

GR O U P E B R U X E L L E S L A M B E R T

Limited Liability Company

Avenue Marnix 24 – 1000 Brussels

Enterprise number: 0407 040 209 - RLE Brussels

**Ordinary General Meeting held on 24 April 2018**

*Minutes*

The meeting is opened at 3.00 pm at the registered office.

The meeting is chaired by Gérald Frère, who welcomes the shareholders.

Priscilla Maters acts as Secretary.

Brad Unsworth and Guido De Decker act as Scrutineers.

The Co-CEO's, Ian Gallienne and Gérard Lamarche, complete the panel.

The following Directors are also present: Laurence Danon Arnaud, Antoinette d'Aspremont Lynden, Victor Delloye, Jocelyn Lefebvre, Thierry de Rudder, Amaury de Seze and Martine Verluyten.

The Chairman places on the table the supporting copies of the newspapers containing the convening notices published in accordance to Article 533 of the Companies Code and Article 26 of the articles of association, namely:

- the *Moniteur belge* (Belgian official journal) of 23 March 2018;
- L'Echo of 23 March 2018;
- De Tijd of 23 March 2018;
- the Luxemburger Wort of 23 March 2018.

The registered shareholders were convened by letter sent on 23 March 2018 containing the agenda with the subjects to be dealt with, the proposals for decisions, a detailed description of the formalities to be accomplished by the shareholders to attend the General Meeting, their right to ask questions in writing before the General Meeting as well as their right to request the inclusion of new items on the agenda. These shareholders also received a copy of the annual report, a detailed version of the annual accounts as at 31 December 2017, the report of the Statutory Auditor thereon and the report requested by Article 629 of the Companies Code.

The Directors and the Statutory Auditor were invited to the General Meeting in a letter sent on 23 March 2018. No proof is required that this formality has been observed, in accordance with Article 535 of the Companies Code and Article 26, paragraph 2 of the articles of association.

The company set up a register, which reflects the number of shares registered on 10 April 2018 at 12:00 pm (Record Date), in the shares register or on a securities account opened with a financial institution, and for which the shareholders expressed their wish to participate to the Meeting by 18 April 2018 at the latest.

The Chairman places on the table the register as well as a copy of the convening letters in French, Dutch and English sent to the registered shareholders on 23 March 2018, the certificates from the banks on the holders of dematerialised shares, the correspondence or the proxies of the registered shareholders and the proxies of the holders of dematerialised shares, as well as a copy of the Management Report from the Board of Directors and the reports from the Statutory Auditor concerning the 2017 financial year and the annual accounts as at 31 December 2017 as well as a copy of the report requested by Article 629 of the Companies Code.

The attendance list, verified by the Scrutineers, establishes that the number of shareholders present or represented amounts to 1,492 accounting for 124,212,047 shares, i.e. 76.98% of the capital.

At their request, consultants, journalists and financial analysts, who have not fulfilled the required formalities, attend the Meeting but without being able to express an opinion or vote. No-one at the Meeting objects to their presence.

The Meeting is validly constituted to deliberate on the following agenda:

**1. MANAGEMENT REPORT OF THE BOARD OF DIRECTORS AND REPORTS OF THE STATUTORY AUDITOR ON THE 2017 FINANCIAL YEAR**

**2. FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017**

2.1. Presentation of the consolidated financial statements for the year ended 31 December 2017.

2.2. Approval of annual accounts for the year ended 31 December 2017.

**3. DISCHARGE OF THE DIRECTORS**

Proposal for the discharge to be granted to the Directors for duties performed during the year ended 31 December 2017.

**4. DISCHARGE OF THE STATUTORY AUDITOR**

Proposal for the discharge to be granted to the Statutory Auditor for duties performed during the year ended 31 December 2017.

**5. RENEWAL OF A DIRECTOR'S TERM OF OFFICE**

Proposal to re-elect for a four-year term, in his capacity as Director, Paul Desmarais III, whose current term of office expires at the conclusion of this General Shareholders' Meeting.

## **6. REMUNERATION REPORT**

Proposal to approve the Board of Directors' remuneration report for the 2017 financial year.

## **7. LONG TERM INCENTIVE**

7.1. Proposal to approve the option plan on shares, referred to in the remuneration report by which the members of the Executive Management may receive in 2018, options relating to existing shares of a sub-subsidiary of the company. These options may be exercised upon the expiration of a period of three years after their granting pursuant to Article 520ter of the Companies Code and if the TSR at this anniversary date reaches at least 5% per year on average for the period since the grant. This condition will have to be met at each further anniversary date for the exercises of each subsequent year, the TSR relating each time to the period since the grant. The 2018 option plan will also benefit to the staff.

7.2. To the extent necessary, proposal to approve all clauses of the aforementioned plan and all agreements between the company and the holders of options, giving these holders the right to exercise their options prior to the expiration of the aforementioned period of three years in case of a change of control of the company, pursuant to Articles 520ter and 556 of the Companies Code.

7.3. Proposal to set the maximum value of the underlying shares to be granted to the Executive Management in 2018, in the framework of the aforementioned plan, at EUR 3.87 million per Co-CEO.

7.4. Report of the Board of Directors drawn up pursuant to Article 629 of the Companies Code with respect to the security referred to in the proposal of the following resolution.

7.5. Pursuant to Article 629 of the Companies Code, to the extent necessary, proposal to approve the grant by GBL of a guarantee to a bank with respect to the credit granted by that bank to the sub-subsidiary of GBL, permitting the latter to acquire GBL shares in the framework of the aforementioned plan.

## **8. MISCELLANEOUS**

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The Chairman gives an overview of the evolution of GBL in 2017.

Gérard Lamarche and Ian Gallienne present the group's achievements in 2017. In this context, a movie on the company is shown. The presentation of Gérard Lamarche and Ian Gallienne is attached to these minutes.

Afterwards, Amaury de Seze, Chairman of the Nomination and Remuneration Committee, comments the work of the Committee in 2017 and presents the remuneration report for the year 2017. His speech is attached to these minutes.

According to Article 540 of the Companies Code, the shareholders had the opportunity to send in advance their written questions to the company. These questions are answered by Gérald Frère, Gérard Lamarche and Ian Gallienne. These questions and the respective answers are attached to these minutes.

Finally, the shareholders may also ask other questions which are answered by the Co-CEO's.

The Meeting, acknowledging that it has been informed of the Management Report from the Board of Directors and the Statutory Auditor's reports relating to the 2017 financial year, agrees not to read aloud these documents.

It further acknowledges having taken note of the consolidated financial statements established at 31 December 2017, which are given in detail in the 2017 annual report.

#### **First resolution**

The Meeting approves the annual accounts for the year ended 31 December 2017, including the appropriation of the result, as proposed by the Board of Directors.

The dividend amounts to:

- EUR 3.00 per share gross;
- EUR 2.10 per share net.

The dividend concerns coupon n° 20 and will be paid as from 9 May 2018.

This resolution is adopted by a majority of 99.1818% of the votes, that is 122,903,459 shares voted in favour, 1,013,920 vote against and 294,668 abstained.

#### **Second resolution**

The Meeting grants discharge to the Directors for duties performed during the year ended 31 December 2017.

This resolution is adopted by a majority of 99.0766% of the votes, that is 122,912,081 shares voted in favour, 1,145,583 against and 154,383 abstained.

#### **Third resolution**

The Meeting grants discharge to the Statutory Auditor for duties performed during the year ended 31 December 2017.

This resolution is adopted by a majority of 98.9438% of the votes, that is 122,747,633 shares voted in favour, 1,310,338 against and 154,076 abstained.

#### **Fourth resolution**

The Chairman explains to the Meeting that the term of office of Paul Desmarais III expires at the conclusion of this General Shareholders' Meeting. He is presenting himself for a further four-year term expiring at the end of the General Shareholders' Meeting of 2022.

The Meeting renews for a term of four years the term of office of Paul Desmarais III.

This resolution is adopted by a majority of 84.7311% of the votes, that is 105,202,127 shares voted in favour, 18,957,903 against and 52,017 abstained.

#### **Fifth resolution**

The Meeting agrees not to read aloud the remuneration report, acknowledging that it received this report which furthermore has been commented in detail by the Chairman of the Nomination and Remuneration Committee.

The Meeting approves the remuneration report of the Board of Directors relating to the 2017 financial year.

This resolution is adopted by a majority of 93.5594% of the votes, that is 116,157,599 shares voted in favour, 7,996,258 against and 58,190 abstained.

#### **Sixth resolution**

The Meeting was informed about the long-term incentive plan for the Executive Management of which the members of the personnel of the GBL group also benefit. The principal modalities were detailed by the Chairman of the Nomination and Remuneration Committee in its report.

It is specified that according to this plan, the members of the Executive Management as well as the personnel may receive in 2018 options relating to existing shares of a sub-subsidiary of the company which will mainly acquire GBL shares and secondarily, shares of companies included in GBL's portfolio and on which GBL can exercise an influence.

#### **Sixth resolution.1**

The Meeting approves the option plan on shares, referred to in the remuneration report. It is specified that the options granted by this plan may be exercised by the Executive Management upon the expiration of a period of three years after their granting pursuant to Article 520ter of the Companies Code and if the TSR at this anniversary date reaches at least 5% per year on average for the period since the grant. This condition will have to be met at each further anniversary date for the exercises of each subsequent year, the TSR relating each time to the period since the grant.

This resolution is adopted by a majority of 93.8219% of the votes, that is 115,548,376 shares voted in favour, 7,608,778 against and 1,054,893 abstained.

#### Sixth resolution.2

The option plan provides that the beneficiaries may exercise their options prior to the expiration of the period of three years in case of a change of control in the company. This clause requires the approval by the Meeting pursuant to Article 556 of the Companies Code.

The Meeting approves all clauses of the aforementioned plan and all agreements between the company and the holders of options, giving these holders the right to exercise their options prior to the expiration of the aforementioned period of three years in case of a change of control in the company, pursuant to Articles 520ter and 556 of the Companies Code.

This resolution is adopted by a majority of 79.7758% of the votes, that is 98,242,883 shares voted in favour, 24,905,878 against and 1,063,286 abstained.

#### Sixth resolution.3

The Meeting approves in addition to set at EUR 3.87 million per Co-CEO the maximum value of the shares to be acquired by the sub-subsidiary in 2018 in the framework of the aforementioned plan.

This resolution is adopted by a majority of 97.1748% of the votes, that is 119,671,158 shares voted in favour, 3,479,229 against and 1,061,660 abstained.

#### Sixth resolution.4

In the framework of the long-term incentive plan, GBL shall grant a security to the bank with respect to the credit granted by that bank to the sub-subsidiary of GBL, permitting the latter to acquire GBL shares. Pursuant to Article 629 of the Companies Code, the granting of this security requires the establishment of a special report by the GBL Board of Directors.

The Meeting approves the report of the Board of Directors drawn up pursuant to Article 629 of the Companies Code by a majority of 97.5977% of the votes, that is 120,192,145 shares voted in favour, 2,958,393 against and 1,061,509 abstained.

Sixth resolution.5

Pursuant to Article 629 of the Companies Code, the Meeting is invited to approve the grant by GBL of a security to a bank with respect to the credit granted by that bank to the sub-subsidiary of GBL, permitting the latter to acquire GBL shares in the framework of the aforementioned plan.

The Meeting was informed that the grant of the security requires a quorum of 50% of the capital and an approval by  $\frac{3}{4}$  of the shareholders present or represented. It is acknowledged that the first condition is met, the quorum being 76.98%.

This resolution is adopted by a majority of 96.3189% of the votes, that is 119,639,633 shares voted in favour, 3,512,257 against and 1,060,157 abstained.

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The Meeting exempts the Secretary from reading out the minutes.

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All the items on the agenda having been dealt with, the meeting is closed at 4.52 pm.

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Gérald Frère  
Chairman

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Brad Unsworth  
Scrutineer

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Guido De Decker  
Scrutineer

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Priscilla Maters  
Secretary

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Gérard Lamarche  
Co-CEO

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Ian Gallienne  
Co-CEO

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Thierry de Rudder  
Vice-Chairman

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Laurence Danon Arnaud  
Director

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Antoinette d'Aspremont  
Lynden  
Director

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Victor Delloye  
Director

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Jocelyn Lefebvre  
Director

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Amaury de Seze  
Director

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Martine Verluyten  
Director



## Written questions

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### GOUVERNANCE

#### 1. Conseil d'Administration

##### Question

Nous avons noté le taux de participation aux réunions du Conseil et nous apprécions l'information publiée au sujet du Conseil d'Administration. Nous avons noté le lien entre la participation aux réunions et la rémunération et nous souhaitons vous en féliciter. Le niveau d'indépendance est très bas (28 %). Avez-vous l'intention d'avoir plus d'indépendants dans votre Conseil d'Administration.

##### Answer

Je vous remercie pour vos mots aimables.

Je vous rappelle que la composition du Conseil et des Comités reflète aussi la structure de l'actionnariat de la société, qui est contrôlée par deux groupes d'actionnaires représentés paritairement dans les organes de la société. Ceci explique (i) la taille du Conseil, 18 Administrateurs, et (ii) le taux apparemment faible des indépendants (28 %). GBL va dès lors au-delà de la loi et du Code belge de gouvernance d'entreprise 2009, qui recommandent la présence de trois Administrateurs indépendants seulement. Toutefois, à l'avenir nous pourrions encore augmenter proportionnellement le nombre d'Administrateurs indépendants au sein de notre Conseil, tout en veillant que le nombre total des membres du Conseil n'augmente pas.

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#### 2. Politique de rémunération

##### Question

Concernant la politique de rémunération, nous serions intéressés d'avoir plus de détails. Concernant le plan d'intéressement à court terme, nous regrettons que l'attribution soit uniquement liée au succès de la fusion entre Lafarge et Holcim. Concernant le TSR pour votre plan d'intéressement à long terme, pourriez-vous nous fournir un historique sur les trois dernières années ?

##### Answer

Toute l'information relative à la politique de rémunération tel que prescrite par le Code de gouvernance et par le Code des Sociétés figure dans le rapport de rémunération qui est publié dans le rapport annuel à la page 161.

Pour le surplus, je vous renvoie à l'allocation du Président du Comité des Nominations et Rémunérations qui a rappelé le contexte et les conditions de la prime unique.

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Deux plans d'intéressement de GBL sont concernés par la condition de performance dite « TSR ». Ce sont les plans approuvés par l'Assemblée en 2016 et en 2017.

Pour chaque plan, le TSR doit être de au moins 5% en moyenne par an. Pour rappel, les options ne sont exerçables qu'à l'échéance d'une période de 3 ans. Le TSR doit donc être de au moins 15 % en moyenne sur 3 ans pour que les options puissent être exercées.

Aucun des plans visés par la condition de performance n'est à ce jour exerçable car la période de 3 ans n'est pas échue.

Toutefois, à titre informatif, le TSR annualisé du plan d'intéressement à long terme FINPAR approuvé par l'Assemblée Générale de 2016, sur une période de deux ans donc, s'élève à 23,24 %.

Le TSR annualisé du plan d'intéressement à long terme FINPAR II approuvé par l'Assemblée Générale de 2017, sur une période d'un an donc, s'élève à 8,10 %.

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## **LAFARGEHOLCIM**

### **Answer**

Gérard Lamarche a répondu, lors de sa présentation, à la question portant sur le TSR et la perte latente de GBL dans Lafarge. Gérard Lamarche, lors de sa présentation, a commenté les activités de Lafarge en Syrie. Comme mentionné, les représentants de GBL n'étaient pas au courant des faits. Ces faits ont fait l'objet d'une enquête interne indépendante dont les résultats ont été transmis à la justice par LafargeHolcim. Vous comprendrez que nous ne pouvons pas fournir plus d'informations dans le cadre d'une enquête judiciaire en cours.

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