

1. INTRODUCTION

This report was made in accordance with article 15 of the law of 22nd July 1953 concerning the foundation of the Institute of Auditors as adjusted in the Royal Decree of 21st April 2007. This article imposes auditors performing legal audits on the separate accounts or consolidated financial statements with organisations of the public interest to yearly publish on their website three months after the end of each fiscal year at the latest a transparency report to be confirmed through electronic signature.

2. DESCRIPTION OF THE ORGANISATIONAL STRUCTURE

The offices are located in 2275 Lille, Zagerijstraat 42.

Mister Piet H. Vermeeren's profession is auditor in his own name and not connected to any kind of network.

3. DATE OF THE LATEST PEER REVIEW

The latest peer review by the Institute of Auditors was performed in 2016.

4. ORGANISATIONS OF THE PUBLIC INTEREST

The organisations of the public interest are defined as listed companies as described in article 4 of the Companies Code, finance companies and insurance companies.

5. DATE OF THE UPDATE OF THESE REPORTS

31th January 2014

6. DESCRIPTION OF THE INTERNAL SYSTEM OF QUALITY AUDIT AND STATEMENT CONCERNING THE EFFICIENCY OF ITS FUNCTIONING

All files are personally followed up by Mister Piet H. Vermeeren.

6.1 PROFESSIONAL QUALIFICATIONS

Mister Piet H. Vermeeren is:

- > Auditor IBR
- > Registered auditor NBB - FSMA
- > Registered auditor C.D.Z. (Hospitals)
- > Registered accountant NIVRA (Dutch Institute)
- > Member of the Institute of Internal Auditors
- > Member of the Forensic Auditors.

In handling the assignments the company regularly cooperates with professionally skilled external partners. These partners are working on an independent basis. It concerns a fellow auditor, lawyers, external accountants and a registered actuary.

6.2 AUDIT FILE

The accountants file is of crucial importance to ensure a quality audit. The accountancy file consists of three major parts:

6.2.1 The permanent file

The permanent file contains all data that are important during the complete period of time of the audit assignment. This implicates amongst others the juridical structure, a description of the administrative organisation and internal audit, situation of the entity in the sector involved, longterm contracts and a comparative financial history. At each audit this permanent file will be checked and adjusted when necessary.

6.2.2 The yearly file

The yearly file contains amongst others the correspondence, the annual account, the reports of the annual shareholder's meeting and the Board of Directors, the letter of representation, the annual accounts and the auditor's report.

6.2.3 The working file

The working file will contain all different steps of the audit inclusive of their documentation. There will be both an electronic and a paper version of the working file.

6.3 RISK ANALYSIS

The overall auditing process and the related working schedule are yearly evaluated based on a risk analysis. This risk analysis is being done by an experienced and qualified member and will take following aspects into account:

- > the general procedures within the entity to be audited;
- > the audit experience gained during previous audits;
- > the specific characteristics of the entity to be audited.

6.4 INDEPENDENT REVIEW

After the field work all files will be thoroughly checked by an experienced and qualified member who was not involved in this audit. An opinion or report will only be provided once all questions and remarks to this review have been answered in a satisfactory way to all parties.

6.5 ACCEPTING AND CONTINUING OF AN ASSIGNMENT

When accepting an assignment following steps will be taken:

- > evaluating the integrity of the entity to be audited;
- > checking if the necessary competence, capacities, time and means are present in order to fulfil the assignment;
- > checking if there would be any kind of ethical problems.

6.6 PURPOSE OF THE PEER REVIEW

When finalising the audit report and before issuing any kind of opinion, Mister Piet H. Vermeeren will assure that the prescribed procedures were followed. There were no problems in this matter.

7. COMPLIANCE WITH DEFINITIONS ABOUT INDEPENDENCE

Independence is substantial within the auditing business. It implies that collaborators may not have any kind of interest in the case that might be in violation with objectivity, integrity and independence. All collaborators yearly need to sign an independence declaration per file in which they confirm they are in accordance with the requested criteria. Mister Piet H. Vermeeren will personally keep an eye to the correctness of these declarations.

8. LINE OF CONDUCT FOR PERMANENT TRAINING

8.1 EXTERNAL TRAINING

All collaborators are expected to keep their professional knowledge up to date in regularly attending seminars, speeches and workshops relating to their occupation. The costs for these trainings will be paid by the audit firm

8.2 INTERNAL TRAINING

Apart from external training the knowledge and skills will be improved by on-the-job training. All cases will be thoroughly reviewed by an experienced collaborator. The feed-back on the audit process will bring an important contribution to a thorough internal training through work experience.