

**CORPORATE GOVERNANCE CHARTER OF**

**CENERGY HOLDINGS**

(the *Company*)

**31 May 2022**

## TABLE OF CONTENTS

<b>1. INTRODUCTION .....</b>	<b>3</b>
<b>2. SHAREHOLDERS .....</b>	<b>3</b>
2.1 COMMUNICATION AND RELATIONSHIP WITH SHAREHOLDERS .....	3
2.2 INFORMATION TO SHAREHOLDERS .....	4
2.3 GENERAL SHAREHOLDERS' MEETING .....	4
2.4 CONVOCAION, ADMISSION, AND MINUTES OF GENERAL SHAREHOLDERS' MEETINGS .....	5
2.5 MAJOR SHAREHOLDERS .....	5
<b>3. PUBLICATION OF RESULTS.....</b>	<b>5</b>
<b>4. THE BOARD OF DIRECTORS .....</b>	<b>5</b>
4.1 COMPOSITION AND ROLE .....	5
4.2 APPOINTMENT OF THE MEMBERS OF THE BOARD .....	6
4.3 REMUNERATION.....	7
4.4 FUNCTIONING OF THE BOARD .....	8
4.5 ASSESSMENT OF PERFORMANCE .....	8
<b>5. EXECUTIVE MANAGEMENT.....</b>	<b>8</b>
5.1 COMPOSITION AND ROLE .....	8
5.2 REMUNERATION.....	9
5.3 ASSESSMENT OF PERFORMANCE .....	9
<b>6. THE AUDIT COMMITTEE.....</b>	<b>9</b>
6.1 COMPOSITION AND ROLE .....	9
6.2 FUNCTIONING .....	10
6.3 ASSESSMENT OF PERFORMANCE .....	10
<b>7. THE NOMINATION AND REMUNERATION COMMITTEE .....</b>	<b>10</b>
<b>7.1 COMPOSITION AND ROLE.....</b>	<b>10</b>
7.2 FUNCTIONING .....	11
7.3 ASSESSMENT OF PERFORMANCE .....	11
<b>8. POTENTIAL CONFLICT OF INTERESTS .....</b>	<b>11</b>
<b>9. INSIDER DEALING AND MARKET MANIPULATION.....</b>	<b>11</b>

## 1. INTRODUCTION

The Company was incorporated as a Belgian limited liability company (*société anonyme / naamloze vennootschap*) on 17 March 2016. The legal name of the Company was Energy Transmission International SA, in abbreviation “ENERTRI” and it was modified into its current name, Cenergy Holdings, on July 29, 2016. The registered address of the Company is 30 Avenue Marnix, B-1000 Brussels, Belgium where there is also the principal place of business of the Company. The Company is registered with the legal entities register (Brussels) and its registration number is 0649.991.654. The Company has been incorporated for an unlimited period of time.

As a company incorporated under Belgian law and listed on Euronext Brussels, Cenergy Holdings applies standards that are compliant with the provisions of the 2020 Belgian Corporate Governance Code (the *Corporate Governance Code*) which is the reference code and is publicly available on the website of the Corporate Governance Committee ([www.corporategovernance-committee.be](http://www.corporategovernance-committee.be)).

This corporate governance charter (the *Corporate Governance Charter*) has been adopted by the board of directors of Cenergy Holdings (the *Board*) to reinforce these standards for the Company in accordance with the recommendations set out in the Corporate Governance Code. It aims at providing a comprehensive and transparent disclosure of the Company’s governance and is reviewed and updated from time to time.

In addition, the Company includes in its annual report, a corporate governance statement with factual information on the corporate governance and relevant modifications thereto. Deviations from the Corporate Governance Code principles are set out in the annual report, together with an explanation.

In order to have a complete overview of the corporate governance rules of Cenergy Holdings, the Corporate Governance Charter must be read in conjunction with the Company’s articles of association, the corporate governance statement included in the annual report as well as the corporate governance provisions laid down in the Belgian Code of Companies and Associations (the *BCCA*).

This Corporate Governance Charter, as well as the annual report and the Company’s coordinated articles of association, are published on the website of Cenergy Holdings ([www.cenergyholdings.com](http://www.cenergyholdings.com)). Copies of the Corporate Governance Charter are available at no charge on request at the Company’s registered office.

## 2. SHAREHOLDERS

### 2.1 *Communication and relationship with shareholders*

The Company ensures all necessary facilities and information in order to enable shareholders to exercise their rights are available. In accordance with Belgian law, shareholders holding at least 3% of the share capital of the Company may request that items be added to the agenda of any general shareholders’ meeting, provided that they prove holding of such shareholding.

General shareholders’ meetings offer an opportunity for the Board to communicate with the shareholders on strategy, results, and operations of the Company, give additional insight on corporate governance matters, and respond to shareholders’ questions. The chairman of the Board (the *Chairman*) takes the necessary measures to ensure that any relevant questions from shareholders are answered.

Cenergy Holdings has not found it necessary to date to enter into a relationship agreement with its major shareholders.

## **2.2 Information to shareholders**

The website of the Company ([www.cenergyholdings.com](http://www.cenergyholdings.com)) includes a regularly updated section dedicated to shareholders and investors where all relevant information can be found, including information relating to corporate governance, shares and share price, general shareholders' meetings, key financial data, financial calendars, and press releases.

## **2.3 General shareholders' meeting**

The general shareholders' meeting represents all shareholders of the Company. Its decisions are binding upon all shareholders, even absentees or dissidents. The general shareholders' meeting has the powers that are expressly reserved to it by Belgian law and by the articles of association of the Company.

Without prejudice to any other power provided for in the law and the articles of association, the general meeting has exclusive competence to resolve on the following matters:

- any amendment of the articles of association (including the modification of the corporate name);
- the modification of the corporate object or purpose;
- any share capital increase and waiver/restrictions to the preferential subscription rights or share capital decrease;
- any authorisation to be granted to the board of directors to increase the capital in the scope of the authorised capital or any renewal of such authorisation;
- any conversion of one category of shares into shares of another category and the creation of a new category of shares;
- the acquisition of own shares, pledge on own shares and financial assistance;
- the transfer of the registered office of the Company abroad;
- the appointment/re-appointment and dismissal of the members of the Board (except in the case set forth in article 16.1 of these articles of association);
- the approval of the remuneration of the members of the board of directors;
- the approval of the remuneration report;
- the appointment of the statutory auditors and potential dismissal for legitimate reasons of the statutory auditors;
- the determination of the statutory auditor's fees;
- the discharge of liability to the members of the board of directors and the statutory auditors;
- the issue of bonds;
- the approval of the annual accounts and the allocation of profits (except interim dividend);
- any merger, demerger, transformation, contribution of universality, liquidation or dissolution of the Company;
- the appointment of liquidators;
- the initiation of a liability claim against the members of the board of directors and/or the auditors;
- the granting to third parties rights that substantially affect the Company's assets and liabilities or give rise to a debt or substantial commitment on its part, if the exercise of such rights is subject to the condition precedent of the launch of a takeover bid or a change of control;
- the decisions during a takeover that significantly change the composition of the assets or liabilities or consist in commitments without effective consideration for the Company.

## **2.4 Convocation, admission, and minutes of general shareholders' meetings**

The rules governing the holding and convening of the general shareholders' meetings, as well as the formalities to be accomplished in order to participate in these meetings, including the representation of shareholders, are laid down in the articles of association, available at the registered offices and on the website of the Company.

Minutes of the general shareholders' meetings are available to any shareholder upon request and are also published on the website of the Company.

## **2.5 Major shareholders**

Based on the last Transparency Declaration, the sole major shareholder of Cenergy Holdings is Viohalco SA, who holds 79.78% of the Company's total voting rights.

Voting rights are governed by the "one share, one vote" principle and major shareholders do not have different voting rights than other shareholders.

## **3. PUBLICATION OF RESULTS**

The Company communicates its annual and half-yearly results in accordance with the rules applicable to listed companies.

## **4. THE BOARD OF DIRECTORS**

### **4.1 Composition and Role**

In accordance with article 8 of the articles of association, the Board is composed of ten members. One of the members of the Board is executive member and nine are non-executive members (including the Chairman), three of which are independent.

The Board is vested with the power to perform all acts that are necessary or useful for the Company's purpose, except for those actions that are specifically reserved by law or the articles of association to the general shareholders' meeting or other management bodies.

In particular, the Board is responsible for:

- defining the general orientations of the Company;
- deciding on and regularly reviewing any aspect related to all major strategic, financial and operational matters of the Company;
- deciding on the Executive Management structure and determining the powers and duties entrusted to them;
- taking all necessary measures to guarantee integrity and timely disclosure of the Company's financial statements and other material financial or non-financial information about the Company in accordance with applicable law;
- monitoring and reviewing the effectiveness of the Audit Committee and the Nomination and Remuneration Committee;
- approving a framework of internal control and risk management set up by the executive management and reviewing its implementation;

- monitoring the quality of the services provided by the statutory auditor(s) and the internal audit, taking into account the Audit Committee's review;
- approving the remuneration report submitted by the Nomination and Remuneration Committee; and
- all other matters reserved to the Board under the BCCA.

The Board has delegated to the members of the Executive Management the duty to implement the corporate strategy determined by the Board and to carry out the general management of the Company.

#### **4.2 Appointment of the members of the Board**

The members of the Board are appointed by the general shareholders' meeting under simple quorum and majority conditions in accordance with the BCCA, upon proposal from the Board. The members of the Board are appointed for a term of maximum one year and their term of office is renewable.

In case a seat of a member of the Board becomes vacant, such vacancy may be filled temporarily by virtue of a unanimous vote of the remaining members of the Board, until the next general shareholders' meeting which will proceed to the definitive appointment of a member.

Any proposal for the appointment of a member of the Board originating from the general shareholders' meeting must be accompanied by a Board recommendation, based on the advice of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee reviews candidacies and seeks to ensure that a satisfactory balance of expertise, knowledge, experience, and gender diversity is maintained among members of the Board. The Board submits the proposal on the co-opting or on the appointment of the members of the Board to the general shareholders' meeting after having examined recommendations made by the Nomination and Remuneration Committee.

The Board decides which candidates satisfy the independence criteria on the basis of the following criteria set forth in article 3.5 of the Corporate Governance Code:

1. Not be an executive, or exercising a function as a person entrusted with the daily management of the company or a related company or person, and not have been in such a position for the previous three years before their appointment. Alternatively, no longer enjoying stock options of the company related to this position;
2. Not have served for a total term of more than twelve years as a non-executive board member;
3. Not be an employee of the senior management (as defined in article 19,2° of the law of 20 September 1948 regarding the organisation of the business industry) of the company or a related company or person, and not have been in such a position for the previous three years before their appointment. Alternatively, no longer enjoying stock options of the company related to this position;
4. Not be receiving, or having received during their mandate or for a period of three years prior to their appointment, any significant remuneration or any other significant advantage of a patrimonial nature from the company or a related company or person, apart from any fee they receive or have received as a non-executive board member;

5. a. Not hold shares, either directly or indirectly, either alone or in concert, representing globally one tenth or more of the company's capital or one tenth or more of the voting rights in the company at the moment of appointment;

b. Not having been nominated, in any circumstances, by a shareholder fulfilling the conditions covered under (a);

6. Not maintain, nor have maintained in the past year before their appointment, a significant business relationship with the company or a related company or person, either directly or as partner, shareholder, board member, member of the senior management (as defined in article 19,2° of the law of 20 September 1948 regarding the organisation of the business industry) of a company or person who maintains such a relationship;

7. Not be or have been within the last three years before their appointment, a partner or member of the audit team of the company or person who is, or has been within the last three years before their appointment, the external auditor of the company or a related company or person;

8. Not be an executive of another company in which an executive of the company is a non-executive board member, and not have other significant links with executive board members of the company through involvement in other companies or bodies;

9. Not have, in the company or a related company or person, a spouse, legal partner or close family member to the second degree, exercising a function as board member or executive or person entrusted with the daily management or employee of the senior management (as defined in article 19,2° of the law of 20 September 1948 regarding the organisation of the business industry), or falling in one of the other cases referred to in 1. to 8. above, and as far as point 2. is concerned, up to three years after the date on which the relevant relative has terminated their last term.

As a rule, the Board shall select candidates for independent directors by taking into account the independence criteria set out in principle 3.5 of the Corporate Governance Code. If the Board decides to present for appointment as independent director a candidate who does not meet all criteria set out in article 3.5 of the Corporate Governance Code, the Board shall explain the reasons why it considers that such candidate is independent, in accordance with article 7:87 of the BCCA.

Any independent member of the Board who no longer fulfils the criteria of independence on the basis of which he or she was appointed shall immediately inform the Board.

The members of the Board can be revoked at any time by the general shareholders' meeting. A member of the Board may submit his or her resignation at any time.

### **4.3 Remuneration**

The remuneration of the members of the Board is set by the general shareholders' meeting.

The Board adopts the policy for remuneration of the executive and non-executive members of the Board on the basis of a proposal from the Nomination and Remuneration Committee. The Nomination and Remuneration Committee bases its proposals on a review of prevailing market conditions for comparable companies.

A number of members of the Board hold executive functions within the Company or subsidiaries or affiliated companies of the Company and they receive remuneration for such executive functions by the Company or such subsidiaries or affiliated companies, in addition to the amounts paid to them as members of the Board or of Board committees.

The Board prepares a remuneration report on the basis of a proposal from the Nomination and Remuneration Committee that is published in the “Corporate Governance Statement” chapter of the Company’s annual report. This report contains the information required by the Belgian Code on Companies and Associations. Any significant change in the remuneration policy compared with the year covered by the annual report is highlighted in the remuneration report.

#### **4.4     *Functioning of the Board***

The Board elects a chair among its members (the *Chairman*). The Chairman directs the Board’s works. He sets the agenda of its meetings after consultation with the Executive Management. The Chairman ensures the leadership of the Board and promotes effective interaction between the Board and the Executive Management. The Chairman is responsible for ensuring that all members of the Board receive accurate, timely, and clear information.

The Board appoints a secretary to advise the Board on all corporate governance matters (the *Company Secretary*).

The Board meets as frequently as the interests of the Company require so and in any case at least four times a year. The majority of the meetings of the Board in any year take place at the Company’s registered offices in Belgium.

The meetings of the Board can also be held by teleconference, videoconference, or by any other means of communication that allow the participants to hear each other continuously and to actively participate in these meetings. Participation to meeting through the above-mentioned means of communication is considered as a physical presence to such meeting.

The Board can adopt unanimous written decisions. Each member of the Board may provide his or her consent in counterparts and the totality of the consents shall constitute the proof that the decisions were adopted. The date of such decisions shall be the date of the last signature.

The Board can only validly deliberate provided at least the majority of its members is present or represented. The decisions of the Board are validly adopted by the majority of its members present or represented at the meeting.

#### **4.5     *Assessment of performance***

The Board meets at least every two to three years in order to assess its size, composition, performance and those of its committees. Non-executive members of the Board meet at least once a year to assess their interaction with the Executive Management. The evaluation is carried out through a formal process in accordance with a methodology approved by the Board.

### **5.     EXECUTIVE MANAGEMENT**

#### **5.1     *Composition and role***

The executive management (the *Executive Management*) of the Company is composed of an Executive Vice-President, the CEO, and the CFO.

The Executive Management is vested with the day-to-day management of the Company. They are also entrusted with the implementation of the resolutions of the Board.

In particular, the Board has assigned the following missions to the Executive Management:

- preparing strategic proposals for the Board;

- preparing annual and strategic plans;
- putting internal controls in place;
- monitoring and managing the Company's results and performance against strategic and financial plans;
- preparing and presenting to the Board a timely, accurate, and reliable set of the Company's draft financial statements, in accordance with the applicable accounting standards, and other material financial and non-financial information as well as the related press releases to be published by the Company;
- providing the Board with a balanced and comprehensive assessment of the Company's financial situation;
- making recommendations to the Board with respect to matters within its competency;
- reporting to the Board on the performance of the Company.

The Chairman is informed on interactions which take place between individual members of the Board and the Executive Management which are considered to be significant or material for the Company.

## **5.2     *Remuneration***

The remuneration report provides details with respect to the principles of remuneration of the Executive Management and the components and amount of the remuneration and other benefits granted to them during the financial year.

## **5.3     *Assessment of performance***

The performance of the Executive Management is assessed as necessary on an unofficial basis through the presentation of the Company's performance in respect of the interim and annual financial statements.

# **6.     THE AUDIT COMMITTEE**

## **6.1     *Composition and Role***

The Board establishes an audit committee in accordance with Article 7:99 of the BCCA (the *Audit Committee*). The Audit Committee has three members appointed among the non-executive members of the Board, and at least one of them is independent. The Board appoints the chair of the Audit Committee.

The Audit Committee advises the Board on accounting, audit and internal control matters, and in particular:

- monitors the financial reporting process including risks;
- monitors the effectiveness of the Company's system of internal control, risk management systems as well as the internal audit function;

- monitors the conducting of the performance of statutory audit (*contrôle legal/wettelijke controle*) of the annual and consolidated accounts, including the follow-up on questions and recommendations made by the statutory auditor;
- presents recommendations to the Board with respect to the appointment of the statutory auditor; and
- reviews and monitors the independence of the statutory auditor, in particular regarding the provision of non-audit services to the Company.

## **6.2    *Functioning***

The Audit Committee meets at least four times a year. At least twice a year, it should meet the statutory and internal auditor(s).

The Audit Committee reports regularly to the Board on the exercise of its duties, identifying any matters in respect of which it considers that action or improvement is needed. Matters relating to the audit plan and any issues arising from the audit process are placed on the agenda of every audit committee meeting and are discussed specifically with the statutory and internal auditors at least once a year

## **6.3    *Assessment of performance***

The Audit Committee meets at least every two to three years to review its terms of reference and its own effectiveness and recommend any necessary changes to the Board.

# **7.       THE NOMINATION AND REMUNERATION COMMITTEE**

## **7.1    *Composition and Role***

The Board establishes a Nomination and Remuneration Committee in accordance with Article 7:100 of the BCCA and principle 4.19 of the Corporate Governance Code (the *Nomination and Remuneration Committee*). Such Nomination and Remuneration Committee has four members appointed among the non-executive members of the Board, two of them are independent members. The Board appoints the chair of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee advises the Board principally on matters regarding the appointment and remuneration of members of the Board and Executive Management, and in particular:

- submits recommendations to the Board with regard to the appointment/re-appointment and the remuneration of the members of the Board and the Executive Management;
- identifies and nominates, for the approval of the Board, candidates for filling vacancies as they arise;
- advises on appointment proposals originating from shareholders;
- periodically assesses the composition and size of the Board and submits recommendations to the Board with regard to any change;
- submits proposals to the Board regarding the remuneration policy; and
- drafts and submits a remuneration report to the Board, including proposals regarding the remuneration policy and recommendations based on its findings.

## **7.2 Functioning**

The Nomination and Remuneration Committee meets at least twice a year and whenever necessary in order to carry out its duties.

## **7.3 Assessment of performance**

The Nomination and Remuneration Committee meets at least every two to three years to review its terms of reference and its own effectiveness and recommend any necessary changes to the Board.

## **8. POTENTIAL CONFLICT OF INTERESTS**

In the event a conflict of interests with a member of the Board, a shareholder or another Cenergy Holdings' company, the Board is required to implement the specific procedures of conflict resolution set forth in articles 7:96 and 7:97 of the BCCA.

Each member of the Board and the Executive Management is required to always act without conflict of interests and always put the interest of the Company before his or her individual interest. Each member of the Board and the Executive Management is required to always arrange his or her personal and business affairs so as to avoid direct and indirect conflict of interests with the Company.

All members of the Board are required to inform the Board on conflict of interests once they arise. If the conflict of interests is of proprietary nature, they will abstain also from participating in the discussions and deliberations on the matter involved in accordance with article 7:96 of the BCCA.

If the conflict of interests is not covered by the provisions of the BCCA, the conflicted member of the Board or the Executive Management will inform the Board on the conflict. The Board will, under the lead of the Chairman, decide which procedure will follow to protect the interests of the company and all its shareholders. The Board shall explain why it chose this procedure in the next annual report. In addition, the Board is under the obligation to check that the approval of the transaction is only motivated by the Company's interest and takes place at arm's length.

## **9. INSIDER DEALING AND MARKET MANIPULATION**

The Company has adopted a dealing code (the *Dealing Code*). The Dealing Code complies with the rules on market abuse applicable in Belgium and Greece, and contains trading restrictions that apply to Persons Discharging Managerial Responsibilities, Persons Closely Associated to them, and Key Personnel (as such terms are defined in the Dealing Code). Unless specific exemptions apply, Persons Discharging Managerial Responsibilities and Persons Closely Associated to them must not trade in Company's securities during closed periods.

Persons Discharging Managerial Responsibilities and Persons Closely Associated to them must notify the Financial Services and Markets Authority (FSMA), the HCMC, and the Company of trading in the Company's securities in compliance with market abuse rules applicable in Belgium and Greece.