

**APPENDIX 2 - TERMS OF REFERENCE OF THE EXECUTIVE TEAM**

**THROMBOGENICS NV**

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## INTRODUCTION

These terms of reference are part of the CG Charter of the Company. They detail the responsibilities, duties, powers, composition and operation of the Executive Team of the Company.<sup>1</sup>

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

### 1. COMPOSITION OF THE EXECUTIVE TEAM

#### 1.1 Composition

- (a) The Executive Team includes (i) the CEO and (ii) at least, all executive directors. If a management committee exists, the Executive Team shall also include all members of that committee, irrespective of whether the committee has been established within the scope of article 524bis BCC (legal management Committee).<sup>2</sup>
- (b) The list of the members of the Executive Team must be disclosed in the CG Statement<sup>3</sup>.
- (c) The Executive Team is chaired by the CEO of the Company.

#### 1.2 Appointment

- (a) The members of the Executive Team are appointed by the Board.
- (b) The Nomination and Remuneration Committee assists the Board on the nomination and succession planning of the CEO and the other members of the Executive Team, unless otherwise decided by the Board.<sup>4</sup>

### 2. THE ROLE AND THE DUTIES OF THE EXECUTIVE TEAM

#### 2.1 The role and duties of the CEO

- (a) The CEO is responsible for the day-to-day management of the Company.
- (b) The CEO also exercises the specific management powers delegated by the Board to the CEO. These powers cannot relate to the general policy of the Company or any other actions that are reserved to the Board on the basis of legal provisions or the articles of association or the CG Charter of the Company.
- (c) Schedule 1 contains a list of the specific management powers delegated to the CEO by the Board and a non-exhaustive example list of powers reserved to the Board.

#### 2.2 The role and duties of the Executive Team

- (a) The Board shall empower the Executive Team to enable it to perform its responsibilities and duties. Taking into account the Company's values, its risk appetite and key policies, the Executive Team shall have sufficient latitude to propose and implement corporate strategy.<sup>5</sup>

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<sup>1</sup> Provision 6.1 CGC

<sup>2</sup> Provision 6.2 CGC

<sup>3</sup> Provision 6.2 CGC

<sup>4</sup> Provision 6.3 CGC

<sup>5</sup> Provision 6.4 CGC

- (b) The Executive Team shall at least<sup>6</sup>:
- (i) be entrusted with the running of the Company by:
- proposing, developing, implementing and monitoring the Company strategy, taking into account the values of the Company, its risk profile and key policies;
  - supervising compliance with the legislation and regulations that apply to the Company;
  - supporting the CEO in the day-to-day management of the Company and with the performance of his or her other duties;
  - organising, managing and monitoring supporting functions, including those relating to human resources, legal, compliance and fiscal affairs, internal and external reporting and communication with investors, etc
- (ii) put internal controls in place (i.e. systems to identify, assess, manage and monitor financial and other risks) without prejudice to the Board's monitoring role, based on the framework approved by the Board;
- (iii) present to the Board a complete, timely, reliable and accurate preparation of the Company's Financial statements, in accordance with the applicable accounting standards and policies of the Company;
- (iv) prepare the Company's required disclosure of the Financial statements and other material financial and non-financial information;
- (v) present the Board with a balanced and understandable assessment of the Company's financial situation;
- (vi) provide the Board in due time with all information necessary for the Board to carry out its duties;
- (vii) be responsible and accountable to the Board for the discharge of its responsibilities. The Board reserves the right ("evocation right") to consult and decide on issues that fall within the powers of the CEO.

### **3. OPERATION**

#### **3.1 Meetings and decision making**

- (a) The Executive Team meets whenever a meeting is required for a proper operation of the Executive Team, but at least every two weeks.
- (b) In principle, meetings of the Executive Team are convened by the CEO. Each member of the Executive Team can convene the Executive Team.
- (c) Members of the Executive Team may attend a meeting in person or by conference call.
- (d) The quorum is half the members of the Executive Team.

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<sup>6</sup> Provision 6.5 CGC

- (e) Decisions must be taken by a majority of the votes cast by the members of the Executive Team. In case of equality of votes, the CEO has a casting vote.
- (f) The Company Secretary will assist the CEO and the members of the Executive Team in the organisation and operation of the Executive Team.
- (g) The Chairman of the Board has a permanent invitation to attend the meetings of the Executive Team. The Executive Team may invite other persons to attend its meetings.

### **3.2 Reporting to the Board**

The CEO or another member of the Executive Team designated by the CEO must draw up a minutes of the resolutions of the Executive Team meeting. He or she must provide all members of the Executive Team and of the Board with the minutes as soon as possible after the meeting.

If requested, the CEO must provide more detailed information on the deliberations and decisions of the Executive Team during Board meetings.

Each member of the Board has unlimited access to all data of the Executive Team.

### **3.3 Conflicts of Interests and transactions with the Company**

Each member of the Executive Team should arrange his personal and business affairs so as to avoid direct and indirect conflicts of interest with the Company. Transactions between the Company and the members of the Executive Team should take place at arms' length<sup>7</sup>.

Regarding transactions or other contractual relationships between the Company or its subsidiaries, and the members of the Executive Team, the members of the Executive Team should follow the policy established by the Board included in Appendix 2. Comments on the application of this policy will be disclosed in the CG Statement<sup>8</sup>.

### **3.4 Dealing Code**

The Dealing Code, as attached as Appendix 3 to the Charter, applies to members of the Executive Team.

## **4. REMUNERATION**

The Board determines the remuneration of the members of the Executive Team on the basis of recommendations from the Nomination and Remuneration Committee.

The Company's remuneration policy is described in Appendix 5.

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<sup>7</sup> Provision 6.7 CGC

<sup>8</sup> Provision 6.8 CGC

## SCHEDULE 1

### **SPECIFIC MANAGEMENT POWERS OF THE CEO AND POWERS RESERVED TO THE BOARD**

#### **SPECIFIC MANAGEMENT POWERS OF CEO**

The Board has delegated the day-to-day management of the Company to the CEO.

#### **POWERS RESERVED TO THE BOARD**

The Board remains responsible for the general policy of the Company. The general policy of the Company relates to the decisions on the overall strategy and on the strategy in the main functional areas (marketing, production, sale, logistics, finances and HR).

What follows is a non-exhaustive list of actions and transactions that fall outside the scope of the day-to-day management and are reserved to the Board:

- the issuing of bonds;
- the convening and possibly postponement of the general meeting of shareholders and bondholders;
- the provisional filling of a vacancy in the Board (cooptation);
- the payment of interim dividends;
- the decision to purchase or alienate of company shares in the hands of the Company;
- a capital increase within the limits of the authorised capital and the period within which the pre-emption right can be exercised as well as the issue of convertible bonds and warrants;
- the establishment of the financial statements and the annual report;
- the approval of the annual budget, any substantial change of and any action inconsistent with the annual budget;
- the approval of the different business plans;
- the adjustment of valuation methods, accounting principles or the internal control procedure;
- the establishment or termination of joint ventures;
- the take-over or transfer of the larger part of the assets of the Company or of a department;
- the acquisition of assets by the Company for an amount exceeding EUR 250,000, other than acquisitions that were anticipated in the approved annual budget;
- the appointment of the members of the Committees, their removal, the determination of their remuneration, the term of their mandate and the operation of the Committees;
- the giving of assignments to auditors and related consultants and the termination of such assignments;

- reorganisations and collective dismissals;
- the conclusion of external financing contracts for amounts exceeding EUR 100,000;
- any actions which may lead to the application of articles 523 and 524 of the Belgian Companies Code;
- any actions and issues that concern the contractual relationship between the Company and its shareholders or the companies connected with these shareholders;
- approval of transactions between the Company and its Board members or the CEO;
- the drawing up and amendment of the CG Charter; and
- draw up and sign all deeds and documents for the performance of any of the above powers.