Notices and documentation are sent at the same time to the CEO and the Government Commissioners.

If all members are present, the Internal Review Committee can deliberate validly and compliance with notice requirements does not need to be verified.

#### 4.2. Attendance

Meetings are chaired by the CIO.

Internal Review Committee meetings and are held at the Company's registered office, unless otherwise provided in the notice. Internal Review Committee meetings are held as a rule in person. With the consent of the CIO, members may attend the meetings also attend by any means of telecommunications or videoconference that allow members who are geographically distant from each other to participate in the deliberations of the Internal Review Committee and vote remotely and to communicate simultaneously.

When an Internal Review Committee member cannot attend a meeting personally, they may attend by giving a power of attorney to another person of their unit or department by simple letter, e-mail, fax or any other means of written communication.

The CEO and the Government Commissioners have a permanent invitation to attend the meetings of the Internal Review Committee. Other persons may attend an Internal Review Committee meeting upon invitation of the CIO.

#### 4.3. Deliberations and Resolutions

The Internal Review Committee can validly deliberate and make resolutions on the items on the agenda provided all members are present or represented.

The CIO shall seek to reach a consensus among the members of the Internal Review Committee regarding the approval or rejection of an Investment Proposal, the investment terms and conditions for approval, if applicable. Whenever a consensus cannot be found, the CIO will make the final decision with respect to the Investment Proposal.

The Risk Manager can suspend a decision of the Internal Review Committee, in which case they shall bring the matter before the CEO with the reasons for the suspension in writing, within five (5) business days as from the date of the relevant decision. The CEO makes the final decision on the Investment Proposal: to either confirm the decision of the Internal Review Committee, amend the decision, add conditions or reject the decision altogether.

Regardless of whether the Risk Manager suspends the decision as provided above, the CEO has the right to veto any decision made by the Internal Review Committee within two (2) business days as from the date they were informed thereof. The CEO shall exercise this veto by notifying the CIO thereof in writing, with the reasons for the veto.

Whenever a member of the Internal Review Committee is conflicted with regard to a matter to be resolved upon by the Internal Review Committee, they shall disclose such conflict of interest to the Internal Review Committee and the conflicted member shall not participate in the deliberation and decision-making on the concerned matter.

#### 4.4. Minutes

Minutes of each meeting are drafted by the Board Secretary and signed by the CIO.

## 5. Reporting

---

The CIO reports on the activities of the Internal Review Committee on a quarterly basis to the Board and shall provide a summary of all decisions.

## 6. Assessment

---

At the initiative of the CIO, management conducts an assessment every other year and reports its findings to the Board.

Management thereby also reviews the adequacy of these Standing Rules and recommends necessary amendments to the Board.

## 7. Remuneration

---

The members of the Internal Review Committee are employees of the Company and do not receive any additional remuneration for the performance of their duties.

**These Standing Rules were approved by the Board on 26 January 2023**



## Annex 7:

The Board can amend these Rules at all times.

### 1. Definitions Procedure for the approval of subsidies

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**BDSF Officer** means the member of the BDSF unit who submits a given Subsidy Proposal.

**Board** means the Board of Directors of the Company.

**CEO** means the Company's Chief Executive Officer.

**Company** means the Belgian Investment Company for Developing Countries NV/SA.

**D&S Manager** means the manager in charge of the Development & Sustainability Unit, which includes the Business Development Support Fund (BDSF).

**Law** means the law of 3 November 2001 relating to the incorporation of the Company, as amended from time to time.

**Primary IO** means the primary investment officer in charge of the related investment project or prospective project, as applicable.

**Standing Rules** means the standing rules of the Internal Review Committee, as set out herein.

**Subsidy Proposal** means a proposal with respect to a subsidy to be provided by the Company pursuant to article 3<sup>ter</sup> of the Law.

**Team Manager** means, as applicable, the D & S Manager, Manager Financial Institutions, the Manager Enterprises, the Manager Private Equity, the Manager Infrastructure or the Portfolio Manager.

### 2. Procedure for approval

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#### 2.1. Subsidies in an amount not exceeding EUR 30,000

##### *(a) Preparation of the Subsidy Proposal*

The BDSF Officer prepares and signs a Subsidy Proposal based on the template enclosed as **Annex 1**. The Subsidy Proposal shall include a section prepared by the Legal department relating to the legal aspects of the proposal and shall be signed by the Primary IO, evidencing the support of the latter for

the Subsidy Proposal. In the absence of the Primary IO, the relevant Team Manager shall sign the proposal.

*(b) Decision with respect to the Subsidy Proposal*

The Subsidy Proposal is signed for approval by the D & S Manager or the member of the Development and Sustainability Unit designated as proxy in his or her absence, who shall however not be the BDSF Officer. Upon approval by the D & S Manager or his or her proxy, the Subsidy Proposal is sent by e-mail to the CEO for approval, or in his or her absence, to the chief whom the CEO has designated as his or her proxy. The CEO, or in his or her absence his or her proxy, shall approve the Subsidy Proposal by signing it. The Subsidy Proposal is however deemed approved if the CEO, or in his or her absence his or her proxy, does not formulate an objection or reservation within five (5) business days from the receipt thereof.

*(c) Transmission to the Government Commissioners*

The assistant to the CEO sends the Subsidy Proposal, approved or deemed approved as provided in paragraph (b), forthwith to the Government Commissioners by e-mail.

2.2. Subsidies in an amount in excess of EUR 30,000

*(a) Preparation of the Subsidy Proposal*

The BDSF Officer prepares and signs a Subsidy Proposal based on the template enclosed as **Annex 2**. The Subsidy Proposal shall include a section prepared by the Legal department relating to the legal aspects of the proposal.

*(b) Decision with respect to the Subsidy Proposal*

The BDSF Officer shall convene a meeting with at least five (5) business days notice by e-mail sent to the following persons:

- the Primary IO;
- the Team Manager or the investment officer to whom he or she has designated as proxy in his or her absence, who shall however not be the Primary IO;
- the D & S Manager or the member of the Development and Sustainability Unit designated as proxy in his or her absence, who shall however not be the BDSF Officer;
- the CEO or the chief he or she has designated as proxy in his or her absence;
- the Government Commissioners.

The Subsidy Proposal shall be sent to the above persons at the same time as the notice.

The meeting can be validly held if at least the BDSF Officer, the Primary IO or the Team Manager and the CEO are present (or their proxy). The Subsidy Proposal is discussed among the members attending the meeting. The final decision on the proposal is taken by the CEO (or his or her proxy).

The BDSF Officer prepares minutes of the meeting, which are signed for approval by the CEO.

### 2.3. MIS

All Subsidy Proposals and decisions in relation thereto are uploaded into the MIS.

## **3. Reporting**

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The D & S Manager provides an overview of the Subsidy Proposals approved in accordance with these rules to the Board on a quarterly basis.

## **6. Assessment**

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At the initiative of the D & S Manager, management conducts an assessment of these Rules and their application every other year and reports its findings to the Board.

**These Rules were approved by the Board on 26 January 2023**