

Corporate Governance Statement

Groupe Bruxelles Lambert (“GBL” or the “Company”) ensures to respect all corporate governance regulations. It notably complies with the provisions of the 2009 Belgian Corporate Governance Code (the “2009 Code”), which is its reference code, in accordance with the Royal Decree of 6 June 2010, and which may be consulted at www.corporategovernancecommittee.be.

The rules of conduct for the members of GBL's Board of Directors and of its specialised Committees, as well as the rules governing the functioning of these bodies, are laid out in the Corporate Governance Charter (the “Charter”). This document also includes the Dealing Code, which defines the rules applicable to transactions in GBL shares. The Charter was published for the first time at the end of 2005. Since then, the Board of Directors has ensured that this document remains in line with the 2009 Code and the various legal developments in the field of corporate governance. It was last amended by the Board of Directors on 15 March 2018 to take into account organisational changes that had taken place within the Company. The document thus amended is available on the Company's website (www.gbl.be).

This Corporate Governance Statement describes the composition and functioning of GBL's administrative bodies and of their committees. It comments on the practical application of GBL's governance rules during the financial year ended on 31 December 2017 and the period between this financial year and the Board of Directors' meeting on 15 March 2018. It also lists the Company's deviations from certain provisions of the 2009 Code and explains the reasons behind them. It includes a remuneration report and describes the principal characteristics of the Company's internal control and risk management systems. Finally, pursuant to the Law of 3 September 2017 on the disclosure of non-financial information and diversity information by certain companies and groups, this chapter includes, for the first time, a description of the diversity policy of the Board of Directors and the Executive Management.

1. Board of Directors

1.1. Composition at 31 December 2017

	Current term of office	Participation in Board Committees and/or in the Executive Management
Chairman of the Board of Directors		
Gérald Frère	2015-2019	Member of the Standing Committee
Vice-Chairmen, Directors		
Paul Desmarais, Jr.	2015-2019	Member of the Standing Committee
Thierry de Rudder	2016-2020	Chairman of the Standing Committee
Co-CEOs		
Ian Gallienne	2016-2020	Member of the Standing Committee Member of the Executive Management
Gérard Lamarche	2015-2019	Member of the Standing Committee Member of the Executive Management
Directors		
Victor Delloye	2017-2021	Member of the Standing Committee
Paul Desmarais III	2014-2018	Member of the Standing Committee
Cedric Frère	2015-2019	Member of the Standing Committee
Ségolène Gallienne	2015-2019	Member of the Standing Committee
Jocelyn Lefebvre ⁽¹⁾	2017-2021	Member of the Standing Committee ⁽¹⁾
Gilles Samyn	2015-2019	Member of the Standing Committee, the Audit Committee and the Nomination and Remuneration Committee ⁽²⁾
Amaury de Seze	2017-2021	Member of the Standing Committee and Chairman of the Nomination and Remuneration Committee
Arnaud Vial	2017-2021	Member of the Standing Committee and the Audit Committee
Independent Directors		
Countess Antoinette d'Aspremont Lynden	2015-2019	Chairwoman of the Audit Committee
Laurence Danon Arnaud	2017-2021	Member of the Nomination and Remuneration Committee ⁽¹⁾
Christine Morin-Postel	2017-2021	Member of the Nomination and Remuneration Committee
Marie Polet	2015-2019	Member of the Audit Committee and the Nomination and Remuneration Committee
Martine Verluyten	2017-2021	Member of the Audit Committee
Honorary Chairman		
Baron Frère		
Honorary Managing Directors		
Jacques Moulaert and Emile Quevrin		
Honorary Directors		
Count Baudouin du Chastel de la Howarderie, Jacques-Henri Gougenheim, Count Jean-Jacques de Launoit and Aldo Vastapane		

(1) Since the Ordinary General Shareholders' Meeting of 25 April 2017

(2) Member of the Nomination and Remuneration Committee since the Ordinary General Shareholders' Meeting of 25 April 2017

1.1.1. Composition of the Board of Directors

The composition of GBL's Board of Directors reflects the Company's controlling shareholding structure. Specifically, GBL is controlled by Pargesa Holding S.A. (through its wholly-owned subsidiary Pargesa Netherlands B.V.). Pargesa Holding S.A., incorporated under Swiss law, is itself controlled by Parjointco N.V., incorporated under the laws of the Netherlands and equally controlled by the Frère and Power Corporation of Canada groups, under an agreement concluded by the two groups in 1990.

This agreement aims to establish and maintain equal control between the Power Corporation of Canada group and the Frère group in Pargesa Holding S.A., GBL and their respective designated subsidiaries. It was extended on 18 December 2012 and will expire in 2029 if not renewed.

At 31 December 2017, out of a total of eighteen members GBL's Board included ten representatives put forward by the controlling shareholder, Pargesa Holding S.A.

The shareholding structure explains the composition of the Board of Directors, which departs from the 2009 Code that recommends a Board composition such that no individual or group of Directors should dominate the decision-making.

This control situation also justifies the presence, at 31 December 2017, of representatives proposed by the controlling shareholder, Pargesa Holding S.A., on the Standing Committee (ten members out of thirteen),

the Audit Committee (two members out of five) and the Nomination and Remuneration Committee (two members out of five).

It is in this context that GBL has developed a diversity policy for its Board of Directors in accordance with the Law of 3 September 2017 on the disclosure of non-financial information and diversity information by certain companies and groups (for more details, refer to the ESG section in pages 50 to 57). The Company also ensures the presence and contribution of independent Directors in a sufficient quantity and quality, thereby ensuring that the interests of all the Company's shareholders are respected. It has also gradually increased the number of women on its Board and its Committees, as required by the law of 28 July 2011 aimed at guaranteeing the presence of women on the Board of Directors of listed companies. GBL's Board of Directors has five independent Directors and has six female Directors out of a total of eighteen members.

1.1.2. Appointment proposed to the 2018 Ordinary General Shareholders' Meeting

The term of office of Paul Desmarais III expires at the end of the Ordinary General Shareholders' Meeting of 24 April 2018.

The Ordinary General Shareholders' Meeting will be asked to renew his term of office for a four-year term, until the end of the 2022 General Shareholders' Meeting called to approve the accounts for the 2021 financial year.