



PRESS RELEASE

DRAFT 2020 BELGIAN CODE ON CORPORATE GOVERNANCE: START OF THE PUBLIC CONSULTATION

Brussels, 19 December 2017- The Corporate Governance Committee today launched a public consultation to review and update the Belgian Code on Corporate Governance. Stakeholders are invited to comment on the Committee's proposed revision of the 2009 Code.

The Code was first published on 9 December 2004 and was thoroughly revised in 2009. **Since June 2010, the 2009 Code has been recognised by Royal Decree as the benchmark for Belgian listed companies.**

The context has continued to evolve since 2009. Not only are **Europe and Belgium issuing new legislation** impacting how businesses are managed today, but new European and international trends and good practices have also emerged in recent years. Monitoring reports produced by GUBERNA and FEB have also shown that some of the provisions were not totally clear for listed companies, as a result of which they were not correctly applied or explained.

Under the leadership of Justice Minister Koen Geens, the federal government is now **reviewing the current Companies Code**. To provide listed companies with a **mutually coordinated reference framework of 'hard' and 'soft law'**, the Code must take account of a number of changes that have been implemented in the Companies Code (such as the introduction of the dual system). Attempts have therefore been made **to align the implementation of the revised Corporate Governance Code with the entry into force of the revised Companies Code** (target date: 1 January 2020).

In reviewing the 2009 Code, the Committee wants to focus primarily on those principles that deliver genuine added value for listed companies and the Belgian capital market. In line with international trends, **it is getting back to basics** and removing some of the more detailed provisions and guidelines.

The revised Code also aims **to make directors aware of how they embody their role**. For example, during their directorships **they should bear in mind the company's long-term value creation**, taking account of the interests of all shareholders and other stakeholders. The Code calls for compensation policies to support this long-term approach.

The revised Code also focuses on directors' **independent conduct and integrity**. Directors must be sensitive to any possible form of conflict of interests and must address such issues with the utmost care.

It also calls for a dynamic approach tailored to the company in question. This implies, among other things, periodically assessing **compliance with the Code in the light of the changing business environment**. This kind of internal evaluation is the final component in the critical monitoring of a self-regulating system that also includes monitoring by the capital market.

Thomas Leysen, chairman of the Committee, is hoping for a broad response to this public consultation: *“Over the last 13 years, the Code has guided company boards in their efforts to efficiently engage in good governance. With this revision the Committee wants to ensure that the Code remains relevant in the years ahead for Belgian listed companies and helps them create value in the long term.”*

The public consultation will end on 28 February 2018. Details about how to take part in the public consultation can be found at: <https://www.corporategovernancecommittee.be/en/about-2009-code/start-public-consultation>

The Committee is expected to publish a final version of the 2020 Code by mid-2018 and to request that it be recognised as the new benchmark.

Contact details for anyone seeking more information

Scientific Secretariat of the Corporate Governance Committee:

- Malorie Schaus – Tel. +32 (0)2 515 08 59 - ms@vbo-feb.be
- Annelies De Wilde – Tel. +32 (0)2 518 18 04 - annelies.dewilde@guberna.be

About the Corporate Governance Committee

The Corporate Governance Committee – a joint initiative of the Financial Services and Markets Authority (FSMA), the Federation of Enterprises in Belgium (FEB) and Euronext Brussels – was launched on 22 January 2004 for the purpose of drawing up a single Corporate Governance Code for listed Belgian companies. In May 2007, the Committee took on the more sustainable legal form of a private foundation.

The main aim of the Corporate Governance Committee is to ensure that the provisions of the Belgian Corporate Governance Code remain relevant for listed companies and are regularly updated based on practice, legislation and international standards.

For more information about the Corporate Governance Committee: www.corporategovernancecommittee.be