

III Corporate governance statement

1. General information

Ackermans & van Haaren applies the Belgian Corporate Governance Code (the 'Code') as its reference code. The Code can be consulted on the website of the Corporate Governance Committee (www.corporategovernancecommittee.be). The Committee published a new (third) version of the Code on May 9, 2019, which replaces that of March 12, 2009, and became effective as of January 1, 2020.

On April 14, 2005, the board of directors of Ackermans & van Haaren adopted the first Corporate Governance Charter ('Charter'). The board of directors has subsequently updated this Charter several times. The Charter will again be updated where necessary during the course of 2020 to align it to the provisions of the new Code.

- On April 18, 2006, the Charter was aligned to various Royal Decrees adopted pursuant to European regulations on market abuse.
- On January 15, 2008, the board of directors amended Article 3.2.2 (b) of the Charter in order to clarify the procedure regarding investigations into irregularities.
- On January 12, 2010, the Charter was modified to reflect the Code 2009 and the new legal independence criteria.
- On October 4, 2011, the board of directors deliberated on the adaptation of the Charter to the Act of April 6, 2010 on the reinforcement of corporate governance in listed companies and the Act of December 20, 2010 on the exercise of certain shareholders' rights in listed companies. On that occasion, the board of directors also tightened its policy on the prevention of market abuse (Section 5 of the Charter) with the introduction of a prohibition on short selling and speculative share trading.
- On October 10, 2016, the Charter was amended to align it to Regulation (EU) no 596/2014 of the European Parliament and of the Council dated April 16, 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.
- On February 24, 2017, the Charter was aligned to the Act of December 7, 2016 on the organisation of the profession and the public supervision of company auditors.
- On February 25, 2019, the board of directors eased the age limit (more info on page 27).

The Charter is available in three languages (Dutch, French and English) on the company website (www.avh.be).

This chapter ('Corporate Governance Statement') contains the information referred to in Articles 3:6, §2 and 3:32, §1, second paragraph, 7° of the Code of Companies and Associations. In accordance with the Code, this chapter specifically focuses on factual information involving corporate governance matters and explains any derogations from certain provisions of the Code (as it applied in 2019) during the past financial year in accordance with the principle of 'comply or explain'.

Board of directors - from left to right:
Jacques Delen, Alexia Bertrand, Julien Pestiaux, Marion Debruyne, Luc Bertrand,
Victoria Vandeputte, Frederic van Haaren, Pierre Willaert, Thierry van Baren.

Not on the picture: Pierre Macharis



2. Board of directors

● audit committee ● remuneration committee ● nomination committee

2.1 Composition



Luc Bertrand

(^o1951, Belgian)

○ ○ ●

*Chairman of the board of directors
Executive director (1985-2016)
Non-executive director (since 2016)*

Luc Bertrand graduated in 1974 as a commercial engineer (KU Leuven). He began his career at Bankers Trust, as Vice-President and Regional Sales Manager, Northern Europe. He has been with Ackermans & van Haaren as a director since 1985, where he joined as financial director in 1986 and was chairman of the executive committee from 1990 to 2016. He is chairman of the board of directors of CFE, DEME and SIPEF and a director of Delen Private Bank and Bank J.Van Breda & C^o. He is also chairman of the Duve Institute, Middelheim Promoters and Guberna, and member of a number of other boards of directors of non-profit associations and public institutions, such as KU Leuven, Institute of Tropical Medicine, Museum Mayer van den Bergh and Europalia.

Mandate ends 2021



Alexia Bertrand

(^o1979, Belgian)

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*Non-executive director
(since 2013)*

Alexia Bertrand obtained a law degree (Université Catholique de Louvain - 2002) and a master of laws (Harvard Law School - 2005). As of May 2019 she is a Member of Parliament of the Brussels-Capital Region. From 2012 to 2019 she worked as an adviser at the office of the Deputy Prime Minister and Minister of Foreign Affairs, and was appointed 'chef de cabinet' for general policy on October 1, 2015. She regularly gives courses in negotiation techniques. From 2002 to 2012, she worked as a lawyer specialising in financial and company law (with Clifford Chance and later with Linklaters). For part of that time, she was a teaching assistant at the Law Faculty of the Université Catholique de Louvain and a research assistant at the Katholieke Universiteit Leuven.

Mandate ends 2021



Marion Debruyne BV⁽¹⁾

● ○ ●

*permanently represented by
Marion Debruyne (^o1972, Belgian)
Independent, non-executive director
(since 2016)*

Professor Marion Debruyne has a degree in civil engineering (RU Ghent - 1995) and a PhD in applied economic sciences (RU Ghent - 2002). She lectured at Wharton School, Kellogg Graduate School of Management, and Goizueta Business School, all in the USA. Marion Debruyne was appointed dean of Vlerick Business School in 2015. She is a director at Kinopolis and Guberna.

Mandate ends 2020

⁽¹⁾ References in this annual report to 'Marion Debruyne' should be read as Marion Debruyne BV, permanently represented by Marion Debruyne.



Jacques Delen

(^o1949, Belgian)

○ ○ ●

Non-executive director (since 1992)

Jacques Delen obtained the diploma of exchange agent in 1976. He has been the chairman of the board of directors of Delen Private Bank since July 1, 2014, and is also a director of the listed plantation group SIPEF and of Bank J.Van Breda & C^o. Jacques Delen was chairman of the board of directors of Ackermans & van Haaren from 2011 to 2016.

Mandate ends 2020



Pierre Macharis

(^o1962, Belgian)

○ ● ●

*Non-executive director (since 2004)
Chairman of the remuneration
committee (since 2011)*

Pierre Macharis graduated in commercial and financial sciences (1986) and also obtained the degree of industrial engineer in automation (1983). He is currently CEO and chairman of the executive committee of VPK Packaging Group. He is also chairman of Cobelpa, the Belgian association of paper and pulp producing companies, a director at CEPI, the European association of paper and pulp producing companies and a director at Sioen Industries.

Mandate ends 2020



Julien Pestiaux

(°1979, Belgian)



*Independent, non-executive director
(since 2011)*

Julien Pestiaux graduated in electromechanical civil engineering with specialisation energy (Université Catholique de Louvain - 2003), and also obtained a master's degree in engineering management (Cornell University - USA). Julien Pestiaux is a partner at Climact, an agency that provides advice on energy and climate issues. He is now leading a team developing a model for the EU Commission which assesses the potential for EU Member States to reduce energy consumption and greenhouse gases in the medium to long term. He worked for five years as a consultant and project leader at McKinsey & C°.

Mandate ends 2023



Thierry van Baren

(°1967, French / Dutch)



*Non-executive director
(since 2006)*

Thierry van Baren holds a master's degree and a teaching qualification in philosophy, and obtained an MBA, with specialisation marketing (Solvay Business School). He is currently an independent consultant. He worked for 13 years as a marketing consultant at, among others, TBWA Belgium, BDDP Belgium, Ammirati Puris Lintas and Ogilvy Brussels.

Mandate ends 2022



Menlo Park BV⁽²⁾



*permanently represented by
Victoria Vandeputte (°1971, Belgian)
Independent, non-executive director
(since 2018)*

Victoria Vandeputte is a civil engineer in electromechanics (KU Leuven - 1995) and holds a master's degree in risk management (Ecole Supérieure de Commerce de Bordeaux - 1996). She is currently a member of the executive committee and Chief Innovation & Marketing Officer of Diversi Foods (Oetker-Gruppe).

Mandate ends 2022

⁽²⁾ References in this annual report to 'Victoria Vandeputte' should be read as Menlo Park BV, permanently represented by Victoria Vandeputte.



Frederic van Haaren

(°1960, Belgian)



*Non-executive director
(since 1993)*

Frederic van Haaren is an independent entrepreneur, member of the Public Welfare Council and Alderman of the Municipality of Kapellen, in charge of public works, among other things. He is also a director of several companies and associations: director at water-link, chairman of 'Consultatiebureau voor het Jonge Kind' in Kapellen, of the Zonnekind primary school in Kalmthout and of Bosgroepen Antwerpen Noord, as well as member of the police council of the police zone Noord.

Mandate ends 2021



Pierre Willaert

(°1959, Belgian)



*Non-executive director (since 1998)
Chairman of the audit committee
(since 2004)*

Pierre Willaert holds a master's degree in commercial and financial sciences, and obtained the diploma of the Belgian Association of Financial Analysts (ABAF-BVFA). Pierre Willaert was a managing partner, and member of the audit committee, at Bank Puilaetco, until the acquisition by KBL in 2004. He worked for many years as a financial analyst at Bank Puilaetco and covered the main sectors represented on the Belgian stock exchange. He later became responsible for the Institutional Management department. He is also a director at Tein Technology, an ICT company in Brussels specialising in, among other things, video surveillance.

Mandate ends 2020

The mandates of Marion Debruyne, Jacques Delen, Pierre Macharis and Pierre Willaert expire at the ordinary general meeting of May 25, 2020. The board of directors will propose to the ordinary general meeting to (i) renew the mandate of Marion Debruyne as independent director for a period of four years, (ii) renew the mandates of Pierre Macharis and Pierre Willaert for a period of four years, and (iii) renew the mandate of Jacques Delen for two years. Although Jacques Delen has already exceeded the age limit, the board is of the opinion that, with his knowledge and experience of the banking sector, among other things, he can still make an exceptional and meaningful contribution to the deliberations of the board of directors.

2.2 Independent directors

- Marion Debruyne
- Julien Pestiaux
- Victoria Vandeputte

Marion Debruyne, Victoria Vandeputte and Julien Pestiaux meet the independence criteria which are mentioned in Article 7:87, §1 of the Code of Companies and Associations.

2.3 Other directors

- Alexia Bertrand
- Luc Bertrand
- Jacques Delen
- Pierre Macharis
- Thierry van Baren
- Frederic van Haaren
- Pierre Willaert

Luc Bertrand, Jacques Delen and Frederic van Haaren are directors of Scaldis Invest, which, with a stake of 33%, is the principal shareholder of Ackermans & van Haaren. Luc Bertrand and Frederic van Haaren are also directors of Belfimas, which holds a controlling interest of 92.25% in Scaldis Invest. Scaldis Invest and Belfimas are holding companies that exclusively invest (directly and indirectly) in Ackermans & van Haaren shares.

2.4 Activity report



In 2019, the board of directors discussed and regularly updated the budget for the current financial year, monitored the group's results and the development of the activities of the various group companies on the basis of reports prepared by the executive committee, examined the off-balance-sheet commitments, and discussed the recommendations of the advisory committees.

Various (dis)investments were discussed during the course of the financial year, such as participation in the capital increases of AgroSavfe (now Biotallys), Medika-bazaar, Rent-A-Port and Sagar Cements, the acquisition of Bioelectric and the sale of the participating interests in Henschel Engineering, Residualya and Oriental Quarries & Mines.

In 2019, the board of directors invited the management of Delen Private Bank, DEME, Extensa, GSR, Leasinvest Real Estate, Mediahuis and Telemond Group to give a presentation on the general state of affairs of their respective companies and/or an explanation of a specific investment or project.

Special attention was also paid to the strategic policy, ESG policy, crisis communication, the Corporate Governance Code 2020, the refurbishment of the Antwerp office of Delen Private Bank, and the pending judicial inquiry involving DEME.

At the meeting of February 25, 2019, the rules of the Corporate Governance Charter were relaxed with regard to the age limit for directors.

In accordance with Article 2.7 of the Charter, assessment procedures are carried out periodically within the board of directors. These assessments take place on the initiative and under the supervision of the chairman.

The annual assessment of the relationship between the board of directors and the executive committee took place on March 21, 2019. On that occasion, the

non-executive directors expressed their general satisfaction with the good quality of the collaboration between the two bodies and made a number of suggestions to the chairman of the executive committee in this respect.

	Presence
Luc Bertrand	8/8
Alexia Bertrand	8/8
Marion Debruyne	7/8
Jacques Delen	7/8
Pierre Macharis	8/8
Julien Pestiaux	8/8
Thierry van Baren	8/8
Victoria Vandeputte	8/8
Frederic van Haaren	8/8
Pierre Willaert	8/8

For the sake of completeness, it should be mentioned that the members of the executive committee attend the meetings of the board of directors.

2.5 Code of conduct regarding conflicts of interest

In the Charter (Articles 2.9 and 4.7), the board of directors published its policy regarding transactions between Ackermans & van Haaren or a company affiliated to it on the one hand, and members of the board of directors or executive committee (or their close relatives) on the other, which may give rise to a conflict of interest (within the meaning of the Code of Companies and Associations or otherwise). In 2019, no decisions were made to which this policy applied.

2.6 Code of conduct regarding financial transactions

The board of directors published its policy on the prevention of market abuse in the Charter (Section 5). At the meeting of October 10, 2016, the Charter was amended to align it to Regulation (EU) no 596/2014 of the European Parliament and of the Council dated April 16, 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

3. Audit committee

3.1 Composition

Chairman	Pierre Willaert Non-executive director
	Marion Debruyne Independent, non-executive director
	Julien Pestiaux Independent, non-executive director

All members of the audit committee have the necessary accounting and audit expertise:

Pierre Willaert (°1959) holds a master's degree in commercial and financial sciences, and obtained the diploma of the Belgian Association of Financial Analysts (ABAF-BVFA). He worked for many years as a financial analyst at Bank Puilaetco. He later became responsible for the Institutional Management department. Pierre Willaert was managing partner and member of the audit committee of Bank Puilaetco until 2004. He was appointed as a director at Ackermans & van Haaren in 1998, and has been chairman of the audit committee since 2004.

Marion Debruyne (°1972) graduated as a civil engineer at Ghent University (1995) and obtained her PhD in applied economics (2002). Marion Debruyne has lectured at Wharton School, Kellogg Graduate School of Management and Goizueta Business School, all in the USA. She has been active as dean of the Vlerick Business School since 2015. Marion Debruyne was appointed director of Ackermans & van Haaren in 2016 and as a member of the audit committee in 2018. In addition, she holds directorships at Kinepolis and Guberna.

Julien Pestiaux (°1979) graduated in electromechanical civil engineering (specialisation energy) from the Université Catholique de Louvain in 2003, and also obtained a master's degree in engineering management at Cornell University (USA). The focus of the master in engineering management was on financial and economic analyses. Most of the course was given at the 'Johnson Graduate School of Management' of Cornell. Julien Pestiaux is a partner at Climact, a company that advises on energy and climate themes with numerous business customers. Before that, he worked for five years as a consultant and project leader at McKinsey & C°, where he became acquainted with various aspects of accounting. Julien Pestiaux was appointed director at Ackermans & van Haaren in 2011.

3.2 Activity report



On February 20 and August 23, 2019, in the presence of the financial management and the auditor, the audit committee mainly focused on the reporting process and the analysis of the annual and half-yearly financial statements, respectively. The members of the audit committee received the available reports of the audit committees of the operational subsidiaries of Ackermans & van Haaren in advance.

The audit committee of March 19, 2019 focused on the financial reporting, as published in the annual report of 2018, the review of the 'one-on-one' rule related to the non-audit services provided by EY, and an analysis of the off-balance-sheet commitments. Attention was also paid to the statement on non-financial information and to the main issues that the auditor is obliged to include in his report. At that meeting, the audit committee also recommended renewing the auditor's mandate for a period of three years.

On December 16, 2019, the audit committee deliberated on the internal audit and control of ICT, human resources, risk management, ESG, off-balance-sheet commitments and the audit plan.

The audit committee reported systematically and extensively to the board of directors on the performance of its duties.

4. Remuneration committee

4.1 Composition

Chairman	Pierre Macharis Non-executive director
	Julien Pestiaux Independent, non-executive director
	Victoria Vandeputte, Independent, non-executive director

4.2 Activity report



At its meeting of March 21, 2019, the remuneration committee discussed the draft remuneration report, which, in accordance with Article 3:6, §3 of the Code of Companies and Associations, constitutes a specific part of the Corporate Governance Statement, and ensured that the draft report contains all the information required by law. The committee also reviewed the payment of the variable remuneration to the members of the executive committee, against the recommendations it had made on this subject at its meeting of November 20, 2018.

At the meeting of November 20, 2019, the committee discussed the following subjects and made recommendations to the board of directors in this respect: the fixed and variable remuneration of the members of the executive committee for 2020, the remuneration of the directors, and the number of stock options to be granted to the members of the executive committee. The committee also recommended maintaining the attendance fee for directors for meetings of the board of directors and of the audit and remuneration committees at 2,500 euros for the 2019 financial year.

5. Nomination committee

On February 25, 2019, the board of directors, in the role of the nomination committee, deliberated on the future composition of the board of directors, and, in accordance with the procedure of Article 2.2.2 of the Charter, decided to propose to the ordinary general meeting of May 27, 2019 the renewal of the mandate of Julien Pestiaux as independent director for a period of four years.

6. Executive committee

6.1 Composition

The chairman of the board of directors attends the meetings of the executive committee as an observer.

Jan Suykens

(°1960, Belgian)

Chairman of the executive committee (since 2016)

Jan Suykens holds a degree in applied economic sciences (UFSIA - 1982) and subsequently obtained an MBA (Columbia University - 1984). He worked for a number of years in Corporate & Investment Banking at the Generale Bank.

Since 1990 at Ackermans & van Haaren

Tom Bamelis

(°1966, Belgian)

CFO and member of the executive committee

After completing his studies as a commercial engineer (KU Leuven - 1988), Tom Bamelis also obtained a master's degree in financial management (VLEKHO - 1991). He joined Touche Ross (now Deloitte) and later Groupe Bruxelles Lambert.

Since 1999 at Ackermans & van Haaren

John-Eric Bertrand

(°1977, Belgian)

Member of the executive committee

Following his studies as a commercial engineer (UCL Louvain - 2001), John-Eric Bertrand obtained a master's degree in international management (CEMS - 2002) and an MBA (Insead - 2006). He worked at Roland Berger as a senior consultant and at Deloitte as a senior auditor.

Since 2008 at Ackermans & van Haaren

Piet Bevernage

(°1968, Belgian)

Secretary general and member of the executive committee

Piet Bevernage holds a law degree (KU Leuven - 1991) and an LL.M. (University of Chicago Law School - 1992). He worked as a lawyer in the Corporate and M&A Department at Loeff Claey's Verbeke.

Since 1995 at Ackermans & van Haaren

André-Xavier Cooreman

(°1964, Belgian)

Member of the executive committee

Following his law degree (KU Leuven - 1987), André-Xavier Cooreman studied international law (at the Johns Hopkins University, Bologna Campus - 1988) and tax management (ULB - 1991). He worked for the International Development Law Institute (course assistant, Italy), the Shell Group (legal counsel, The Netherlands), Fortis Bank (Corporate & Investment Banking), McKinsey & C° (consultant) and Bank Degroof (public sector manager).

Since 1997 at Ackermans & van Haaren

Piet Dejonghe

(°1966, Belgian)

Member of the executive committee

After his studies for a law degree (KU Leuven - 1989), Piet Dejonghe obtained a postgraduate degree in business administration (KU Leuven - 1990) and an MBA (Insead - 1993). He worked as a lawyer for Loeff Claey's Verbeke and as a consultant for The Boston Consulting Group.

Since 1995 at Ackermans & van Haaren

Koen Janssen

(°1970, Belgian)

Member of the executive committee

After his studies as a civil engineer, electromechanics (KU Leuven - 1993), Koen Janssen also obtained an MBA (IEFSI, France - 1994). He worked for Recticel, ING Investment Banking and ING Private Equity.

Since 2001 at Ackermans & van Haaren

Executive committee - from left to right:
John-Eric Bertrand, Tom Bamelis, Jan Suykens,
Piet Dejonghe, André-Xavier Cooreman,
Koen Janssen, Piet Bevernage



6.2 Activity report



The executive committee is responsible, among other things, for the day-to-day management of Ackermans & van Haaren, and prepares the decisions to be taken by the board of directors.

During the past financial year, the executive committee prepared and followed up on the participation in the boards of directors of the subsidiaries, examined new investment proposals (both in the current group companies and outside), approved certain divestments, prepared the quarterly, half-yearly and annual financial reports, and investigated the implications of changes in the law relevant for the company.

7. Diversity policy

Ackermans & van Haaren is convinced of the positive influence of a diversity-based personnel policy on the strength and innovative culture of its participations, and is itself actively striving for a complementary composition of its board of directors and executive committee (in terms of professional background and skills, as well as gender). At group level, the attraction, education and counselling of talented staff members with complementary knowledge and experience is a priority.

At the level of the board of directors, this policy is reflected in the selection procedure for new candidate directors (as included in section 2.2.2 of the Charter): the first selection criterion ensures the complementarity in terms of professional skills, knowledge and experience, while the fourth criterion sets an obligation to consider candidates of different gender, as long as and when the board of directors is not composed of at least one third of directors of the opposite gender.

The current board of directors has 3 female directors (30%) and 7 male directors (70%), with a diversity of education and professional experience. On December 31, 2019, 4 directors were aged 50 or younger (40%) and 6 directors were older than 50 (60%).

With regard to the composition of the executive committee (see Charter, paragraph 4.2), the board of directors must also ensure that the members have diverse professional backgrounds with complementary skills. It is the aim of the board of directors that the long-term vision of Ackermans & van Haaren should be supported by executives who actively promote the values of the company and, in this sense, contribute to value creation. This translates, among other aspects, into a preference for providing talented staff members with career development options within the group. All members of the executive committee have been appointed from the Ackermans & van Haaren team based on their personal merits.

A sound diversity policy starts with the recruitment. In 2019, Ackermans & van Haaren recruited five new staff members, three women and two men in the age category 25 to 55, with diverse professional experience (investment management, legal support, human resources and group control), to strengthen the multidisciplinary team.

Finally, investments in the training, career counselling and retention of staff members are also made on a permanent basis. This is done through a combination of broadening and deepening knowledge through training programmes, seminars and workshops, career perspectives both within Ackermans & van Haaren itself and in the group, and through a market-compliant remuneration policy. In December 2019, Hilde Haems took up office as Chief Human Capital Officer to coordinate this exercise for the group.

For further information regarding the personnel policy, reference is made to the Sustainability report.

8. Internal and external audit

8.1 External audit

The company's statutory auditor is EY Bedrijfsrevisoren BV, represented by Patrick Rottiers and Wim Van Gasse. The statutory auditor conducts the external audit of both the consolidated and statutory figures of Ackermans & van Haaren, and reports to the board of directors twice a year. The statutory auditor was appointed at the ordinary general meeting of May 27, 2019 for a three-year term, which expires at the ordinary general meeting of 2022.

An annual fee of 62,500 euros (excluding VAT) was paid to the auditor in 2019 for auditing the statutory and consolidated Ackermans & van Haaren annual accounts. In addition, an additional fee of 5,170 euros (excluding VAT) was paid to EY Tax Consultants for tax advice. The total fees for audit activities paid to EY by Ackermans & van Haaren and its consolidated subsidiaries in the past financial year amounted to 1,171,829 euros (including the aforementioned 62,500 euros).

8.2 Internal audit

The internal audit is conducted by the group controllers, who report to the executive committee. The group controllers report directly to the audit committee at least once a year.

8.3 Principal features of the internal control and risk management systems with regard to the process of financial reporting and preparation of the consolidated annual accounts

The board of directors of Ackermans & van Haaren is responsible for assessing the effectiveness of the internal control and risk management systems. By means of the present system, the board of directors aims to ensure that the group's objectives are attained at the group level, and, at a subsidiary level, to monitor the implementation of systems appropriate for each kind of company (size, type of activities, etc.) and its relationship with Ackermans & van Haaren (controlling interest, shareholders' agreement, etc.). Given the diversified portfolio and the small number of staff working at the holding company, the group opted for a customised internal control model that nevertheless has all the essential features of a conventional system. The internal control and risk management system is characterised by a transparent and collegiate structure. The executive committee deliberates and decides by consensus. Risks are identified on an ongoing basis, and are properly analysed. Appropriate measures are proposed to accept, limit, transfer or avoid the identified risks. These assessments and decisions are clearly minuted and documented to allow a strict follow-up.

The board of directors also regards the timely provision of complete, reliable and relevant financial information in accordance with IFRS and with the other Belgian reporting requirements to all internal and external stakeholders as an essential element of its corporate governance policy. The internal control and management systems for financial reporting endeavour to satisfy those requirements as fully as possible.

8.3.1 Control environment

The control environment is the framework within which internal control and risk management systems are set up. It comprises the following elements:

a. Integrity and ethics

We try to translate the family values that underlie the success of the group into a respectful relationship between the various stakeholders: the shareholders, management, the board of directors and the staff, but also the commercial partners. These values were explicitly included in the 'Vademecum' (internal company guidelines), so that they are clear to all staff members and can be propagated by them.

In order to emphasize the importance of ethical and responsible business and to promote sustainable growth within the group, the board of directors approved an integrity code on March 19, 2018, which can be consulted on the website. This integrity code will be regularly reviewed and updated.

b. Skills

Another cornerstone of the policy at Ackermans & van Haaren is the way in which its members work together as a professional team. Particular attention is paid to a balanced and qualitative content of the various positions within the organisation. In addition, the necessary training is provided to ensure that knowledge is constantly honed and fine-tuned. Highly skilled people with the right experience and attitude in the right job form the basis of the group's internal control and risk management system. This also applies at the level of the board of directors and the audit committee, who seek to ensure that the backgrounds and experience of the members are complementary.

c. Governance body / audit committee

The operation and responsibilities of the board of directors and, by extension, its advisory committees, including the audit committee, are clearly described in the Charter. The audit committee oversees the financial reporting of the group, the internal control and risk management system, and the internal and external audit procedures.

d. Organisational structure, responsibilities and powers

As already pointed out, Ackermans & van Haaren can pride itself on a transparent organisational structure, where decisions are adopted collectively by the executive committee. The organisational structure and powers are clearly described in the 'Vademecum'.

8.3.2 Risk management process

The risks in terms of financial reporting can be summarised as follows.

Risks at the level of the subsidiaries: these are typically highly diverse and are addressed by the attendance by the investment managers of Ackermans & van Haaren at the meetings of the boards of directors and advisory committees of the subsidiaries, clear reporting instructions to the subsidiaries with deadlines and standardized reporting formats and accounting principles, and an external audit of the half-yearly and annual figures that also takes into account internal control and risk management features at the level of each individual company.

Risks related to information provision: these are covered by a periodic IT audit, a proactive approach involving the implementation of updates, back up facilities and timely testing of the IT infrastructure. Business continuity and disaster recovery plans have also been put in place.

Risks related to changing regulations: these are addressed by close monitoring of the legislative framework on financial reporting, and by a proactive dialogue with the auditor.

Finally, there is the integrity risk, which is addressed by maximum integration of accounting and reporting software, extensive internal reporting at different levels, and proactive assessment of complex and important transactions.

8.3.3 Control activities

As already pointed out above in the description of the risks, various controls are built into the financial reporting process in order to meet the objectives with regard to this reporting as fully as possible.

First, a number of basic controls such as segregation of duties and delegation of powers are built into the administrative cycles at group level: purchasing, payroll and (dis)investments. This ensures that only permissible transactions are processed. The integration of accounting and reporting software serves to cover a number of integrity risks. Additionally, a stable IT infrastructure with the necessary back up systems guarantees an adequate communication of information.

Clear reporting instructions with timely communication of deadlines, standardized reporting formats and uniform accounting principles are in place to address certain quality risks in the reporting by the subsidiaries.

There is also a cycle of external audit of both the consolidated reporting and the reporting by the subsidiaries. One of the purposes of this external audit is to assess the effectiveness of the internal control and risk management systems implemented by the subsidiaries and to report on this to the statutory auditor of Ackermans & van Haaren.

Finally, there is a system of internal audit on the financial reporting which is carried out by different policy and management levels. This internal audit is completed prior to the external reporting.

Changes in the legislative framework on financial reporting are closely monitored and the impact on the group reporting is discussed proactively with the financial management and the external auditor.

8.3.4 Information and communication

The Charter provides that every staff member of Ackermans & van Haaren can approach the chairman of the board of directors and/or the chairman of the audit committee directly to inform them of any irregularities in financial reporting or other matters.

8.3.5 Control

Each year, the internal control and risk management system is reviewed by one of the group controllers for effectiveness and compliance. The internal auditor reports his findings to the audit committee.

9. Shareholder structure

9.1 Shareholder structure

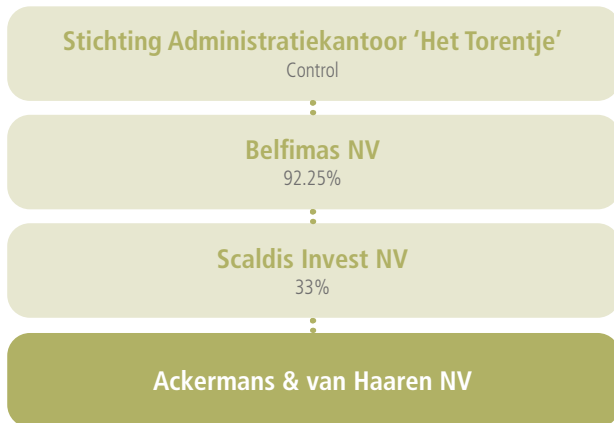
Scaldis Invest holds 11,054,000 shares in the capital of Ackermans & van Haaren, i.e. a stake of 33%. Scaldis Invest is in turn controlled by Belfimas, which holds 92.25% of the capital of Scaldis Invest. The ultimate control of Scaldis Invest is held by Stichting Administratiekantoor 'Het Torentje'.

9.2 Cross-participations

Ackermans & van Haaren holds 368,528 treasury shares as at December 31, 2019. These shares were mainly acquired with a view to covering the stock option plan.

9.3 Graphic representation

The shareholder structure, as known on December 31, 2019, is represented as shown below:



9.4 Reference shareholder

Belfimas is the (indirect) reference shareholder of Ackermans & van Haaren. Belfimas' sole purpose is to invest in the shares of Ackermans & van Haaren, directly or indirectly. Any transfer of securities issued by Belfimas is subject to a statutory right of approval of the board of directors of Belfimas. Two of Ackermans & van Haaren's directors, Luc Bertrand and Frederic van Haaren, are members of the board of directors of Belfimas. The board of directors is not aware of any agreements between Ackermans & van Haaren shareholders.

10. Comply or explain

The Charter of Ackermans & van Haaren complies with the provisions of the Code (as it applied in 2019) in all but one point:

- Composition of the nomination committee

In accordance with provision 5.3/1, Appendix D of the Code, the majority of the members of the nomination committee should be independent non-executive directors. The Ackermans & van Haaren nomination committee consists of all the members of the board of directors. The board of directors is of the view that, as a collective, it is better placed to evaluate its size, composition and succession planning.