

## **GOOD GOVERNANCE CHARTER**

### **IMEC VZW**

**Approved** by the Board of Directors of IMEC VZW on 12 March 2008, and communicated to the General Assembly of IMEC VZW on 25 April 2008.

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## INTRODUCTION

IMEC VZW (**hereinafter referred to as “IMEC” or the “Association”**) recognises the importance of applying the principles of good governance.

The Good Governance Charter (“the Charter”) of IMEC was originally developed on the basis of the Association’s aim to develop a considered system of good governance, based upon unambiguous and transparent division of powers and responsibilities, and a balanced set of reporting and accountability processes in this regard. As a non-profit organisation (VZW), IMEC has a special mission and benevolent purpose, and on this basis, it has always endeavoured to fulfil, in the most effective possible way, the social interest it is meant to serve, together with the interests of all of the specific stakeholders it must involve in this process, in particular.

The Charter is founded on the belief that a considered system of good governance will benefit IMEC in the long term, and it is therefore understood to be a guide for balanced and transparent decision-making and accounting procedures, which includes a code of conduct for all employees of IMEC.

Having developed as a Flanders-based initiative, IMEC also attaches considerable importance to long-term and sustainable establishment in Flanders during every stage of its growth.

## CHAPTER I. MISSION AND VISION OF IMEC

All activities of IMEC are based on this basic mission, specifically the conducting of cross-border strategic research in the fields of nanotechnology and digital technology, in order to develop the building blocks that contribute towards a better quality of life within a sustainable society.

For IMEC, the dissemination of scientific knowledge by means of providing training and support to educational institutions, educators and industry is inextricably linked with its basic task.

While keeping in mind the fulfilment of its mission, IMEC is driven by its ambition to be and to remain an international centre of excellence in general, and to contribute towards the enrichment of the industrial fabric of Flanders, in particular.

The valorisation of scientific research always forms the underlying objective of all activities of IMEC, and it constantly strives to promote innovative businesses.

IMEC relies on its scientists' powers of creativity to help its achieve its mission and ambition, and it endeavours to bring multi-disciplinary and international research teams together in order to do full justice to this creativity.

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IMEC is working on the expansion of an IMEC group within the scope of a global and international strategy and with a view to achieving its mission and vision. The Group is controlled by the non-profit foundation IMEC International, which acts as a corporate centre in relation to the entities that form part of the IMEC Group. These entities are guided by the corporate guidelines produced by IMEC in relation to business development, finance, human resources and operations, while naturally respecting the autonomy and governance of each entity that forms part of the IMEC Group.

To that end, the Board of Directors of IMEC International has taken cognizance of the Charter, and agreed to comply with the principles.

It is also provided for that the directors of IMEC International will be appointed by the Board of Directors of IMEC with a view to ensuring transparency and embedding in Flanders.

The advisory boards and committees referred to in the Charter, and the principles contained therein, are respected and accepted by all entities of the IMEC Group.

## CHAPTER II. BASIC PRINCIPLES OF GOOD GOVERNANCE

IMEC endeavours to achieve a clear governance structure.

The governance structure of IMEC is based on the following basic principles:

1. A clear governance structure shall be applied that is published in an appropriate manner.
2. The rights of members shall be respected.
3. IMEC shall be managed by an effective and efficient Board that is appointed in accordance with a rigorous and transparent procedure. The directors shall receive fair remuneration as necessary.
4. The Board of Directors of IMEC may arrange to be assisted and advised in particular matters by specialised committees composed of one or more directors and, if necessary, one or more internal or external experts. These committees shall have only advisory powers. The ultimate powers of decision-making in this regard shall rest with the jointly acting Board of Directors.
5. The Board of Directors of IMEC may delegate certain powers to the CEO and executive management. This delegation of powers shall be defined in a transparent way in a set of clear delegation regulations.
6. The directors and management team shall be honourable and dedicated, and shall only allow themselves to be guided by the interests and mission of IMEC in their consultation and decision-making. To that end, they shall subscribe to a code of conduct, as explained below

## CHAPTER III. APPLICATION OF GOOD GOVERNANCE IN IMEC

### I. PUBLISHED DOCUMENTS RELATING TO THE GOVERNANCE STRUCTURE

- The Association's governance structure is determined in the first instance by the statutory division of powers between the General Assembly and the Board of Directors in accordance with the Belgian Act of 27 June 1921 on non-profit-making associations, foundations and the European political parties and foundations (hereinafter referred to as the 'V&S Act')
- The statutory division of powers is refined in the Association's Articles of Association further to its establishment on 16 January 1984, and in the successive amendments thereto of 29 April 2005, 26 April 2006, 25 April 2008, 25 June 2009, 29 April 2011 and 21 September 2016. In accordance with the statutory obligation to do so, the Articles of Association were coordinated on 1 October 2016. [most recently coordinated Articles of Association]
- The practical arrangements for organising the General Assembly and the Board of Directors are defined further in a set of internal regulations.

### 2. RIGHTS OF THE MEMBERS OF IMEC VZW

#### Number and types of members

- The number of members shall be unlimited but a minimum of fifteen.

Membership is entered into for a period of six years and may be renewed an unlimited number of times subject to approval by the General Assembly.

- Members rights and obligations are determined by the V&S Act and the Articles of Association. All categories of members shall have the same rights and obligations unless the Articles of Association contain a provision to the contrary.

- The members shall represent the most important sections of society and of the education sector. They are subdivided into the following categories:

1. member-representatives of the Flemish universities
2. member-representatives of Flemish industry
3. member-representatives of the Flemish trade unions
4. member-representatives of the Flemish universities of (industrial) applied sciences
5. member-representatives of the Flemish Government.

[most recent member list]

#### Accession, resignation and exclusion of members

- The number of members of the Association may only be increased on condition that the General Assembly makes a decision to that effect with a three-quarters majority of the votes of members present or represented, in which at least three quarters of the members must be present or represented.

The additional members may then be nominated by two members of the corresponding category of members.

▪ In the event that a member's professional career changes in such a way that he/she can no longer be considered to adequately represent the body that delegated him/her, he/she shall be expected to step down as a member-representative by operation of law at the time when the represented body notifies the (Chair of the) Board of Directors that the member in question no longer fulfils the required capacity of representation.

The exclusion of an existing member may only be pronounced by a General Assembly with a three-quarters majority of the votes of members present or represented, at which at least three quarters of the members must be present or represented.

The Board of Directors may suspend members who have breached the Articles of Association until such time that a decision is made by the General Assembly.

### **Powers of the General Assembly**

▪ The General Assembly shall have the following exclusive powers as granted to it by virtue of the V&S Act and the Articles of Association.

1. Amendment of the Articles of Association upon the request of the Board of Directors, in accordance with the quorum and majority requirements relating to decisions of the Board of Directors set out in these Articles of Association
2. Appointment and dismissal of members of the Board of Directors and, if necessary, determining their remuneration
3. Appointment and dismissal of the supervisory director and, if necessary, determining his/her remuneration
4. Discharging the directors and the supervisory director of liability
5. Approval of budgets and accounts
6. Exclusion and acceptance of members
7. Pronouncing the voluntary dissolution of the Association
8. Converting the Association into a social enterprise under Belgian law [*vennootschap met een sociaal oogmerk*]
9. Exercising all other powers and resolutions that are reserved for it by virtue of the V&S Act or by the Articles of Association.

### **Convening of and deliberation by the General Assembly**

▪ The Annual General Assembly shall be held during the month of April in accordance with the details stated in the notice to convene.

A special and/or extraordinary General Assembly may be convened each time that the interests of the Association so require, or that this is requested by one fifth of the members.

▪ Except in cases provided for in the V&S Act or in the Articles of Association, decisions shall be taken with a simple majority of the members present or represented (not including abstentions), irrespective of the number of members present or represented.

Each member may arrange to be represented by written proxy by a proxyholder who must also be a member. Any one member may represent a maximum of five other members.

## Minute-taking

- Draft minutes shall be taken of every meeting by the Secretary, or by his/her deputy in the case of his/her absence.

The draft minutes shall be drawn up during the Assembly, and then read out directly afterwards and presented to the members present for approval.

Once the minutes have been approved, they shall be signed by the Chair of the meeting, the Secretary, the scrutineers (if necessary), and the directors present who wish to do so.

- The signed minutes shall be stored in a minutes register at the Association's registered office. The proxies and the signed attendance list shall be attached to the minutes.

Every member shall have the right to inspect the stored minutes at the Association's registered office in accordance with the conditions laid down by the Belgian Royal Decree of 26 June 2003.

## 3. BOARD OF DIRECTORS

### Composition and appointment

- The Board of Directors shall be composed of at least twelve directors, who may or may not be members of the Association. [composition of the Board of Directors]

The General Assembly may decide at any time to appoint additional directors, on the understanding that the number of directors must always be smaller than the number of persons who are members of the Association.

Directors shall have a mandate for three years, which may be renewed without limit.

Directors shall receive remuneration for performing their mandate, except in the event of a decision to the contrary by the General Assembly, or in so far as the director in question personally and expressly relinquishes the receipt of such remuneration. The amount of remuneration shall be laid down by the General Assembly. Costs incurred by the directors within the scope of performing their mandate may be reimbursed in all cases.

- Directors shall be appointed from among candidates nominated as follows:
  1. Four directors must be elected from among the candidates nominated by the member-representatives of the Flemish universities.  
These four directors must include at least one member of academic staff from KU Leuven, Ghent University and VUB.
  2. At least seven independent directors must be elected from among candidates with special expertise that supports the Association's objectives. The aforementioned candidates shall be nominated to the General Assembly by the Board of Directors after having obtained a recommendation in advance from the Nomination and Remuneration Committee of IMEC Group. The General Assembly shall ensure that at least four of the aforementioned independent directors represent Flemish companies or foreign companies that have a branch with an R&D department in Flanders.  
The General Assembly shall be entitled to assess whether each of the candidates fulfil the set conditions.



3. A Director shall be elected from among the candidates nominated by the Flemish Minister responsible for scientific research and technological innovation policy, in so far as required by decree, and if the competent minister wishes to make use of this right of nomination. If the competent Flemish minister has not nominated a candidate by at least 15 days before the General Assembly takes place, the General Assembly shall appoint an additional independent director to perform this mandate, who has special expertise that supports the objectives of the Association, and it shall do so further to a nomination by the Board of Directors after having received a prior recommendation from the Nomination and Remuneration Committee of the IMEC Group.
- In accordance with the principles of good governance, the directors on the Board of Directors shall be required at all times to safeguard the Association's interests and not their own employer or organisation (nor the interests of that organisation) that nominated them to act as representatives.
  - Directors may be dismissed by the General Assembly at any time with a majority of votes of the members present and represented.
  - The Board of Directors shall elect a Chair, who must be elected from among the independent directors, and a vice-chair, who must be one of the directors nominated by the member-representatives of the Flemish universities. The Board of Directors shall also appoint a secretary, who is not required to be a director.

### **Management authority**

- The Board of Directors is the highest-ranking management body and determines the Association's general policy, subject to that which falls under the exclusive competency of the General Assembly.
- The Board of Directors may delegate the performance of operational aspects of the general policy that it has determined to the executive management team.

### **Representation authority**

- The Association shall be represented before the courts and in legal acts:
  - either by the Board of Directors acting as a board with a majority of the directors
  - or by two directors acting jointly, one of whom is nominated by the member-representatives of the Flemish universities and one of whom is an independent director
  - or by a special authorised representative within the limits of the mandate assigned to him/her.

### **Delegation of powers**

- The Board of Directors may delegate specific, clearly defined powers of decision-making and representation to special authorised representatives, whether they are directors or not.

### **Convocation of and deliberations by the Board of Directors**

- The Board of Directors shall convene each time this is required by the interests of the Association, but at least five times per year and following a notice to convene issued by the Chair, the Vice-Chair or two directors at least eight days prior to the date of the meeting. A

shorter notice period for convening the meeting of at least twenty-four hours may suffice in exceptional circumstances.

In exceptional cases, where required as a matter of extreme urgency in the Association's interests, the Board of Directors may take a decision in writing, except for adopting the annual accounts and the annual budget. This shall require the unanimous agreement of all directors concerning the use of the written procedure and about the decision to be taken.

▪ Consultations held shall be deemed valid if at least half of the directors are present or represented.

Decisions taken shall be deemed valid with a simple majority of votes of the directors present and represented, not counting abstentions.

▪ Each director may arrange to be represented by proxy at a meeting by a proxyholder who must also be a director. Any one director must represent no more than one other director.

### **Basic rules for avoiding conflicts of interest**

▪ While performing their mandate, the directors shall not:

- be an employee of the Association
- be permitted to perform any task within the scope of the supervisory director's auditing activities
- be permitted to have any direct family ties up the second degree with members of the executive management

Directors who find themselves in any of the above circumstances while performing their Board mandate shall notify the Chair of this in writing and hand in their resignation without delay.

▪ Directors shall be expected to avoid activities that conflict or could conflict with the interests of the Association.

In the event that a director has a personal interest or an interest concerning a related individual or organisation, whether under property law or otherwise, whether directly or indirectly, that conflicts with a decision or action that falls under the competency of the Board of Directors, he/she must inform the Chair of this before the deliberation on this matter commences.

The Director with the conflicting interest shall remove him/herself from the meeting and abstain from participation in the deliberations and voting on the matter to which the interest relates.

The aforementioned procedure shall also apply to common activities that take place under the conditions and in return for the securities that normally apply on the market for similar activities.

### **Minute-taking**

▪ Draft minutes shall be taken of every meeting by the Secretary, or by his/her deputy in the case of his/her absence.

The draft minutes shall be sent to the directors for approval, in principle, except where they are drafted and approved at the meeting. The first agenda item of the next meeting of the Board of Directors shall concern the approval of the draft minutes of the previous meeting.

Once they are approved, the minutes shall be signed by the Chair of the meeting and the Secretary.

▪ The signed minutes shall be stored in a minutes register at the Association's registered office. The proxies shall be attached to the minutes.

Every member shall have the right to inspect the stored minutes at the Association's registered office in accordance with the conditions laid down by the Belgian Royal Decree of 26 June 2003.

#### 4. COMMITTEES

##### Audit Committee

▪ With a view to ensuring a coordinated policy within the IMEC Group, the Association will not have a separate audit committee for as long as it forms part of the IMEC Group. The Board of Directors may obtain a recommendation from the Audit Committee of IMEC International with regard to matters that form part of the Committee's areas of competence, and shall be required to do so if the Articles of Association contain a stipulation to this effect. Matters shall be referred to this committee in its capacity as the Audit Committee of the IMEC Group.

▪ The Audit Committee of the IMEC Group is a standing committee established by the Board of Directors of IMEC International. The Board of Directors shall decide on the composition of the Committee and shall designate the Chair. The Audit Committee shall also include three member-directors. [composition of Audit Committee]

The Audit Committee shall convene at least twice per year upon being convened by its Chair, and also each time one of the Audit Committee members requests it to do so.

▪ The Audit Committee shall assist the Board of Directors in performing its audit of the Association's financial reporting process. The Audit Committee's task shall be to supervise:

- the reliability and coherence of the financial data
- the reliability of the internal audit and risk management systems
- the independence, objectiveness and performance of the internal and external audit bodies
- the comments of the supervisory director and the follow-up actions.

▪ The Audit Committee shall also issue a recommendation on the (re)appointment of the auditor [*commissaris*].

▪ The Audit Committee shall be entitled and authorised as follows for the purpose of performing its tasks:

- To request, view and obtain all information from all bodies of the Association and its members of personnel
- To call in external experts at the Association's expense for the purpose of providing professional advice.

▪ For the purpose of advising the Board of Directors, the Audit Committee shall issue a report of its findings after each meeting while performing its task. A copy of this report shall be provided to all directors at the next meeting of the Board of Directors.

In particular, the Audit Committee shall issue a report at least once per year, and make recommendations if required, on the following:

- The Association's overall financial situation
- Potential improvement of the internal audit and risk management systems
- Performance of the internal and external auditors
- The evaluation of the functioning of the Audit Committee.

### **Nomination and Remuneration Committee**

▪ With a view to ensuring a coordinated human resources policy within the IMEC Group, the Association will not have a separate nomination and remuneration committee for as long as it forms part of the IMEC Group. The Board of Directors may obtain a recommendation from the Nomination and Remuneration Committee of IMEC International with regard to matters that form part of the Committee's areas of competence, and shall be required to do so if the Articles of Association contain a stipulation to this effect. Matters shall be referred to this committee in the capacity of the Nomination and Remuneration Committee of the IMEC Group.

▪ The Nomination and Remuneration Committee of the IMEC Group is a standing committee established by the Board of Directors of IMEC International. The Board of Directors shall decide on the composition of the Committee and shall designate the Chair. The Nomination and Remuneration Committee shall also include three member-directors, on the understanding that its members include one director appointed on the recommendation of KU Leuven and one director appointed on the recommendation of Ghent University at all times. [composition of the Remuneration Committee]

The Nomination and Remuneration Committee shall convene at least twice per year upon being convened by its Chair, and also each time one of the Remuneration Committee members requests it to do so.

A report of each of the Remuneration Committee's meetings shall be drawn up and provided to all directors at the respective next meeting of the Board of Directors.

▪ The Nomination and Remuneration Committee shall advise the Board of Directors by making recommendations regarding the following:

- The appointment of the Chief Executive Officer (CEO) and the members of the Executive Board
- The general policy guidelines relating to remuneration of the Association for a particular year
- The remuneration of the Association's Executive Board
- A succession plan for the CEO and the Executive Board of the Association.

### **Other committees**

▪ The Board of Directors may designate specialised committees for specific matters as it sees fit, which are composed of one or more directors, assisted by one or more members of the Executive Board and, if necessary, one or more external experts. These committees may be

of either a temporary or permanent (“*ad hoc*”) nature. The Board of Directors shall always appoint the Chair of each of the committees.

- These *ad hoc* committees shall only act in an advisory and assisting capacity to the Board of Directors in the matter for which they were established. The decision-making powers in this regard shall always rest with the Board of Directors, which will take decisions jointly and hold deliberations.

## 5. EXECUTIVE MANAGEMENT

### The Chief Executive Officer (CEO)

- The Board of Directors may delegate the day-to-day management of the Association to one of the directors or to a third-party, referred to as the chief executive officer, or CEO for short. [name and date of appointment of the current CEO]

The CEO shall be appointed by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee of the IMEC Group.

As long as the Association forms part of the IMEC Group, the CEO of IMEC International shall also be appointed as the Chief Executive Officer of the Association.

- The CEO possesses all powers necessary in order to undertake the day-to-day management of the Association.

Furthermore, the following special powers shall be granted to the CEO even outside of the limits of day-to-day management:

1. In general, all activities that are or must be performed within the scope of implementing the Association budget approved by the Board of Directors, and that must be performed day after day in order to safeguard the normal state of affairs in the Association, and that do not require or make desirable any action by the Board of Directors, whether due their nature or whether due to the necessity to take an immediate decision, and
2. In particular, without limitation, the following activities, in so far as and to the extent that these are performed within the limits and implementation of the Association budget approved by the Board of Directors:
  - negotiating, concluding and signing all research, development and licence agreements
  - negotiating, concluding and signing all agreements, order forms and other documents relating to the purchase of goods and services for the benefit of the Association
  - requesting and signing all necessary and useful applications relating to environmental permits, planning applications and related documents
  - opening and closing (including conducting the negotiation) of bank accounts, as well as taking out revolving lines of credit and loans up to a maximum of EUR 5,000,000
  - recruiting and dismissing all members of personnel. However, the recruitment and dismissal of members of the Association’s Executive Board must be sanctioned by the Board of Directors, except in the case of dismissal for urgent reasons
  - Making all investments in and disinvestments of holdings in whatever form in associations and companies up to a maximum equivalent value of EUR 500,000

### Delegation of powers by the CEO

- The CEO shall be entitled to delegate certain powers assigned to him to one or more individuals in whole or in part, who may or may not be directors or employees of the Association.

### **Executive Board**

- The CEO shall also arrange to be assisted by the Executive Board for the purpose of exercising his/her powers.

- Members:

Members of the Executive Board are individuals with management roles in the Association who are appointed by the Board of Directors upon nomination by the CEO. Directors cannot be members of the Executive Board. The role of Chair of the Executive Board (president) is performed by the CEO.

As long as the Association forms part of the IMEC Group, the Executive Board of IMEC International shall also be appointed as the Executive Board of the Association such that both executive boards are always composed of the same individuals.

- Role and powers of the Executive Board:

The Executive Board shall assist the CEO in the exercising of his/her powers of day-to-day management and his/her special powers. The Executive Board shall perform the tasks delegated to its members by the CEO under the supervision of the CEO.

- Functioning of the Executive Board:

The Executive Board shall meet upon invitation by the CEO, who also sets the agenda. Each member of the Executive Board shall be entitled to pass agenda items to the CEO. The CEO ultimately decides on the agenda. The CEO is responsible for the organisation and smooth running of the Executive Board meetings.

The Executive Board shall meet at least once per month. The CEO may also convene an additional meeting of the Executive Board at any time.

Draft minutes of each meeting shall be drawn up by a secretary to be designated by the CEO. These draft minutes shall be presented for approval at the next meeting of the Executive Board.

- Reporting to the Board of Directors:

The CEO shall report to the Association's Board of Directors on the functioning of the Executive Board at regular intervals.

## **6. ADVISORY BOARDS**

- The advisory boards required by law perform an active role in the functioning of the Association. [list of bodies required by law]

- The following advisory bodies provided for by the Articles of Association also perform an active role in the functioning of the Association: the Scientific Advisory Board, the Universities Coordination Committee and the Flemish Industry Advisory Board.

### **Scientific Advisory Board**

#### *Composition*

The Scientific Advisory Board shall be composed of at least three experts in the field of nanotechnology and at least three experts in the field of digital technology, who are appointed by the Board of Directors upon nomination by the Association's Executive Board, and whose names are then announced to the Flemish Interuniversity Council. [composition]

#### *Role and powers*

The Scientific Advisory Board shall advise the CEO and the Executive Board regarding decisions that concern the Association's research activities. The CEO and the Executive Board shall in turn inform the Board of Directors of the decisions of the Scientific Advisory Board.

### **Universities Coordination Committee (CCU)**

#### *Composition*

The Universities Coordination Committee shall be composed of

- (i) the CEO of the Association who acts as its Chair
- (ii) 2 representatives of KU Leuven, 2 representatives of Ghent University, 2 representatives of VU Brussels, 1 representative of Hasselt University, and 1 representative of the University of Antwerp; the representative(s) of the universities shall be designated by joint agreement of the CEO and of the universities concerned
- (iii) the members of the Executive Board of the Association as designated by the CEO.

[composition]

#### *Role and powers*

The Universities Coordination Committee shall advise the CEO and the Executive Board in relation to the following objectives:

- Setting up and monitoring a process for evaluating the excellence of the university groups based upon criteria laid down by the Board of Directors (including in relation to academic excellence and industrial relevance of the research, and industrial traction and alignment with the Association's strategy).
- Consultation on the process for university groups joining/leaving as core groups or affiliated groups
- Communications platform to the various groups of the universities
- Direct representation of the universities to the CEO of the Association, and
- Monitoring strategic alignment between the respective research agendas of the Association and the universities.

#### *Functioning*

The Universities Coordination Committee shall meet four times per year or at the frequency deemed desirable by its members.

### **Flemish Industry Advisory Board (VIAR)**

#### *Composition*

The Flemish Industry Advisory Board shall be composed of 10 members other than representatives of the Association's Executive Board who are appointed by the Board of Directors upon nomination (citing reasons) by the Flemish Industry Advisory Board itself and

the Association's Executive Board. Six of the members of the Flemish Industry Advisory Board shall be required to have particular expertise in the field of digital technology. The remaining four members must represent Flemish companies or foreign companies that have a branch with an R&D department in Flanders. [composition]

Representatives of the Association's Executive Board may also hold seats on the Flemish Industry Advisory Board.

The Flemish Industry Advisory Board shall be chaired by a member of the Board of Directors from among the independent directors representing the Flemish companies who has particular expertise in digital technology.

The members of the Flemish Industry Advisory Board shall be elected for a term of 3 years, which may be renewed no more than 3 times.

#### *Role and powers*

The Flemish Industry Advisory Board shall advise the Executive Board and the Board of Directors of the Association in relation to the Association's impact on and relevance to the fabric of Flemish industry, and shall act as the spokesperson for Flemish industry with regard to the Association's policy. The Flemish Industry Advisory Board monitors the following parameters in particular:

- The impact of the Association upon enrichment of the fabric of Flemish industry
- The leveraging effect of the subsidy from the Flemish Government, and
- The ease with which Flemish companies are able to approach the Association

As part of this, the Flemish Industry Advisory Board and the Executive Board shall take cognizance of the KPIs agreed in the covenant with the Flemish Government.

The Flemish Industry Advisory Board shall also advise on the drawing up of new covenants, and monitor the KPIs agreed in the covenants relating to the parameters listed above.

The Flemish Industry Advisory Board shall draw up a report annually containing an assessment of the parameters above and recommendations in this regard. The decisions in this report shall be discussed by the Board of Directors of the Association, and the conclusions of these deliberations shall be included in the Board of Director's annual report to the Flemish Government.

#### *Functioning*

The Flemish Industry Advisory Board shall meet four times per year or at the frequency deemed desirable by its members.

After each meeting, the Chair of the Flemish Industry Advisory Board shall report on the Board's activities, comments and recommendations during the next meeting of the Association's Board of Directors, if he/she wishes to do so and requests for this item to be added to the agenda.

The Flemish Industry Advisory Board shall provide for the opportunity for the universities and Flemish industry to consult with one another, including by means of organising joint meetings with the Universities Coordination Committee.

## **7. FINANCIAL AUDIT**

▪ The auditor shall be appointed by the Association's General Assembly. [name and term of mandate of the present auditor]

▪ The auditor shall be charged with auditing the financial situation, the annual accounts and the regularity of the Association, and shall do so in accordance with the law and with the Association's Articles of Association.



## 8. GOVERNMENT REPRESENTATIVES

- In accordance with the Flemish Government Decree of 30 April 2009 on the organisation and funding of science and innovation policy, the Flemish Government shall appoint two government representatives in the Association. One government representative shall be appointed upon nomination by the Flemish Minister responsible for scientific research and technological innovation policy, and one government representative shall be appointed upon nomination by the Flemish Minister responsible for finance and the budget
- The government representatives shall attend the meetings of the Board of Directors in an advisory capacity. They shall be entitled to appeal against decisions by the Board of Directors in the cases and under the conditions stated in the Decree.
- Government representative for Finance [name]
- Government Representative for Applied Scientific Research [name]

## 9. REMUNERATION OF THE DIRECTORS, EXECUTIVE MANAGEMENT AND THE AUDITOR

With a view to ensuring transparency in relation to remuneration of the directors, the executive management and the auditor of the Association, the Board of Directors shall publish the information below annually in the annual accounts.

- The total amount of remuneration paid to all directors of the Association for their performance as members of the Board of Directors and/or one of the committees, as stated in the most recent annual accounts approved by the General Assembly. [remuneration]
- The total amount of remuneration paid to the members of executive management, including the CEO, as stated in the most recent annual accounts approved by the General Assembly. [remuneration]
- The remuneration of the auditor and of other individuals with whom he/she collaborates in order to perform his/her audit tasks of the Association, as stated in the most recent annual accounts approved by the General Assembly. [remuneration]
- The remuneration of the auditor and of other individuals with whom he/she collaborates in relation to special tasks, as stated in the most recent annual accounts approved by the General Assembly [remuneration]

## CHAPTER IV. CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) forms an important pillar of the Association's policy, and it is based on a stakeholder model that is periodically evaluated and constantly under development. Attention to the *triple (P) bottom line* (people, planet and profit) forms an integral part of all the Association's activities.

All stakeholders benefit from attention to CSR. Our stakeholders primarily of course include the members of IMEC, its employees, its clients and suppliers, associated laboratories, and partners inside Belgium and abroad for collaboration in scientific research, innovation and spin-offs. However, IMEC also regards society as a whole as being the ultimate stakeholder. By working closely with RVO Society vzw, for example, the Association places the emphasis on the social value of technology.

## CHAPTER V. ETHICAL CODE OF CONDUCT

- The Association prioritises ethical and responsible conduct among all of its employees, whether permanent or temporary staff, and implements this by means of an ethical code of conduct.

The aim of this code of conduct is to provide a clearly defined framework in which respect for external legislation and regulations and internal policy guidelines is given priority, in view of and with concern for effect of the activities performed by employees

- The Executive Management shall take the necessary measures to provide sufficient education and training to ensure that employees are familiar with and understand the code of conduct and endeavour to comply with it as much as possible.
- IMEC has an Ethics Committee in place that is composed of a group of senior specialists and managers. Their primary task is to assist managers and employees in discussing and resolving ethical issues.

## CHAPTER VI. SCIENTIFIC INTEGRITY

Scientific integrity forms an integral part of the organisational culture of IMEC. The IMEC scientific integrity policy focuses on encouraging good research practices. IMEC has a Scientific Integrity Committee (SIC) in place that is responsible for its integrity policy. This committee also deals with matters concerning potential violations of scientific integrity, such as plagiarism, falsification or data fabrication.