The Company shall be managed by a one-tier Board, comprising one Executive Board member, i.e. the Chief Executive Officer (CEO), and Non-executive Board members.

1. Functions of the Board

The Board has ultimate responsibility for the management, general affairs, direction and performance of the business as a whole, but (while staying ultimately responsible) may delegate day-to-day management to the CEO. The CEO shall manage the day to day business of the Company and the business connected thereto (de vennootschap en de met haar verbonden onderneming).

The Board, as a whole, has the following functions:

1. approving and monitoring the implementation of the Company's annual budget and multi-year strategy plan;

2. reviewing the annual accounts and annual reports, before their adoption by the General Meeting;

3. overseeing the Company’s risks and ensuring that appropriate processes are in place to enable risks to be assessed and managed;

4. monitoring proper compliance by the Company with applicable laws and regulations;

5. approving significant transactions by the Company or a subsidiary of the Company (Significant Transactions), i.e.

   a. entering into a contract for the supply of goods or services for an amount exceeding 100,000,000 € (excluding taxes), being precised that the Board delegates to the CEO the authorities to enter into contracts above 100,000,000 € (excluding taxes) subject to approval of the Chairman;

   b. acquiring or disposing of any participating interest in the capital of a company, for a total consideration (i.e. total purchase price paid for the business, including any earn-outs, contingent payments or assumptions of any financial debt) of up to 10,000,000 € (or equivalent value), together with entering into any ancillary agreement thereto such as shareholders’ agreements, being precised that the Board delegates to the CEO the authorities to enter into transactions above 10,000,000 € and under 150,000,000 € subject to approval of the Chairman;

   c. entering into any contract for the purchase or sale of real estate property for at least 60,000,000 €;
d. entering into any lease, as lessor or lessee, with a value of at least 10,000,000 € for the total duration of the lease;

e. transferring the enterprise of the Company or almost the entire enterprise of the Company to a third party;

6. approving the agenda, draft resolutions and convocation date for any General Meeting;

7. approving any transfer of shares of the Company, being precised that transfer of shares to Thales S.A. shall be deemed approved and that the right to acquire shares by the Company in its own share capital, as well as to dispose of such shares, shall be delegated to the CEO within the limits approved by the General Meeting;

8. in so far as and as long as the Board has been authorized by the General Meeting, resolving upon the issue of shares in the Company, limiting or excluding pre-emptive rights, as well as granting rights to subscribe for shares; issuing bonds or other debt tradable instruments; applying for quotation or withdrawal of the quotation of any securities mentioned in this paragraph;

9. granting or amending continuous powers of attorney;

10. ensuring that the interests of all shareholders of the Company are taken into account in the decision making as required under the general fiduciary duties of a board in the Netherlands;

and any other prerogative pursuant to mandatory Dutch law, all in accordance with the Articles of Association.

2. **Chairman of the Board**

The Board shall be chaired by the Chairman, not being the CEO. The Chairman will be appointed by the Board from among its Non-executive Board members. The Board may at any time revoke such appointment.

The Chairman’s general and specific responsibilities cover:

- ensuring the proper functioning of the Board and acting as the main contact regarding the functioning of the Board;

- preparing the agenda for, and convening meetings of the Board together with the CEO, either at his own initiative, or at the request of the CEO or one-fifth of the Board members in office;

- presiding over Board meetings, as well as over General Meetings, for a proper conduct of business at meetings;

- ensuring that the Board members receive in good time all information which is necessary for the proper performance of their duties;

- promoting effective relationships and open communication between Board members.
**Vice-Chairman.** In case of the Chairman’s absence or inability to act, the Board will designate among themselves a Vice-Chairman, who will temporarily assume the position.

3. **Chief Executive Officer (CEO)**

The CEO shall manage the day to day business of the Company and the business enterprise connected therewith.

The CEO is entrusted with all the Board’s powers, authorities and discretions including in relation to the management of the Company including the power to sub-delegate any of those powers, authorities, decision-making powers and discretions, except such matters as reserved to the Board in accordance with mandatory Dutch law, the Articles of Association or this Board Charter.

The CEO’s powers, authorities and discretions shall include, but not be limited to the following matters:

1. managing, leading and representing the Company;
2. preparing the Company's annual budget and multi-year strategy plan for approval by the Board, and implementing them;
3. preparing the annual accounts and annual reports for review by the Board and adoption by the General Meeting;
4. leading the senior management team assisting him in the day to day management of the Company, appointing them, reviewing and approving their remuneration, performance and succession;
5. implementing the Company’s risk, compliance, tax, treasury and internal audit matters;
6. recommending to the Board any Significant Transaction for approval;
7. implementing the resolutions taken by the Board;
8. informing the Board on events and affairs of the Company and its group,
9. informing the Board on the compliance by the Company with the non-financial covenants under the offer document published by Thales S.A. on March 27, 2018 (the *Offer Document*), and which are further described in clause 5.

The CEO, in executing his duties, is accountable to the Board as a whole.

The CEO is authorized to take any decision in relation to those tasks which have been delegated to him pursuant to the Articles of Association, the Board Charter or by Board decision. Such decision shall be deemed a decision of the Board.
4. **Non-executive Board members, general**

As Board members, the Non-executive Board members share full responsibility for the execution of the Board’s duties.

The Non-executive Board members shall supervise the management and performance of duties of the CEO as to the day to day affairs of the Company, and in particular:

- constructively review the annual budget, the multi-year strategy plan, and examine any Significant Transaction presented for approval;

- satisfy themselves on the integrity and quality of financial reporting, and monitor that financial controls and risk management systems are robust and defensible;

- keep aware of compliance by the Company with the legislation and regulations applicable and under review.

The Non-executive Board members shall also:

- appoint and where necessary remove the CEO, in accordance with the Articles of Association, and decide on the remuneration of the CEO, in so far as and as long it is authorized by the General Meeting;

- propose to the General Meeting any modification to their own remuneration.

5. **Non-executive Board members, Independent Members**

Two members of the Board are designated as independent members of the Board for purposes of this section (the **Independent Members**). The Independent Members are considered independent members within the definition of the Dutch Corporate Governance Code, and they are not representatives of Thales S.A.

The Independent Members shall be particularly tasked with monitoring the compliance with the **Non-Financial Covenants**, which are a set of principles and commitments applicable pursuant to Sections 6.4 (Rationale for the Offer), Section 6.16 (Role and veto right of Independent Members), Section 6.17 (Amendments of the Articles of Association), Section 6.18 (Future composition of the Board of Directors of Gemalto), Section 6.20.2 (Strategy) through Section 6.20.9 (CSR Policy) of the Offer Document.

Any material deviation from the Non-Financial Covenants requires the prior approval of the Non-executive directors on the Board, including the affirmative vote of the 2 (two) Independent Members of the Board. Such approval shall be evidenced in the minutes of the Board.

The Independent Members (or after their replacement, their successors) will continue to serve on the Board for at least the Non-Financial Covenants Duration (as defined in the Offer Document), ie for a duration of 2 years as from April 2. The way the Independent Members will monitor the remaining Non-Financial Covenants after 2 years will be reassessed by that time, in accordance with the Offer Document.
All members of the Board, including the Independent Members, shall monitor and protect the interests of the Company and its stakeholders in accordance with their obligations under Dutch law.

6. **Company Secretary**

The Company Secretary is responsible for:

- ensuring that procedures are followed and that the Board acts in accordance with its statutory obligations and its obligations under the Articles of Association;
- assisting the Chairman in the organization of the affairs of the Board (information, agenda, evaluation, training program, etc.);
- administrating and attending of Board meetings and General Meetings and drafting minutes of such meetings;
- keeping the minutes of meetings of the Board properly signed and in good order.

7. **Board Meetings**

   **Regular Meeting Calendar**

1. **Frequency.** The Board will meet in person two (2) times per year, unless it determines that more or fewer meetings are required.

2. **Topics.** The Board agenda will include regular reviews of the strategy, business performance and key opportunities affecting the Company overall, and various Company businesses and functions. Board members should propose to the Chairman the inclusion of additional agenda items that they deem necessary or appropriate in carrying out their duties. Appropriate time will be allotted for Board members' questions and input.

3. **Distribution of Materials.** Information and materials will, generally, be distributed one week in advance of the Board meetings where important to the Board's understanding or to facilitate discussion.

   **Locations.** The Board will meet in the Netherlands, unless a majority of the Board members entitled to vote determines otherwise.

   **Special Meetings.** The Board shall meet whenever the CEO, the Chairman or one-fifth of the Board members in office so request. Special meetings may be held in person or by telephone or other form of interactive electronic communication, provided that all participating can simultaneously hear one another.

   **Voting.** A Board member shall not take part in any discussion or decision-making that involves a subject or transaction in relation to which he has an actual or potential conflict of interest with the Company.

   **Board Minutes.** The Board meetings shall be minuted under the responsibility of the Company Secretary. The minutes of meetings of the Board shall in evidence of their adoption be signed by the Chairman and the Company Secretary. The minutes of meetings of the Committees shall in evidence of their adoption be signed by the Chairman and the secretary of the Committee concerned.
8. Board memberships.

For the number and type of other (supervisory) board memberships that Directors may hold, Board members shall comply with the limitations on mandates as set out in the Dutch Civil Code.

9. Board access to information

The Board have full and free access to management and employees of the Company. For purposes of preparing the agenda for Board meetings, the Chairman regularly solicit suggestions from the Board members for presentations by senior management or others at Board meetings. Any additional meetings or contacts that a Board member wishes to initiate may be arranged through the Chairman or the Company Secretary.

The Board may, at the Company's expense, hire such independent advisors, including attorneys, accountants, and other consultants, as it deems necessary or appropriate to carry out its duties.

10. Ethics and Conflicts of Interest

The Board expects Board members to act ethically at all times and to acknowledge their adherence to the policies including the Company's code of ethics. The Board will not permit any waiver of any ethics policy for any Board member. If an actual or potential conflict of interest arises for a Board member, the Board member shall promptly inform the Chairman and the other Directors and comply with the relevant provisions of the Articles of Association and Dutch law. The Board shall decide whether there is a conflict of interest. If a significant conflict exists and cannot be resolved, the Board member should step down temporarily or resign.

14. Relationship with the General Meeting

The Board shall provide the General Meeting with all requested information, unless this would be contrary to an overriding interest of the Company. If the Board invokes an overriding interest, it must give reasons.

15. Amendment of this Charter

Recognizing that best practices for the Board and practical considerations will change over time, the Board will monitor developments in these areas and will amend this Charter as it deems appropriate.