Building leading companies through long-term engaged and responsible ownership

GBL
Groupe Bruxelles Lambert

Annual Report 2019

Groupe Bruxelles Lambert ("GBL") is an established investment holding company, with over sixty years of stock exchange listing, a net asset value of EUR 20 billion and a market capitalization of EUR 15 billion at the end of 2019.

GBL is a leading investor in Europe, focused on long-term and sustainable value creation and relying on a stable and supportive family shareholder base.

GBL strives to maintain a diversified high-quality portfolio composed of global companies, leaders in their sector, in which it can contribute to value creation by being an engaged professional investor.

GBL seeks to provide attractive returns to its shareholders through a combination of a sustainable dividend and growth in its net asset value.

Contents

Key information for shareholders

Financial calendar

- April 28, 2020: Extraordinary General Meeting 2020
- April 28, 2020: Ordinary General Meeting 2020
- May 6, 2020: Results as of March 31, 2020
- July 30, 2020: Half-year 2020 results
- November 4, 2020: Results as of September 30, 2020
- March 2021: Annual Results 2020
- April 27, 2021: Ordinary General Meeting 2021

Note: some of the above-mentioned dates depend on the dates of the Board of Directors and are thus subject to change

Extraordinary General Meeting

Shareholders are invited to attend the Extraordinary General Shareholders' Meeting to be held on Tuesday April 28, 2020 at 2 pm at the registered office, avenue Marnix 24, 1000 Brussels.

Ordinary General Meeting

Shareholders are invited to attend the Ordinary General Shareholders' Meeting to be held on Tuesday April 28, 2020 at 3 pm at the registered office, avenue Marnix 24, 1000 Brussels.

Proposed dividend

The proposed dividend distribution for the 2019 financial year of a gross amount of EUR 3.15 per GBL share, will be submitted for approval to the Ordinary General Meeting on April 28, 2020. This dividend is equal to EUR 2.205 net per share (after a 30% withholding tax).

Coupon n° 22

Gross dividend per share: **EUR 3.15 (+ 2.6%)**
Total amount: **EUR 508.3 million**
Net dividend: **EUR 2.205**

May 5, 2020: Ex-dividend date
May 6, 2020: Record date of the positions eligible
May 7, 2020: Payment date

The dividend will be payable as from May 7, 2020, either by bank transfer to registered shareholders or by transfer to the bank account of the owner of the dematerialized shares. The financial service is provided by ING Belgium bank (System Paying Agent).

Investor relations

Additional information can be found on our website (**www.gbl.be**), among which:

- Historical information on GBL
- Annual and half-yearly reports as well as press releases in relation to quarterly results
- Net asset value on a weekly basis
- Our press releases
- Our investments

Online registration in order to receive investor information (notifications of publication, press releases, etc) is available on our website.

Investor relations: **Sophie Gallaire**
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Our commitment to investors

GBL's purpose is to build sustainable leading companies through long-term engaged and responsible ownership.
We strive to invest in and support European industry leaders with strong market positions and exposure to positive global long-term trends. As an engaged owner, we partner with our portfolio companies and their management teams to create value over the long term for all stakeholders in a sustainable manner.

GBL's strategic objective is to create value over the long term through continuous and sustainable growth of our intrinsic value and dividend distribution.
We aim at delivering an annualized Total Shareholder Return (TSR) outperforming our reference index, the Stoxx Europe 50, over the long term through the increase in the net asset value and an attractive dividend yield.

Solid core values

Long term & patrimonial
We consistently take a long-term approach to our investments. We look to invest in high-quality businesses with strong and sustainable market positions and offering long-term growth potential. We seek to maintain strong financial discipline and flexibility, and benefit from our family DNA and shareholder base, through the partnership between the Frère and Desmarais families.

Engaged & supportive
We act as an engaged and accountable owner and aim at partnering with our portfolio companies and their management teams to support them in their long-term growth and development. We look for efficient governance with aligned interests and aim at driving value through engaged and supportive board participation.

Performance-driven & disciplined
We pursue long-term value creation and seek double-digit Total Shareholder Returns throughout cycles. With our expertise and rigor, we set ambitious standards and strive for excellence and discipline in the deployment of our asset rotation strategy.

Transparent & responsible
We believe that business performance cannot be achieved over the long term without integrity, sense of responsibility and transparency. We embrace our responsibility to create sustainable and shared value for all stakeholders' benefit.

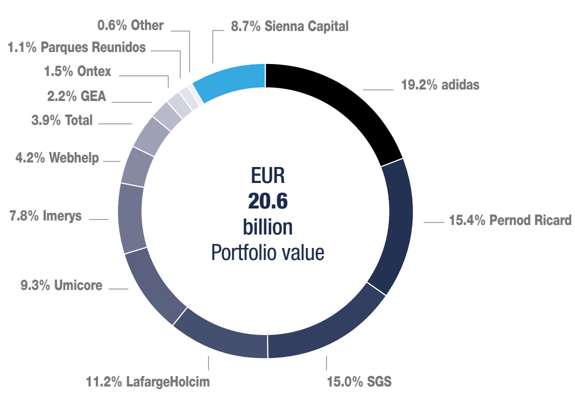
GBL's investment case offers an attractive risk-reward

Diversified & resilient portfolio

Portfolio composed of high quality investments with upside potential

- Global companies, primarily Investment Grade, in which GBL contributes to unlocking value through its involvement as an engaged and responsible investor
- Valuable alternative assets through Sienna Capital

As of December 31, 2019



Solid track record of returns to shareholders

TSR [1] outperforming by 326bps the reference Stoxx Europe 50 index	**12.0%** vs. 8.7%
Attractive **dividend policy and yield** [1]	**3.4%**
Discount to NAV [1] evolving in a tight range (21 to 27% [2])	**25.5%**
Lean **cost structure** (measured as operating expenses [3] to NAV [2]) with any material tax leakage	**19bps**

Ability to seize new quality investment opportunities

Active asset rotation	**EUR 19 billion** Transactions carried out since the initiation of our new strategy in 2012
Solid financial position	**EUR 4.0 billion** Significant available liquidity
	3.7% Loan To Value
Sound governance	Ability to move quickly
	Management remuneration aligned with shareholders' interests

(1) TSR, dividend yield and discount to NAV as of December 31, 2019, with TSR on an annualized basis with reinvested dividends, as from year-end 2011
(2) Over the last 3 years
(3) As presented in the cash earnings

For more information please refer to the Strategy section

Key highlights for 2019

Net asset value of
EUR 20.3 billion
at year-end 2019

Active asset rotation of
EUR 3.5 billion
in 2019

Liquidity profile of
EUR 4.0 billion
at year-end 2019

Cash earnings of
EUR 595 million
at year-end 2019

Monetization of assets, enabling GBL to derisk its portfolio and to reinforce its financial flexibility to seize investment opportunities

Total

- Finalization of the exit from the energy sector initiated in 2013
- Disposal of **0.6%** of the capital of Total through prepaid forward sales maturing in January 2020 for a total amount of **EUR 771 million**
- Capital gain of **EUR 411 million** (1)

adidas

- Disposal of **1.03%** of the capital of adidas, for a total amount of **EUR 499 million**
- Capital gain of **EUR 333 million** (1)
- Residual stake of 6.8% of the capital of adidas

LafargeHolcim

- Disposal of **1.7%** of the capital of LafargeHolcim, for a total amount of **EUR 499 million**
- Capital gain of **EUR 106 million** (1)
- Residual stake of 7.6% of the capital of LafargeHolcim

Increased exposure to private and alternative assets

Webhelp

- Transaction closing on November 19, 2019
- Investment of **EUR 0.9 billion** for an ownership of **65%** of the capital of Webhelp, European leader in the Customer Relationship Management - Business Process Outsourcing (CRM-BPO) space
- Ambition, together with the co-founders and the high-quality management team, to support the group in its transition from a European player to a global leader

Parques Reunidos

- Voluntary takeover bid successfully closed in September 2019 with a delisting effective in December 2019
- **23%** indirect ownership, alongside EQT AB and Corporación Financiera Alba
- Take-private transaction aiming at accelerating the implementation of the value creation strategy within the group

Sienna Capital

- Net asset value reaching **EUR 1.8 billion** as of December 31, 2019, i.e. **9%** of GBL's net asset value
- New commitments for a total amount of **EUR 403 million**, including EUR 199 million deployed into two additional external fund managers, i.e. Marcho Partners specialized in innovation and technology, and Carlyle International Energy Partners II focused on the energy sector

For more information please refer to the Sienna Capital section

Reinforcement of our ESG approach

GRI Reporting
- First reporting year under the **Global Reporting Initiative standards**

Signatory of: PRI Principles for Responsible Investment
- Participation to the first reporting cycle as a signatory of the **United Nations' Principles for Responsible Investment**

Financing

- Issuance of **EUR 750 million** bonds exchangeable into existing registered shares of LafargeHolcim Ltd, at attractive terms (zero coupon and - 0.3% yield to maturity)

For more information please refer to the section Economic presentation of the financial position

Share buyback

- Completion of the share buyback program authorized in October 2018 for a total amount of **EUR 250 million**
- Complementary share buyback program of up to **EUR 250 million** authorized in September 2019

(1) Not impacting GBL's consolidated net result, in accordance with IFRS 9

Message of Paul Desmarais, Jr., Chairman of the Board of Directors of GBL

Dear shareholders,
The good performance of the financial markets in 2019 contrasted with the macroeconomic trends and the rise in political risks. In spite of the slowdown in growth and persistent uncertainties, notably fueled by the Sino-American trade tensions and the Brexit, stock markets remained well-oriented, in particular as a result of the central banks' accommodative policies.

In this unstable, but bullish market environment, GBL has continued to reach its strategic objective aiming at outperforming its reference index in terms of total shareholder return (TSR) over the long term. Over the 2012-2019 period, consecutive to the launch of our portfolio rebalancing strategy, GBL's TSR was 12.0%, outperforming the Stoxx Europe 50 by c.330 basis points.

GBL's financial results are solid, in particular with cash earnings up by 30.5% to EUR 595 million at year-end 2019.

The Board of Directors remain confident in GBL's strategic orientations, as well as in the quality and resilience of its portfolio in an unstable market environment. It will propose to the Ordinary General Shareholders' Meeting a 2.6% increase in the gross dividend, to EUR 3.15 per share, leading to a gross dividend yield of 3.4%.

Financial markets performing well despite the slowdown in global growth

Global economic growth slowed down, from 3.6% in 2018 to 2.9% in 2019. The decline in activity was due to the slowdown in the manufacturing industry and in international trade. Increased protectionist measures, Sino-American tensions and rising geopolitical risks have adversely impacted investment and business confidence. However, the impact was mitigated by more accommodative monetary policies and robust household demand.

Given its exposure to international trade, the slowdown in activity in the Eurozone was mainly related to external factors.

The large decline in foreign trade particularly affected Germany, notably due to specific difficulties encountered by the automotive sector. Furthermore, global uncertainties and notably political ones in the United Kingdom and Italy accompanied the industrial slowdown. However, the economic deceleration was mitigated by the decrease in the unemployment rate and expansionary economic policies (monetary and/or budgetary), both supporting consumer spending.

In the United Kingdom, political uncertainties continued to weigh on investment decisions and confidence, limiting UK GDP growth.

The economic slowdown was also visible in emerging countries. In China, the combination of structural transformations, excessive corporate debt and tensions with the United States have impeded growth.

Corporate financial performance in 2019 was solid, in contrast to the macroeconomic trends and rising political risks. In spite of the slowdown in growth and persistent uncertainties, financial volatility remained low and financial markets remained well oriented.

This resilience was mainly related to the accommodative policies of the central banks, which created an environment of low or even negative interest rates. In this context, accentuated by the gradual dissipation of fears of recession, risky asset classes experienced a catch-up effect after their fall in the fourth quarter of 2018, and performed well throughout 2019, as reflected by the increase in our benchmark index, the Stoxx Europe 50 (+ 23.3%).

A solid performance for GBL

Against this market background and as a combined result of the solid operational and stock performance of its portfolio, GBL's net asset value increased by 25.7%.

GBL deployed further its strategy of dynamic portfolio management through EUR 3.5 billion of transactions. This asset rotation continued to increase further the portfolio's exposure to major global structural trends. GBL also finalized its exit from the oil and gas group Total and carried out a majority investment of EUR 0.9 billion in Webhelp, European leader in customer experience management and business process outsourcing (CRM-BPO), exposed to new technologies and the digital economy.

GBL's financial results remain solid. Cash earnings rose by 30.5% to EUR 595 million. In particular, this growth reflects the successful redeployment of proceeds from the disposal of the high-yield assets from the energy and utilities sectors and the favourable impact of exceptional items for an amount of EUR 127 million.

GBL maintains a sound and flexible capital structure and a solid liquidity profile of EUR 4.0 billion, key strengths in a volatile environment.

Increased transparency in relation to responsible investment

GBL opted in 2019 for a non-financial communication in accordance with the GRI (Global Reporting Initiative) standards and published its first reporting within the framework of the UNPRI (United Nations Principles for Responsible Investment). This demonstrates GBL's desire for increased transparency vis-à-vis all its stakeholders, and in particular its controlling shareholder.

A still growing dividend

The Board of Directors will propose to the General Shareholders' Meeting a gross dividend of EUR 3.15 per share, up by 2.6% and representing an attractive dividend yield of 3.4% for our shareholders.

Finally, I reaffirm our determination to pursue our objective of sustainable value creation for all our stakeholders and thank our shareholders for the trust they have placed into GBL for many years.

Paul Desmarais, Jr.
Chairman of the Board of Directors of GBL

Message of Ian Gallienne, CEO of GBL

2019 was a year of solid performance and dynamic asset rotation, in a well-oriented market environment and in spite of persistent uncertainties, notably at the political level.

Our net asset value increased by 25.7%, outperforming by c.240 basis points our reference index, the Stoxx Europe 50 (+ 23.3%), and reaching its highest level of the decade at EUR 20.3 billion (EUR 126.1 per share) at year-end 2019.

Over the 2012-2019 period, consecutive to the launch of our portfolio rebalancing strategy, our annualized total shareholder return (TSR) was 12.0%, outperforming significantly our reference index (8.7%).

Asset rotation

Our asset rotation has been significant, through EUR 3.5 billion of transactions carried out in 2019.

We took advantage of favourable market windows to execute EUR 1.8 billion of disposals, firstly, with a view to completing our exit from the shareholding of the Total group, and secondly, to continue the rebalancing of our portfolio through sales of adidas and LafargeHolcim shares.

2019 marked the completion of our exit from the Total group, which corresponds to EUR 4.1 billion of disposals initiated in 2013 and a global net capital gain of EUR 1.9 billion.

We have also derisked our position into another legacy asset, LafargeHolcim. The partial disposal carried out during the fourth quarter 2019 for an amount of EUR 0.5 billion reduced our ownership from 9.3% to 7.6% of the capital. Otherwise, 28% of this residual ownership has been used as an underlying asset to a bond exchangeable into LafargeHolcim shares issued in September 2019 for an amount of EUR 750 million. This transaction has been carried out at attractive terms, notably a zero coupon, an issue price above par and an exchange premium of 32.5% with a 3.3-year maturity.

Finally, our disposal of adidas shares for a total amount of EUR 499 million has allowed us to reduce exposure to our first asset in portfolio (19.4% of the net asset value at year-end 2019) and generate a significant capital gain of EUR 333 million. Following this rebalancing of our portfolio, we remain the largest shareholder in the adidas group with a residual ownership of 6.8% of the capital.

All our disposals, carried out in 2019 at satisfactory valuation levels, generated an overall capital gain of EUR 850 million [(1)] and have fueled our financial flexibility. At year-end 2019, GBL had a solid liquidity profile of EUR 4.0 billion.

We have redeployed these disposals proceeds through EUR 1.7 billion [(2)] of investments carried out, firstly, in Webhelp in November 2019 (EUR 0.9 billion), and, secondly, in reinforcement into our listed portfolio (EUR 26 million in Umicore in 2019 and EUR 374 million in SGS in February 2020) and into Sienna Capital (EUR 459 million).

Our investment in Webhelp, European leader in customer relationship management and business process outsourcing [(3)], diversifies and strengthens our portfolio. This asset increases our exposure to both the business services sector and the trend towards increased digitalization of the global economy. Our position as majority shareholder in this private asset, alongside with the co-founders and a quality management team, gives us the necessary agility to implement further the group's external growth strategy and to support it in its progressive transition from a European champion to a world leader. The significant level of reinvestment of the co-founders and over 400 managers provides an alignment of interests with GBL in support to the deployment of our long-term value creation strategy. At year-end 2019, Webhelp represented 4% of our net asset value (EUR 0.9 billion).

In February 2020, our participation to the private placement executed by the von Finck family enabled us to increase our ownership in SGS from 16.7% to 18.9% of the capital. Our increased exposure reflects the quality of this asset with a multiple yield/growth/resilience profile and our desire to support its development, in particular by supporting the external growth strategy as the group's reference shareholder.

Finally, we continued to develop our alternative asset platform, Sienna Capital, by deploying EUR 0.5 billion notably into (i) CEPSA, a co-investment transaction (EUR c.90 million) conducted alongside the Carlyle fund and (ii) Marcho Partners, an investment fund specialized in innovation and technology (EUR 150 million). At year-end 2019, Sienna Capital had a net asset value of EUR 1.8 billion, up 30% compared to year-end 2018.

Operational performance of the portfolio

During 2019, we continued to exercise our influence within the decision-making governance bodies of our portfolio companies in order to support them in their strategic development and their sustainable value creation over the long term.

In particular we have actively challenged and then supported the governance changes and new strategic transformation plans at Imerys, GEA and Ontex, as well as the dynamic management by Pernod Ricard, SGS and LafargeHolcim of their asset portfolio.

Across the portfolio, we pay particular attention to the appropriate positioning of our portfolio companies on long-term trends structurally impacting the global economy, such as the development of adidas' digital activities or Umicore's exposure to the electric vehicle market.

We also encourage a conservative approach to net debt in order to ensure that our portfolio has an increased resilience in a context of global macroeconomic slowdown, exacerbated in 2020 by the impact of the coronavirus.

Our listed portfolio, representing 87% of the net asset value at year-end 2019, exhibits a high-quality risk profile, given its diversification, sectoral balance, growth potential and resilience which is notably reflected in the weighted average net leverage of 1.3x. 63% of our portfolio [(4)] is made up of assets with an Investment Grade credit rating (the unrated groups adidas and Umicore representing 35% of the portfolio [(4)]). This provides us with significant protection in the event of an economic downturn and/or a significant correction in the financial markets.

Our performance in terms of total shareholders return has therefore to be analyzed on a risk-adjusted basis in order to take into account the solid and resilient profile of our portfolio and of GBL.

Strategic vision

As an engaged investor, in a world undergoing deep change, notably on the digital and environmental front, we continue to contribute to building global leaders with the potential for long-term sustainable growth.

Our multi-asset strategy allows us to intervene in an agile and disciplined manner in order to seize opportunities for investment or reinforcement. Our primary exposure remains to listed investments, which represent the diversified, resilient foundation of our portfolio with significant value creation potential.

Our ability to identify quality controlled private assets, such as Webhelp, nevertheless allows us to increase our return potential by being more agile in the deployment of development strategies.

We will continue to maintain a dynamic portfolio management, in terms of both support to our participations in their strategic transformation, and investment and reinforcement in accordance to our sector convictions.

Responsible investor

We aim at contributing to the transformation of the global economy in terms of sustainable development, as a responsible investor.

Our non-financial reporting in accordance with the GRI (Global Reporting Initiative) standards as well as our first reporting within the framework of the UNPRI (United Nations Principles for Responsible Investment) reflect our desire for transparency vis-à-vis all of our stakeholders. In the sustainability report, we notably communicate our ESG risk assessment methodology and the formal engagement with the boards of directors of all our portfolio companies in terms of Compliance.

Finally, in the context of our ESG commitments at the 2022 horizon, we will carry out a diagnosis of our portfolio during 2020 in relation to climate impact and the risk associated with climate transition. This assessment is intended to identify the degree of commitment of our portfolio companies on these major issues in order to challenge them in an informed way at board level.

GBL's financial performance

The financial performance remained solid with cash earnings up by 30.5% to EUR 595 million. This growth notably reflects the successful redeployment of proceeds from the disposal of the high-yielding assets from the energy and utilities sectors and the favorable impact of exceptional items for an amount of EUR 127 million. The consolidated net result at year-end 2019 increased by 6.9% to EUR 705 million, in spite of the negative impact from the results of the Imerys and Parques Reunidos groups.

We maintain our operational discipline with a ratio of operating expenses [(5)] to net asset value below 20 bps at year-end 2019 and a 26% coverage of our operating expenses [(5)] by our income from yield enhancement [(5)] activities.

Our financial situation remains sound, with a net indebtedness of EUR 768 million (net cash and cash equivalents of EUR 4 million excluding the debt related to the prepaid forward sales on Total shares) and a Loan to Value ratio of 3.7%.

Outlook

We operate in a general context where (i) major uncertainties, primarily related to the coronavirus, but also to the US elections and the Sino-American relations, and (ii) financial imbalances (agents' indebtedness, distortions in asset prices, …) are exacerbated.

Being aware of this environment in which (i) risks of a downward revision of the economic outlook are high and (ii) financial markets have entered into a period of instability and increased volatility, our priority is to maintain a balanced and resilient portfolio as well as to conduct a continuous and disciplined analysis of the fundamentals and the strategic positioning of our portfolio. Otherwise, in this market environment, our financial flexibility is a key strength, allowing us to move on new investment opportunities as well in reinforcement into our existing portfolio.

As a responsible investor, we are therefore pursuing our strategic objective of long-term value creation by supporting sector leaders in their strategic transformation and sustainable growth. The success of this dynamic management relies on the quality of all of our teams, and I wish to thank them sincerely for their commitment, their dedication to our group and their professionalism.

Ian Gallienne
CEO

(1) Capital gains not impacting GBL's consolidated net result (in accordance with the IFRS 9 standard) and taking into account the impairments recognized on the LafargeHolcim participation before the entry into force of the IFRS 9 standard
(2) Including the investment in SGS carried out in 2020 and excluding the share buybacks executed in 2019
(3) CRM-BPO
(4) Excluding Total, private assets and Sienna Capital
(5) As presented in the cash earnings


GBL
Groupe Bruxelles Lambert

Strategy

Our purpose

Building leading companies through long-term engaged and responsible ownership

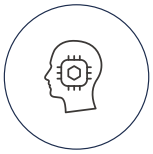
We strive to invest in and support European industry leaders with strong market positions and exposure to positive global long-term trends. As an engaged owner, we partner with our portfolio companies and their management teams to create value over the long term for all stakeholders in a sustainable manner.

Seeking exposure to major long-term growth trends

GBL's investment mandate is broad and flexible, making it possible to build a high-quality portfolio of companies that can take advantage of long-term tailwinds and be less vulnerable to upcoming disruptions.

Health awareness

Growing middle class in emerging countries, leading to a global demographic and economic shift



Digital opportunities & disruptions

Sustainability & resource scarcity


GBL
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Our strategic objective

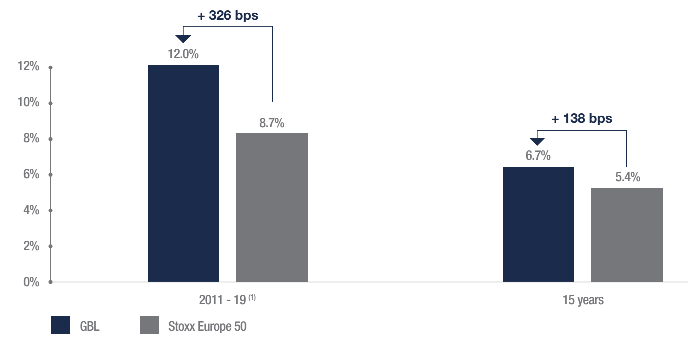
Creating value over the long term through continuous and sustainable growth of our intrinsic value and dividend distribution

Our objective is to continue to deliver a Total Shareholder Return outperforming our reference index, the Stoxx Europe 50, over the long term through the increase in the net asset value and an attractive dividend yield.

Over the 2012-2019 period following the initiation of the portfolio rebalancing strategy, GBL has outperformed its reference index by 326 basis points in terms of annualized Total Shareholder Return ("TSR").

The 12.0% TSR has to be analyzed on a risk-adjusted basis, taking into account the high quality and the strong creditworthiness of GBL's portfolio assets, as highlighted in this section.

Annualized Total Shareholder Return as of December 31, 2019
(with reinvested dividends)



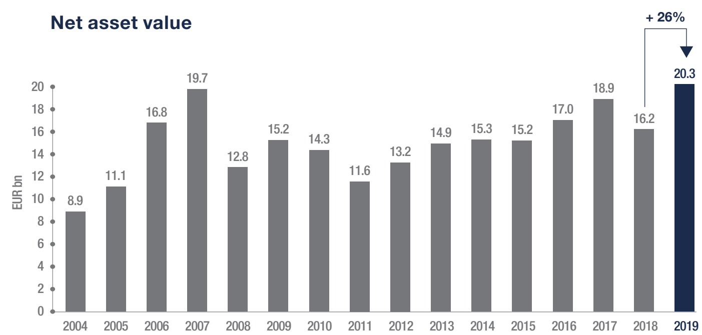
(1) Calculated as from year-end 2011

Delivering continuous and sustainable growth of our intrinsic value over the long term

Growth of intrinsic value is pursued by GBL through an efficient portfolio management leading to value creation over the long term.

Since the initiation of the rebalancing strategy in 2012, GBL's net asset value has increased by 7.3% per year which supported the 12.0% Total Shareholder Return over the same period.

Net asset value



Deploying capital in high-quality assets, leaders in their sector

GBL has initiated the rebalancing of its portfolio in 2012 with an objective to diversify and strengthen its portfolio's growth and resilience profile, optimizing its long-term value creation potential.

This transformation has been pursued through a significant portfolio rotation, with disposals and acquisitions totaling EUR 19 billion. It has led to a substantial shift from high-yielding cyclical assets in the energy and utilities sectors into growth assets in the consumer goods, industry and business services sectors.

GBL seeks to invest in high-quality companies with a leading positioning in their sector, primarily investment grade profiles and robust business models:

- focused on both organic and external growth as an important lever to long-term value creation;
- developed in a sustainable manner by high-quality management teams driven by a strategic vision; and
- supported by a sound cash generation profile and a solid financial structure.

Besides, GBL aims at diversifying further its investment universe, portfolio and dividend contributors by expanding its alternative asset platform, Sienna Capital (see more details in the Sienna Capital section in pages 52 to 59).

	adidas	Pernod Ricard	SGS	LafargeHolcim	umicore	IMERYS	Webhelp	GEA	Ontex	Parques Reunidos
Sector ranking [1]	#2	#2	#1	#1	Top 3	#1	European leader	#1	Top 5	#2 in Europe
Public rating (S&P / Moody's) [2]	Unrated	BBB+ / Baa1	Unrated / A3	BBB / Baa2	Unrated	BBB- / Baa2	B / B2	Unrated / Baa2	BB- / Ba3	Unrated
Net leverage [3]	-	2.6x	0.9x	1.4x	1.9x	2.2x	n.d.	-	3.5x	n.d.

Note: information as of December 31, 2019
Source: (1) GBL, (2) Bloomberg and (3) net financial debt to EBITDA ratios disclosed by the portfolio companies and restated in accordance with IFRS 16 (with exception of LafargeHolcim)

Being an engaged and responsible investor contributing to long-term value creation

	adidas	Pernod Ricard	SGS	LafargeHolcim	umicore	IMERYS	GEA	Ontex	Webhelp	Parques Reunidos
Year of first investment	2015	2006	2013	2005	2013	1987	2017	2015	2019	2017
GBL's ranking in the shareholding	#1	#3	#1	#1	#1	#1	#3	#1	#1	#3
Board of Directors	1/16	2/14	3/10	2/11	2/10	3/13	1/12	2/8	3/5	1/9
Audit Committee	1/4	0/3	1/4	1/4	1/3	1/4	0/5	1/3	n.a.	1/4
Nomination and / or Remuneration Committee	0/3	0/3 - 1/5	1/4	1/5	0/3	2/5 - 2/6	0/4	1/4	n.a.	n.a.
Strategic Committee	n.a.	1/6	n.a.	n.a.	n.a.	3/7	1/7	n.a.	n.a.	n.a.

GBL is an engaged investor which deploys permanent capital with a long-term horizon. GBL's objective is to contribute to unlocking value through its involvement in the key decision-making governance bodies of its portfolio companies. Acting like an owner in its capacity as an engaged board member, GBL focuses on:

- the strategic roadmap of its portfolio companies, and more specifically on organic growth and M&A;
- the selection, nomination and remuneration of their key executive management; and
- the shareholder remuneration (dividend policy and share buyback programs) and the capital allocation adequacy.

In this context, GBL contributes to value creation notably by sharing its experience, expertise and network across its participations. Being an engaged shareholder, GBL however does not get involved in the daily management of its portfolio companies.

In accordance with its objective of long-term and sustainable value creation and acting as a responsible investor, GBL requires ESG practices to be ensured at portfolio companies' level, consistently with international standards (see more details in the ESG section in pages 60 to 79).

Maintaining continued dividend growth and an attractive dividend yield over the long term

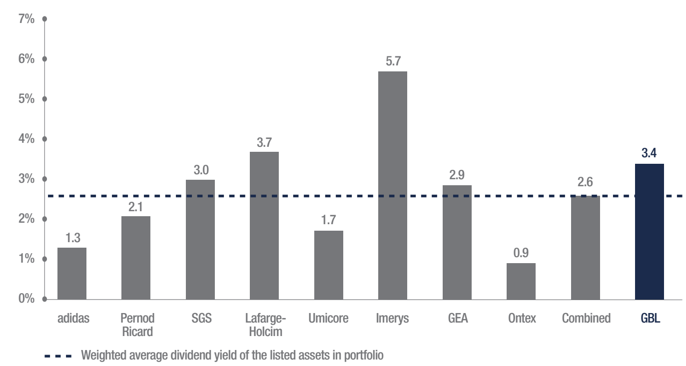
GBL serves an attractive dividend yield to its shareholders.

GBL has generated a dividend yield of 3.6%, on average over the past 15 years.

Based on the FY19 dividend distribution proposed by the Board of Directors at EUR 3.15 per share, GBL's dividend yield stands at 3.4% and outperforms by 75 bps the weighted average dividend yield of the listed assets in portfolio [(1)].

This outperformance results from:

- the mechanically positive impact of the discount (25.5% as of December 31, 2019);
- the dividends distributed by Sienna Capital, GBL's platform of unlisted alternative assets.

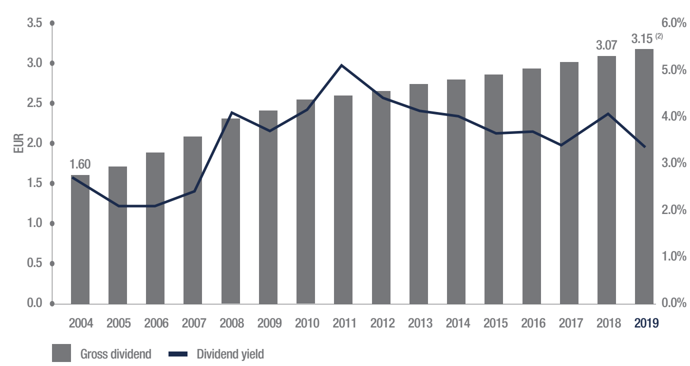


GBL's dividend policy is to deliver stable or gradually increasing dividends over time.

Over the past 15 years, GBL has:

- nearly doubled its gross dividend per share, which corresponds to a 4.6% CAGR over this period; and
- returned EUR 5.9 billion to its shareholders.

Distributable reserves amounted to EUR 10.9 billion [(2)] at year-end 2019.



(1) Gross dividend yield as of December 31, 2019 (Source: gross dividend as per Bloomberg consensus as of March 6, 2020) and combined dividend yield calculated on a weighted average basis based on the assets' value as of December 31, 2019

(2) Before FY19 dividend distribution remaining subject to the approval of the General Shareholders' Meeting to be held on April 28, 2020

Portfolio management strategy

GBL's asset rotation is based on a continuous assessment of the long-term return potential of the existing investments in portfolio, in comparison with new investment alternatives.

Clear investment criteria

GBL performs extensive analysis on the way in, focusing as much on the potential upside as on the downside protection.

GBL's investment assessment aims at performing a strict selection of opportunities based on the following grid of qualitative and quantitative investment criteria:

Compliance with our ESG criteria

- ESG strategy and commitments (with reporting and relevant governance bodies being in place for listed investment opportunities)

Attractive end-markets with long-term tailwinds

- Further growth / consolidation potential
- Resilience to economic cycles
- Exposure to long-term growth drivers
- Favorable competitive industry dynamics
- Barriers to entry

Leading market position with a clear and sustainable business model

- Foreseeable organic growth
- Strong cash flow generation capabilities
- Return on capital employed higher than WACC
- Low financial gearing for listed investments
- Appropriate positioning vis-à-vis digital disruption

Core shareholder position, with adequate governance

- Potential to become first shareholder, with influence
- Potential for Board representation
- Strong management team

Valuation

- Double-digit TSR objective over the long term
- Satisfactory dividend yield for listed investments

Divestment guidelines

As an investment vehicle deploying permanent capital, GBL is not constrained by an investment horizon. Investments are therefore held for as long as needed to optimize their value.

Continuous assessment of the portfolio assets is conducted in order to monitor risks in a rigorous and constant manner and potentially define a disposal strategy. This assessment focuses on capital preservation and limiting the downside risk by analyzing the following areas:

Potential for further value creation

Valuation risk

- Multiples above historical average
- Prospective TSR below internal targets

Specific company risk

- Business model's disruption risk related to digital or technological evolutions
- Other company risks including competition, geopolitics and ESG

Portfolio concentration risk

Objective not to exceed around 20-25% in terms of:

- portfolio's exposure to a single asset; and/or
- cash earnings' contribution from a single asset.

Investment universe

GBL carries out investments within the following universe:

- targeted companies are headquartered in Europe and may be listed or private;
- GBL aspires to hold a position of core shareholder in the capital of its portfolio companies and play an engaged role in the governance, through majority stakes or minority positions with influence;
- equity investments range primarily between EUR 250 million and EUR 2 billion, and may potentially be conducted in co-investment alongside other leading investment institutions;
- GBL intends to reinforce the diversification of its portfolio by pursuing the development of its alternative investments through its platform Sienna Capital.

Sector peers

Given (i) its geographical mandate, (ii) its positioning as an engaged owner deploying permanent capital, (iii) its portfolio being primarily exposed to Investment Grade listed global companies, (iv) its size, GBL evolves in a limited sector universe in which it identifies the following peers:

	Country of headquarters	Net asset value (1)	Market capitalisation as of year-end 2019 (2)	Raw beta (3)	Listed assets (1) (in % of the last disclosed portfolio value)	Public credit rating S&P / Moody's (2)	LTV (1)
Investor AB	Sweden	EUR 46.2 billion	EUR 37.4 billion	1.08	69%	AA- / Aa3	2.8%
EXOR	Italy	EUR 21.0 billion	EUR 16.6 billion	1.56	69%	BBB+ / unrated	10.8%
IndustriVärden	Sweden	EUR 10.7 billion	EUR 9.6 billion	1.08	100%	A+ / unrated	3.5%
Kinnevik	Sweden	EUR 7.0 billion	EUR 6.1 billion	1.14	83%	Unrated / unrated	1.3%
Wendel	France	EUR 7.4 billion	EUR 5.4 billion	0.97	48%	BBB / Baa2	6.0%
GBL	**Belgium**	**EUR 20.3 billion**	**EUR 15.2 billion**	**0.95**	**86%**	**Unrated / unrated**	**3.7%**

(1) Source: Public disclosures by GBL's peers in EUR (or converted in EUR) for the reporting date as of year-end 2019 (with exception of EXOR: as of 06/30/2019)
(2) Source: Bloomberg
(3) Source: Bloomberg (2-year average calculated as of 12/31/2019 based on daily data and vs. GBL's reference index for comparison purposes)

Operational excellence

We deliver operational efficiency in support to GBL's value creation

Solid and flexible financial structure

GBL's objective is to maintain a sound financial structure, with:

- a solid liquidity profile; and
- a limited net indebtedness in comparison to its portfolio value.

The financial strength derived from the liquidity profile ensures readily available resources enabling to quickly seize investment opportunities throughout the economic cycle and allowing to pay a stable or growing dividend over the long term.

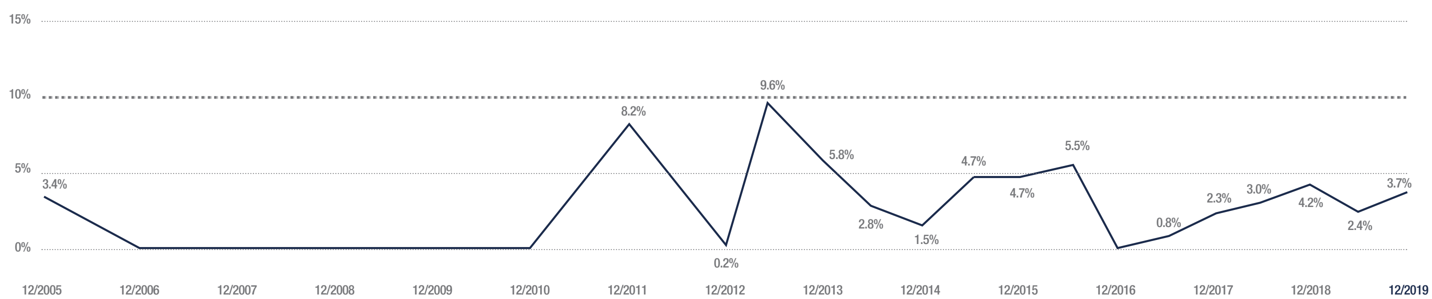
The evolution of the Loan To Value ratio results from the crystallisation of investment opportunities for significant stakes in the capital of companies meeting GBL's investment criteria, in the framework of the portfolio rotation strategy.

This ratio is continuously monitored and has been permanently maintained below 10% over the last 15 years. This conservative vision is consistent with GBL's patrimonial approach and allows to weather potential market downsides throughout the cycle.

At year-end 2019, GBL had:

- a Loan To Value ratio of 3.7%; and
- a liquidity profile of EUR 4.0 billion, consisting of both cash and cash equivalents for EUR 1.8 billion and undrawn committed credit lines (having no financial covenants) for EUR 2.1 billion maturing in 2024 and 2025.

Loan To Value



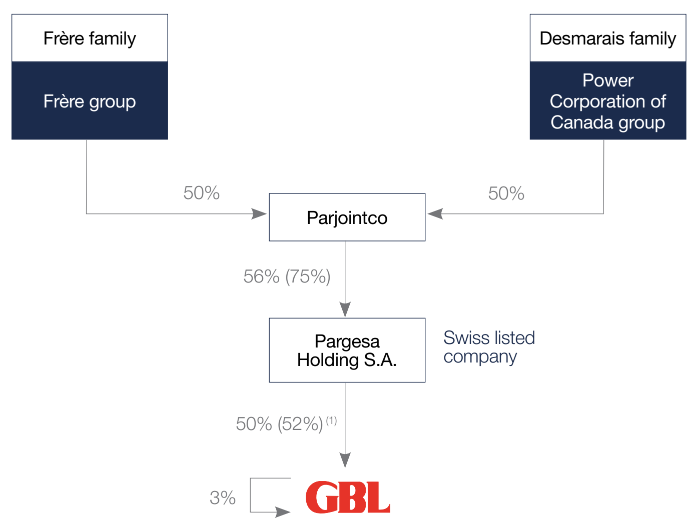
Adequate governance

GBL has a stable and solid family shareholder base and is supported by the partnership between the Frère and Desmarais families, which has been in place for several decades. The current shareholders' agreement between the two families is effective until 2029, with the possibility of extension, and establishes parity control in Pargesa Holding S.A. and GBL.

GBL has a solid governance in place, as detailed in the Governance section in pages 176 to 206, and its strong relations with its controlling shareholders enable it to move quickly to seize investment opportunities.

The remuneration policy defined for GBL's CEO, detailed in page 190, aligns his salary package with the shareholders' interests through the absence of variable cash component and a long-term incentive plan being subject to Total Shareholder Return performance.

Simplified shareholding structure as of December 31, 2019



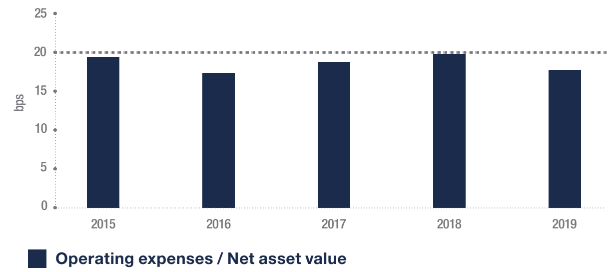
% ownership
(% voting right)
(1) Taking into account the suspended voting rights relating to treasury shares

Cost efficiency

GBL pursues operational excellence, maintaining a strong focus on cost discipline.

This allows it to record low operating expenses (1) in comparison to its net asset value, which have historically remained below 20 bps.

Operating expenses (1) / Net asset value

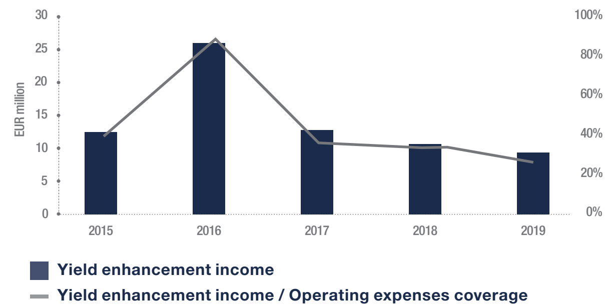


Yield enhancement

As an additional lever of value creation, GBL has historically developed yield enhancement activities. They consist primarily in the trading of derivatives conducted in a highly conservative manner. Those transactions are executed by a dedicated team exclusively in vanilla products, with very short maturities and low delta levels, and based on the in-depth knowledge of the underlying assets in portfolio.

The income generated by this activity fluctuates depending on market conditions. Over the past 5 years, it has covered on average 46% of GBL's operating expenses (1).

Yield enhancement income (1) / Operating expenses (1) coverage



(1) As presented in the cash earnings

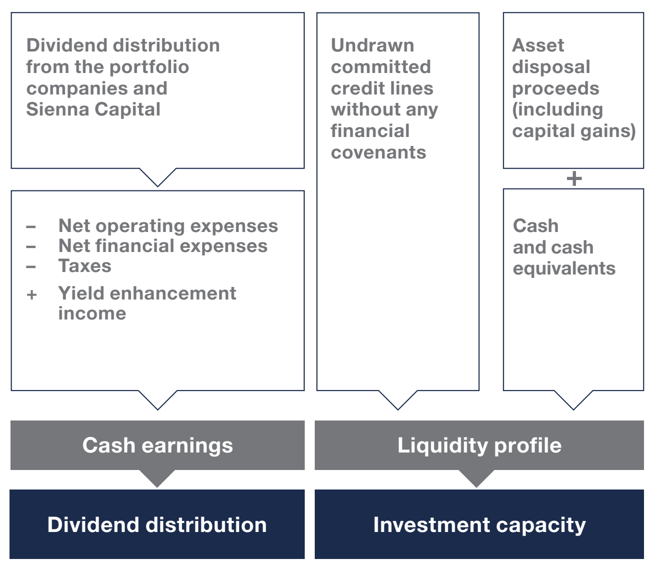
Balanced business model

GBL's dividend distribution is primarily derived from the net dividend contribution of its portfolio companies and Sienna Capital, after deduction of its cost structure.

GBL's payout ratio is computed based on the cash earnings. The payout computation consequently does not take into account the cash inflows from asset disposals (including the capital gains).

As a result of (i) the redeployment of the proceeds from the disposal of the high-yielding assets of the energy and utilities sectors and (ii) an exceptional inflow for an amount of EUR 127 million (see more details in pages 95 and 96 of the economic presentation of the net consolidated result), GBL's dividend distribution in relation to FY19 is lower than its cash earnings, resulting in a positive dividend gap.

GBL has a solid liquidity profile ensuring the availability of resources to implement its investment strategy throughout the economic cycle.



Net asset value

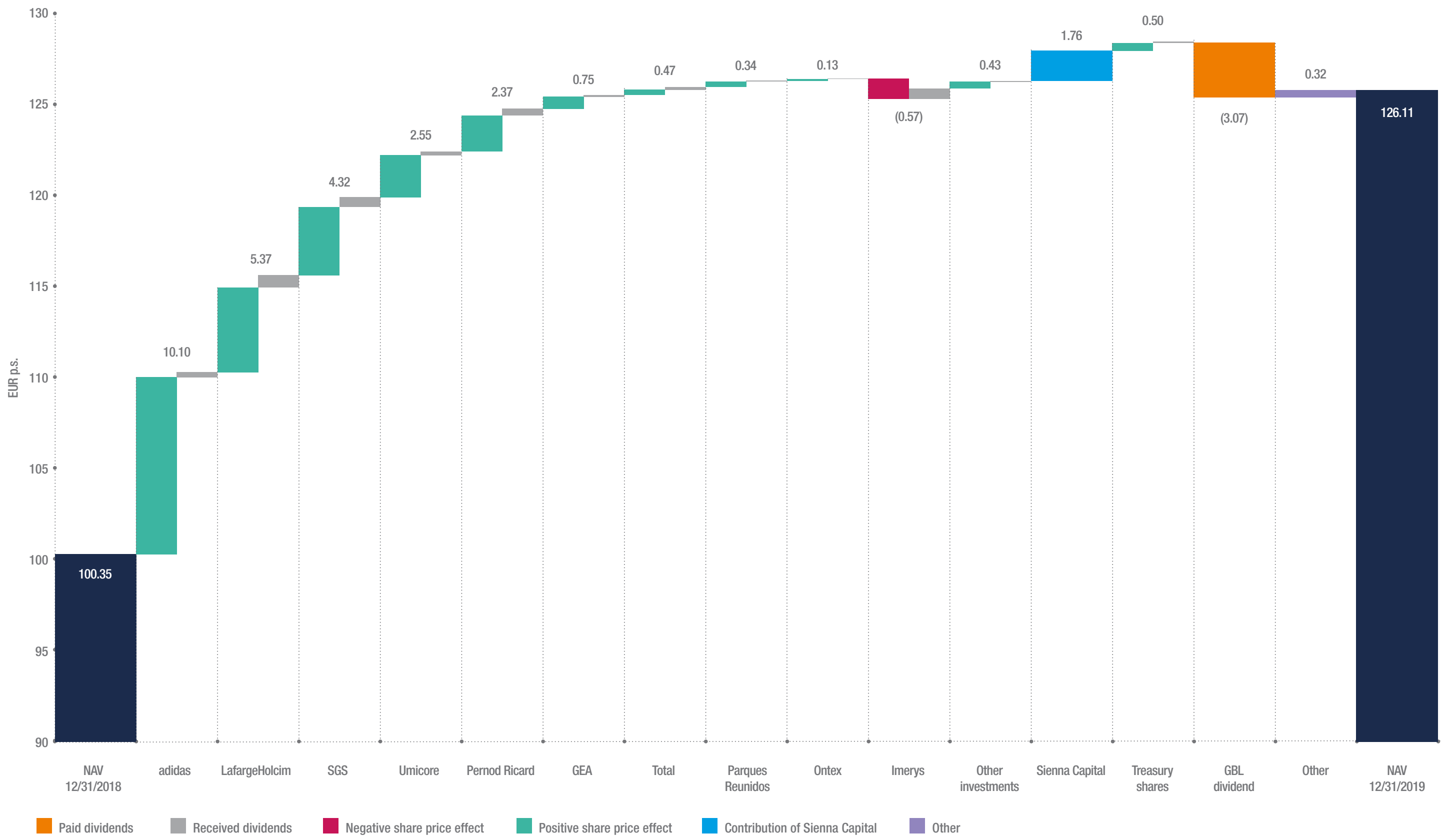
As of December 31, 2019, GBL's net asset value totalled EUR 20.3 billion (EUR 126.11 per share) compared with EUR 16.2 billion (EUR 100.35 per share) at the end of 2018, up by 25.7% (EUR 25.76 per share). Relative to the share price of EUR 93.96, the discount as of end of December 2019 was 25.5%, up by 1.3% compared with the end of 2018 (24.2%).

This evolution is to be compared with the performance of the reference sector indices with which the group's main assets are compared (+ 6% to + 37%) over the same period.

The table alongside sets out and compares the components of the net asset value at year-end 2019 and year-end 2018.

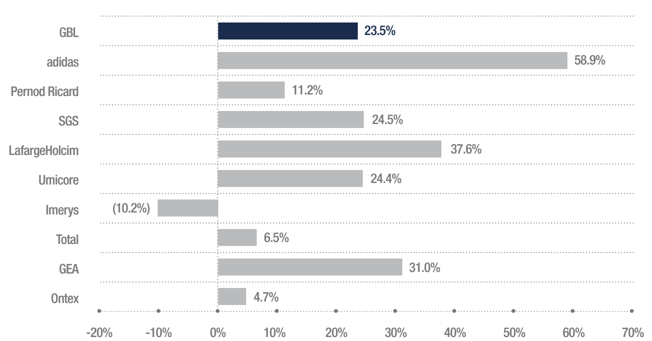
Change in net asset value in 2019

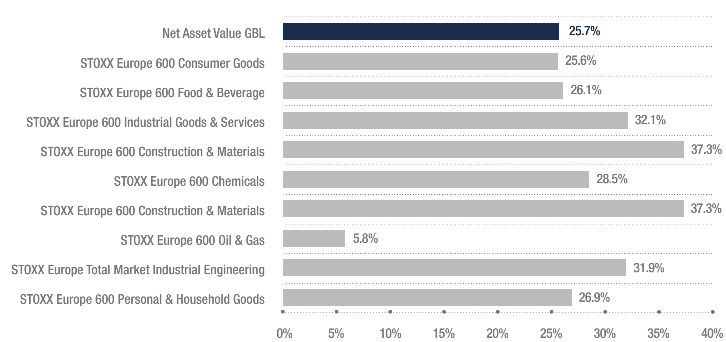
In EUR per share



Changes in market variables in 2019

(% change at December 31, 2019 vs. December 31, 2018)





Breakdown of net asset value as of December 31, 2019

	December 31, 2019			December 31, 2018		
	Portfolio % in capital	**Share price** In EUR [1]	In EUR million	**Portfolio** % in capital	**Share price** In EUR [1]	In EUR million
Listed investments and private assets			**18,841.6**			**15,311.7**
adidas	**6.80**	**289.80**	**3,951.3**	7.83	182.40	2,862.7
Pernod Ricard	**7.49**	**159.40**	**3,170.9**	7.49	143.30	2,850.6
SGS	**16.75**	**2,442.42**	**3,094.5**	16.60	1,961.13	2,484.7
LafargeHolcim	**7.57**	**49.47**	**2,308.2**	9.43	35.83	2,050.9
Umicore	**17.99**	**43.36**	**1,922.3**	17.69	34.86	1,519.9
Imerys	**53.99**	**37.68**	**1,617.2**	53.91	41.98	1,798.9
Webhelp	**64.72**		**866.7**	-		-
Total	**0.62**	**49.20**	**797.6**	0.61	46.18	748.5
GEA	**8.51**	**29.48**	**452.7**	8.51	22.50	345.5
Ontex	**19.98**	**18.75**	**308.5**	19.98	17.90	294.5
Parques Reunidos	**23.00**		**235.3**	21.19	10.80	184.8
Other			**116.4**			170.6
Sienna Capital			**1,785.0**			**1,374.4**
Portfolio			**20,626.6**			**16,686.1**
Treasury shares			**490.4**			199.6
Bank debt and institutional bonds			**(2,601.7)**			(1,069.4)
Cash/quasi-cash/trading			**1,834.1**			376.5
Net asset value (total)			**20,349.4**			**16,192.7**
Net asset value (in EUR per share) [2]			**126.11**			**100.35**
Share price (in EUR per share)			**93.96**			**76.08**
Discount (in %)			**25.5**			**24.2**

(1) Share price converted in EUR based on the ECB fixing of 1.1269 CHF/EUR as of December 31, 2018 for SGS, and of 1.0854 CHF/EUR as of December 31, 2019 for SGS and LafargeHolcim
(2) Based on 161,358,287 shares

Portfolio's reconciliation with the IFRS consolidated financial statements

As of December 31, 2019, GBL's portfolio included in the net asset value amounted to EUR 20,627 million (EUR 16,686 million as of December 31, 2018). The reconciliation of this item with the IFRS consolidated financial statements is set out below:

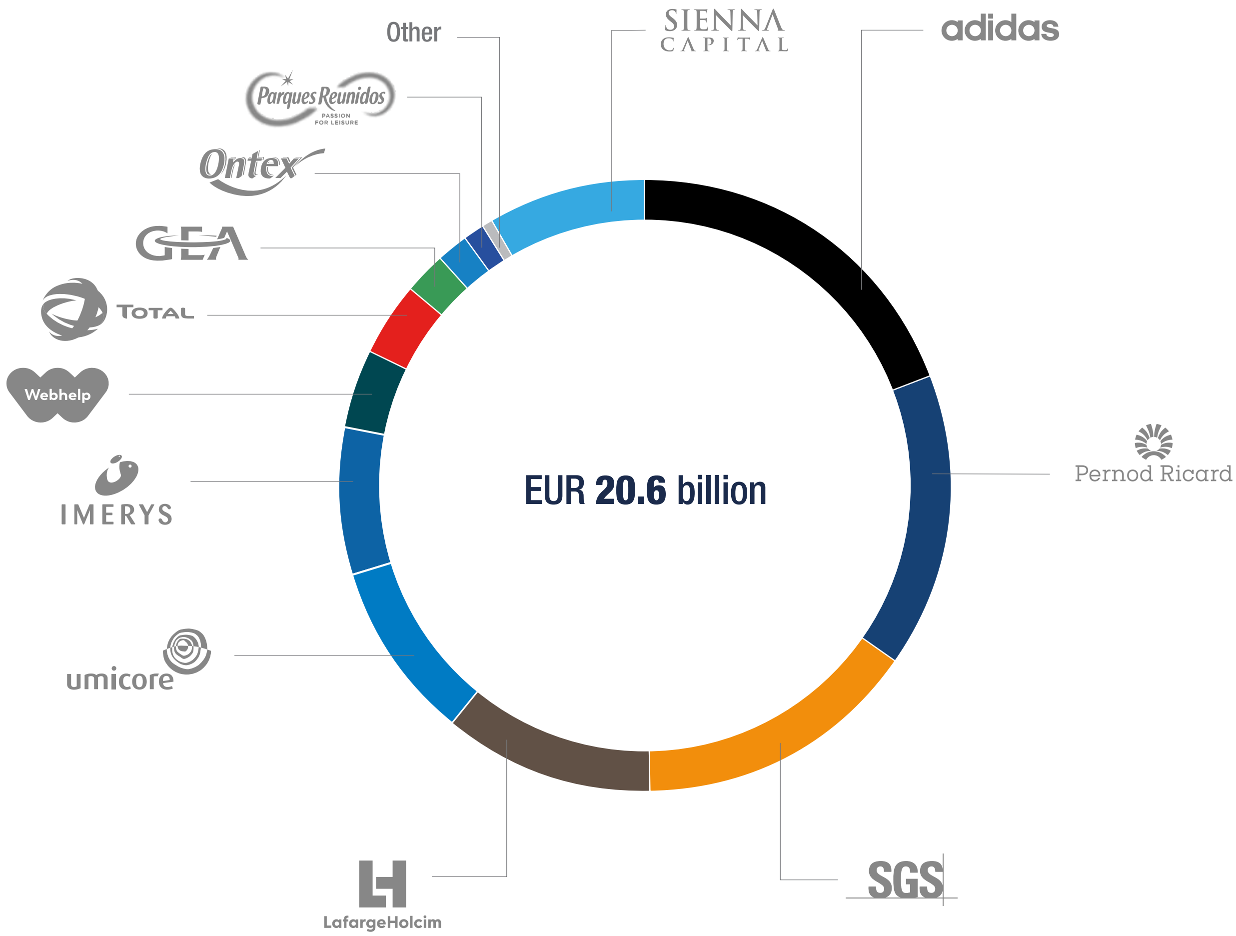
In EUR million	December 31, 2019	December 31, 2018
Portfolio value as presented in:		
Net asset value	**20,626.6**	**16,686.1**
Segment information (Holding) - pages 120 to 123	**16,268.4**	**13,561.6**
Participations in associates	*144.8*	*232.5*
Other equity investments	*16,123.7*	*13,329.1*
Reconciliation items	**4,358.2**	**3,124.5**
Value of Sienna Capital, consolidated in the Sienna Capital segment	**1,785.0**	**1,374.4**
Fair value of Imerys, consolidated using the full consolidation method in IFRS	**1,617.2**	**1,798.9**
Fair value of Webhelp, consolidated using the full consolidation method in IFRS	**866.7**	**-**
Valuation difference of Parques Reunidos between net asset value (fair value) and IFRS (equity method)	**90.5**	**(47.7)**
Reclassification of ENGIE shares, included in gross cash in 2016 and shown under other equity investments	**(1.3)**	**(1.1)**

Historical data over 10 years

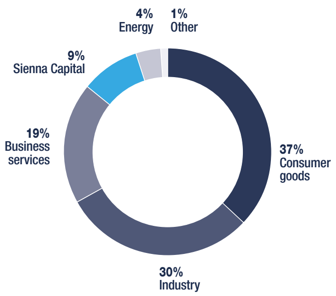
In EUR million	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Net asset value at the end of the year	**20,349.4**	16,192.7	18,888.0	16,992.2	15,188.1	15,261.0	14,917.4	13,247.3	11,560.6	14,323.5
Portfolio	**20,626.6**	16,686.1	18,825.7	16,300.4	15,457.2	15,064.7	15,413.6	12,908.0	12,254.9	13,814.5
Net cash/(net debt)	**(767.7)**	(693.0)	(442.8)	224.7	(740.0)	(233.1)	(911.7)	(26.6)	(1,007.9)	128.8
Treasury shares	**490.4**	199.6	505.0	467.1	470.9	429.4	415.5	365.9	313.7	380.2
Year-on-year change (in %)	**+ 25.7**	- 14.3	+ 11.2	+ 11.9	- 0.5	+ 2.3	+ 12.6	+ 14.6	- 19.3	- 6.0
In EUR										
Net asset value per share	**126.11**	100.35	117.06	105.31	94.13	94.58	92.45	82.10	71.65	88.77
Share price	**93.96**	76.08	89.99	79.72	78.83	70.75	66.73	60.14	51.51	62.93
Discount (in %)	**25.5**	24.2	23.1	24.3	16.3	25.2	27.8	26.7	28.1	29.1

Portfolio review

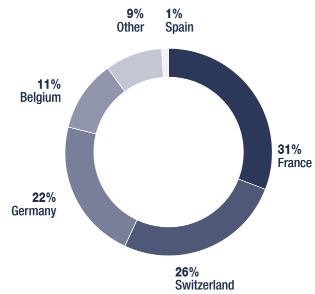
Portfolio as of December 31, 2019



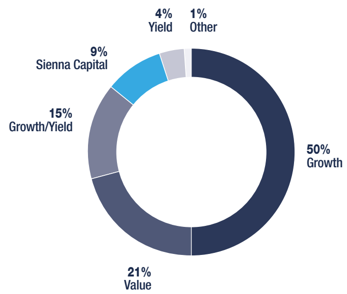
Sectorial exposure



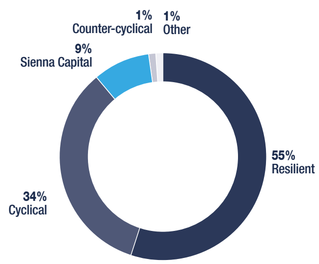
Geographic exposure



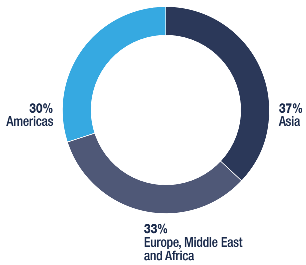
Investment type



Asset cyclicality



Geographic breakdown of the consolidated revenue (1)



(1) Breakdown of the consolidated revenue of the portfolio companies weighted by their contribution to GBL's portfolio (this breakdown excludes Sienna Capital, private assets and Total)

Listed investments and private assets


GBL
Groupe Bruxelles Lambert

Listed investments and private assets

Support to the strategy

- **Continuous support to the strategic roadmap**, notably in terms of expansion in the USA and China, return to growth in Europe, innovation pipeline, supply chain management and continued digital development.
- **Support to governance changes**, notably through the strengthening of the Supervisory Board and the Executive Board, with the appointments of Martin Shankland and Brian Grevy, bringing significant knowledge of adidas and the industry.
- **Commitment to sustainably creating long-term value** for shareholders, as reflected in the execution of the EUR 3 billion multi-year share buyback program and the progressive increase in the payout ratio within the target range of between 30% to 50% of net income from continuing operations (39% in FY19).

- **Active portfolio management** leading to the reinforcement of both the group's high-quality premium brand portfolio and its USA footprint, notably through the acquisitions of Rabbit Hole bourbon, TX American whiskey and the Castle Brands portfolio including Jefferson's bourbon.
- **Support to the changes** carried out in terms of governance in North America.
- **"Reconquer!" project launched**, in line with the 3-year strategic plan "Transform & Accelerate", by the companies Ricard and Pernod to return to growth in a French market undergoing accelerated change.
- **Enhanced shareholders' remuneration** through a combination of (i) share buy-back programme announced for a maximum amount of EUR 1 billion over FY20 and FY21 and (ii) accelerated dividend distribution increase to a c.50% payout from FY19 (vs. 41% in FY18), while having its credit rating upgraded to BBB+ by S&P and Baa1 by Moody's.

- **Strategy of accelerating M&A**, executed through 11 acquisitions and 4 disposals (including Petroleum Service Corporation in the US), focusing on strategic business and rotating the portfolio towards higher value-added services.
- **Improved profitability objective pursued** through (i) a structural optimization plan implemented at a cost of CHF 73 million and structured to deliver annualized recurring savings of at least CHF 90 million, and (ii) an Economic Value Added approach which, combined with automation and digitalization investments, enables the group to deploy capital for growth at attractive levels of returns in the long term.
- **Reallocation of Transportation** into multiple business lines (mainly Governments & Institutions and Industrial) aiming at generating operational synergies and reinvigorating growth profiles.
- **Support to the changes** carried out at the level of both the Executive Management and the Board of Directors.

- **Strengthening of sustainability** with (i) the appointment of the first Chief Sustainability Officer position to the Executive Committee, accelerating efforts to become the industry leader on decarbonization, circular economy, health & safety and corporate social responsibility and (ii) CO_2-reduction targets in the '2°C' scenario validated by the Science-Based Targets initiative (SBTi).
- **Active portfolio management** through the divestment of activities in Malaysia and Indonesia.
- **Support to the group's financial discipline** generating value and further deleveraging the balance sheet below 2x Recurring EBITDA.

- **Long-term growth strategy** supported by the signing of multi-year strategic supply agreements with Samsung SDI and LG Chem for the supply of NMC cathode materials directed primarily to automotive applications.
- **Support to the group's capital spending adjustment** reflecting the slower pace of growth in the Energy & Surface Technologies division, with mid- to long-term fundamentals on the rechargeable battery materials activity remaining intact.
- **Acquisition** of cobalt refining and cathode precursor activities in Finland.

- **Governance changes** with Patrick Kron joining the group as Chairman of the Board of Directors and Alessandro Dazza appointed as CEO (effective in February 2020), with both of them bringing a deep knowledge of Imerys and its industry.
- **Definition and implementation of the "Connect & Shape" transformation program** aiming at becoming more market focused and customer-centric, while building a simpler organization, and ultimately supporting the group's ambition to step up organic growth and improve profitability.
- **Imerys North American talc** subsidiaries working under the "Chapter 11" judicial protection towards a permanent resolution of their historic talc-related liabilities in the United States.
- **Bolt-on M&A** with recent acquisitions of a major Indian player in the field of refractory solutions and a leading Chinese producer of fused minerals for abrasives.

- **Support to the new CEO**, Stefan Klebert, **and the new CFO**, Marcus Ketter, having joined GEA in February and May 2019 respectively.
- **Support to the appointment of a new COO**, Johannes Giloth, responsible for procurement, production and logistics, effective as from January 2020.
- **New organizational structure** with (i) clear P&L accountability, bringing back financial transparency, and (ii) optimization of the procurement expenses and the global production network, with the appointment of a new Chief Operating Officer, ultimately supporting the group's ambitions in terms of profitability increase detailed during the Capital Markets Day in September 2019.
- **Strategic measures** underpinned by investments in state-of-the-art IT systems and the rollout of a global ERP system to be implemented in stages by the end of 2025 and aiming at reducing complexity, create synergies and increase financial transparency.

- **Increased involvement within Ontex's Board of Directors**, with the appointment of Aldo Cardoso as GBL's second representative.
- **Transform2Grow ("T2G") strategic plan** (i) implemented as a step change in terms of operational efficiency and commercial practices and (ii) executed in support to the group's two strategic priorities: strengthen its current leadership positions and expand into new businesses and geographies within its core categories.
- **Support to the group's digital transformation roadmap**, with an important step achieved in August 2019 in terms of direct-to-consumer e-commerce through the launch of Little Big Change in Benelux.

- **Announcement on April 26, 2019**, by EQT, GBL and Corporación Financiera Alba of their intention to launch a **take-private offer** at EUR 14.0 per share.
- **Offer representing a 29% premium** vs. the undisturbed share price of EUR 10.8.
- **Authorization of the transaction by the CNMV** (Spanish regulatory body) on July 24, 2019.
- **Favorable opinion** report issued on the transaction by the Board of Directors of Parques Reunidos on July 31, 2019.
- **Company delisting** in December 2019.

Listed investments and private assets

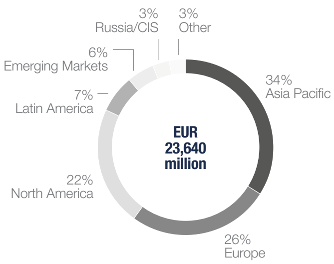
adidas is the European
leader in sports equipment

Profile

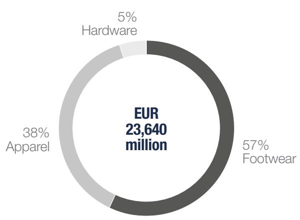
adidas is a global leader specialised in the design, development, production and distribution of sporting goods (footwear, clothing and equipment). The group's business is built around two main brands: adidas and Reebok. Distribution is done through its own stores retail network, e-commerce and independent distributors.

adidas in figures

Geographic breakdown of 2019 net sales



Breakdown of 2019 net sales per category



Key financial data

Simplified income statement (in EUR million)	2019	2018 (1)	2017 (2)
Net sales	**23,640**	21,915	21,218
Operating profit	**2,660**	2,368	2,070
Net income from continuing operations	**1,918**	1,709	1,430 (3)
Net income (group's share)	**1,976**	1,702	1,097
Simplified balance sheet (in EUR million)			
Shareholders' equity (group's share)	**6,796**	6,377	6,450
Non-controlling interests	**261**	(13)	(15)
Net cash/(net borrowings)	**873**	959	484
Debt-equity ratio (in %)	**n.a.**	n.a.	n.a.
Market data (in EUR/share)			
Basic earnings from continuing operations	**9.70**	8.46	7.05 (3)
Dividend	**3.85** (4)	3.35	2.60

(1) First-time application of IFRS 16 as of January 1, 2019. Prior years figures are not restated
(2) Restated to reflect continuing operations as a result of the divesture of the Rockport, TaylorMade, Adams Golf, Ashworth and CCM Hockey business
(3) Excluding a FY17 negative one-time tax impact
(4) Based on information disclosed as of March 26, 2020 9am CET and subject to the approval of the General Shareholders' Meeting

Performance in 2019

In 2019, adidas delivered another year of robust top-line growth with currency-neutral revenues increasing 6%. The company's sales increase was driven by a 7% improvement at brand adidas.

From a market segment perspective, the top-line expansion in 2019 was driven by growth in all regions. The combined currency-neutral sales of the adidas and Reebok brands continued to expand at double-digit rates in both Asia Pacific (10%), driven by a 15% increase in Greater China, and Emerging Markets (13%).

The company's gross margin increased 0.2 percentage points to 52.0%. Lower sourcing costs, positive currency developments as well as better product and channel mix more than offset higher freight costs to mitigate the supply chain shortages and a less favourable pricing mix.

The company's operating profit grew 12% in 2019 to EUR 2,660 million (2018: EUR 2,368 million), EUR 24 million of which was attributable to the first-time application of IFRS 16. Operating margin increased 0.4 percentage points to 11.3% (2018: 10.8%).

Net income from continuing operations increased 12% to EUR 1,918 million in 2019 versus EUR 1,709 million in the prior year. As a result of the company's ongoing share buyback program, basic EPS from continuing operations increased overproportionately at a rate of 15% to EUR 9.70 from EUR 8.46 in 2018.

Net cash at December 31, 2019 amounted to EUR 873 million, compared to net cash of EUR 959 million in 2018, representing a decrease of EUR 86 million compared to the prior year. This development was driven by cash generated from operating activities, which was more than offset by the utilization of cash for the purchase of fixed assets as well as the dividend paid to shareholders and the repurchase of adidas shares.

The Executive and Supervisory Boards will recommend paying a dividend of EUR 3.85 per dividend-entitled share to shareholders. This represents an increase of 15% compared to the prior year dividend.

Over
1.1
billion sports & sports lifestyle products

Over
59,000
employees

#1
in Europe in sporting goods

23.6
EUR billion in net sales

Investment case

The sporting goods industry is expected to grow at 4-6% p.a. over the next few years, driven by secular trends:

- Athleisure: a global fashion trend towards more casual dress
- Health & Wellness: increasing focus on improving health and quality of life
- Boom in sport and sportswear adoption in China.

adidas is a strong brand in the design and distribution of sporting goods, (i) #1 in Europe and #2 worldwide and (ii) supported by strong innovation capability throughout multiple sponsorship agreements.

There is potential for growth in sales, mainly supported by:

- The US market, where further market share gains are possible
- The Chinese market, which has experienced strong momentum over the last few years
- Digital / omni-channel approach: accelerated digital roadmap, to remain well positioned vis-à-vis the ongoing retail transformation
- Speed initiatives: clear objectives to reduce the time-to-market of products.

Potential for EBIT margin improvement is driven by (i) the ongoing restructuring of the Reebok brand, (ii) cost efficiency / overhead optimization mainly through economies of scale and (iii) increased profitability in the USA.

Solid balance sheet with strong cash conversion allows for attractive shareholders' remuneration.

Portfolio

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www.adidas-group.com

Capital held by GBL	adidas's contribution to the net dividends collected on GBL's investments [1]	adidas's contribution to GBL's portfolio	Representatives in statutory bodies
6.8%	8.8%	19.2%	1 out of 16

(1) Excluding the reimbursements by the French tax authorities of withholding taxes which had been applied to Total and ENGIE dividends

Market data and information on GBL's investment

Stock market data	2019	2018	2017
Number of shares issued (in thousands)	**200,416**	200,416	209,216
Market capitalisation (in EUR million)	**58,081**	36,556	34,970
Closing share price (in EUR/share)	**289.80**	182.40	167.15
GBL's investment	**2019**	**2018**	**2018**
Percentage of share capital (in %)	**6.8**	7.8	7.5
Percentage of voting rights (in %)	**6.8**	7.8	7.5
Market value of the investment (in EUR million)	**3,951**	2,863	2,623
Dividends collected by GBL (in EUR million)	**43**	35	27
Representatives in statutory bodies	**1**	1	1

Annualized TSR (%)

	1 year	3 years	5 years
adidas	**60.6**	26.1	40.1
STOXX Europe 600 Consumer Goods	**29.5**	8.6	9.2

Listed investments and private assets

Pernod Ricard, the world's number two player in Wines & Spirits, holds a leading position globally

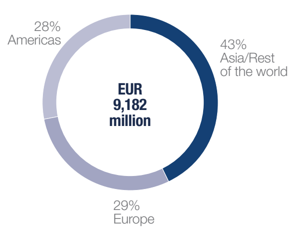
Pernod Ricard

Profile

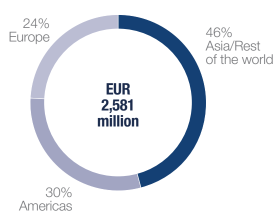
Since its inception in 1975, Pernod Ricard has built up the most premium portfolio in the industry and has become the world's number two player in the Wine & Spirits market through organic growth and acquisitions, including Seagram in 2001, Allied Domecq in 2005 and Vin&Spirit in 2008. This portfolio includes notably 13 strategic international brands, 15 strategic local brands, 'specialty' brands and 4 premium wine brands, produced and distributed by the group through its own worldwide distribution network.

Pernod Ricard in figures

Geographic breakdown of FY19 net sales



Breakdown of FY19 profit from recurring operations



Key financial data

Simplified income statement (in EUR million)	**06/30/2019**	**06/30/2018**	**06/30/2017**
Net sales	**9,182**	8,722 (1)	9,010
Profit from recurring operations	**2,581**	2,358	2,394
Net profit (group's share)	**1,455**	1,577	1,393
Simplified balance sheet (in EUR million)			
Shareholders' equity (group's share)	**15,987**	14,797	13,706
Non-controlling interests	**195**	181	180
Net financial debt	**6,620**	6,962	7,851
Debt-equity ratio (in %)	**41**	46	57
Net financial debt/EBITDA (x) (2)	**2.3**	2.6	3.0
Market data (in EUR/share)			
Diluted net earnings from recurring operations	**6.23**	5.69	5.58
Dividend	**3.12**	2.36	2.02

(1) FY18 figures restated for IFRS 15 norm application
(2) At average rates

Performance in 2019

Net sales for 2018/2019 ("FY19") totalled EUR 9,182 million, with very strong organic growth at 6% and continued development of must-win markets: China (+ 21%), India (+ 20%) and Travel Retail (+ 6%). Pernod Ricard continued to leverage its premium portfolio: there was strong growth across all key spirits categories.

Profit from recurring operations was EUR 2,581 million with organic growth of 8.7% and 9.5% reported. The operating margin expanded by 74 bps organically (+ 108 bps on a reported basis mainly due to positive FX of EUR 25 million).

Very strong cash performance continued, with recurring free cash flow reaching EUR 1,477 million, + 4% vs. 2017/2018 ("FY18"), but free cash flow decreasing to EUR 1,366 million, - 5% vs. FY18, due to positive one-off items. This resulted in a net financial debt decrease of EUR 342 million to EUR 6,620 million. The leverage ratio was 2.3 as of June 30, 2019, down from 2.6 at June 30, 2018, with increased dividend and dynamic M&A.

Net sales for the first half of 2019/2020 ("H1 FY20") totalled EUR 5,474 million, with organic growth of 2.7% and reported growth of 5.6%. Pernod Ricard delivered solid results in a challenging environment, with broad-based growth:

- diversified growth across Regions, with robust performance of must-win markets USA, India and China, further enhanced by earlier Chinese New Year;
- dynamic performance of strategic international brands;
- continued strong pricing: + 2% on strategic brands;
- focus on operational excellence.

86
direct affiliates worldwide

19,000
employees

#2
in Wine & Spirits in the world

96
production sites

Investment case

The spirits market is supported by favourable long term trends, in particular:

- Expanding urban population, especially in emerging markets
- Growing market share compared to beer and wine
- Premiumization by consumers.

Pernod Ricard has a steady and diversified growth and profitability profile:

- Number two player worldwide with one of the industry's most complete brand portfolios
- Systematic upmarket move thanks to its superior-quality and innovative products
- Numerous high potential brands, including recent successful acquisitions
- Leading positions in categories such as cognac, whisky and rum
- Unique geographical exposure with twin-engines of growth in China and India.

After several years of focus on deleveraging, Pernod Ricard has recently increased its shareholder returns through an increased payout ratio and a share buyback program.

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www.pernod-ricard.com

Capital held by GBL	Pernod Ricard's contribution to the net dividends collected on GBL's investments (1)	Pernod Ricard's contribution to GBL's portfolio	Representatives in statutory bodies
7.5%	12.7%	15.4%	2 out of 14

(1) Excluding the reimbursements by the French tax authorities of withholding taxes which had been applied to Total and ENGIE dividends

Market data and information on GBL's investment

Stock market data	2019	2018	2017
Number of shares issued (in thousands)	**265,422**	265,422	265,422
Market capitalisation (in EUR million)	**42,308**	38,035	35,022
Closing share price (in EUR/share)	**159.40**	143.30	131.95

GBL's investment	2019	2018	2017
Percentage of share capital (in %)	**7.5**	7.5	7.5
Percentage of voting rights (in %)	**12.0**	11.8	10.9
Market value of the investment (in EUR million)	**3,171**	2,851	2,625
Dividends collected by GBL (in EUR million)	**62**	47	40
Representatives in statutory bodies	**2**	2	2

Annualized TSR (%)

	1 year	3 years	5 years
Pernod Ricard	**13.4**	17.7	13.5
STOXX Europe 600 Food & Beverage	**29.0**	11.0	9.8

Listed investments and private assets

SGS is the world leader in inspection, verification, testing and certification

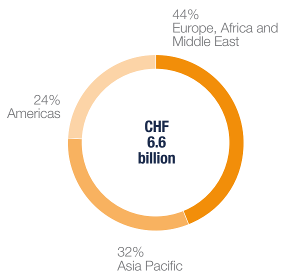
SGS

Profile

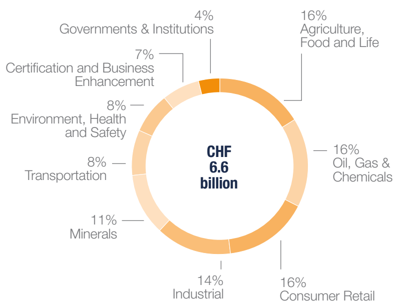
SGS provides tailored inspection, verification, testing and certification solutions to its customers to make their commercial activities faster, simpler and more efficient. Its worldwide network consists of more than 94,000 employees at more than 2,600 offices and laboratories.

SGS in figures

Geographical breakdown of 2019 revenue



2019 revenue by activity



Key financial data

Simplified income statement (in CHF million)	2019	2018	2017
Revenue	**6,600**	6,706	6,349
Adjusted EBITDA (1)	**1,521**	1,337	1,247
Adjusted operating income (1)	**1,063**	1,050	969
Operating income (EBIT)	**1,082**	946	894
Profit attributable to equity holders	**660**	643	621
Simplified balance sheet (in CHF million)			
Shareholders' equity (group's share)	**1,514**	1,668	1,919
Non-controlling interests	**81**	75	86
Net financial debt	**1,406**	772 (2)	698
Debt-equity ratio (%)	**88**	44 (2)	35
Net financial debt/adjusted EBITDA (x)	**0.9**	0.6	0.6
Market data (in CHF/share)			
Diluted earnings	**87.18**	84.32	82.27
Dividend	**80 (3)**	78	75

(1) Before amortization of acquired intangibles and non-recurring items
(2) With the consideration of the lease liabilities recognized for IFRS 16
(3) Based on information disclosed as of March 26, 2020 9am CET and subject to the approval of the General Shareholders' Meeting

Performance in 2019

Revenue grew by 1.2% at constant currency to CHF 6.6 billion, with organic growth of 2.6%

Adjusted operating income increased by 4.6% at constant currency to CHF 1,063 million and the adjusted operating income margin increased by 50 bps to 16.1% at constant currency basis. This margin improvement was driven by increased operating efficiencies, accelerating in the second half of the year, due to the launch of the structural optimization program and the disposal of the Petroleum Services Corporation.

A structural optimization plan was implemented at a cost of CHF 73 million. This restructuring is on track to deliver annualized recurring savings of at least CHF 90 million, of which CHF 15 million was realized in 2019.

Effective tax rate for the period increased from 24% last year to 31% primarily due to valuation allowances on deferred tax assets. Going forward, based on the group's geographical footprint, a changing tax environment and IFRIC 23 adoption, SGS would expect a normalized tax rate in the high 20s.

Profit attributable to equity holders reached CHF 660 million for the period, an increase of 2.6% over last year (6.1% at constant currency) driven mainly by the gain on the disposal of Petroleum Services Corporation, partly offset by the costs associated with the structural optimization plan and the effective tax rate increase.

Cash flow from operating activities reached CHF 1,149 million. Operating net working capital as a proportion of revenue decreased from 0.6% last year to 0.3% in 2019. Capital investment was CHF 279 million and the group completed 11 acquisitions for a total cash consideration of CHF 160 million.

Net financial debt, as of December 31, 2019, amounted to CHF 1,406 million, or CHF 764 million without the consideration of the lease liabilities recognized for IFRS 16.

Investment case

The industry is characterised by high barriers to entry, fragmentation and attractive fundamentals:

- Global need across industries for safety and traceability
- Expansion and ageing of infrastructure
- Outsourcing of activities
- Development of regulations and compliance demands
- Growing complexity of products
- New digital growth areas including e-commerce
- Consolidation in multiple sectors.

In this sector, SGS offers a particularly attractive profile:

- World leader
- Best in class profitability, returns and cash flow generation
- Diversified portfolio
- Ideally positioned to take advantage of growth opportunities
- Resilient across economic cycles.

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Capital held by GBL	SGS' contribution to the net dividends collected on GBL's investments (1)	SGS' contribution to GBL's portfolio	Representatives in statutory bodies
16.7%	17.9%	15.0%	3 out of 10

(1) Excluding the reimbursements by the French tax authorities of withholding taxes which had been applied to Total and ENGIE dividends

Market data and information on GBL's investment

Stock market data	2019	2018	2017
Number of shares issued (in thousands)	**7,566**	7,634	7,634
Market capitalisation (in CHF million)	**20,057**	16,871	19,397
Closing share price (in CHF/share)	**2,651**	2,210	2,541
GBL's investment	**2019**	**2018**	**2017**
Percentage of share capital (in %)	**16.7**	16.6	16.6
Percentage of voting rights (in %)	**16.7**	16.6	16.6
Market value of the investment (in EUR million)	**3,094**	2,485	2,751
Dividends collected by GBL (in EUR million)	**87**	82	83
Representatives in statutory bodies	**3**	3	3

Annualized TSR (%) (2)

	1 year	3 years	5 years
SGS	**28.3**	11.6	11.1
STOXX Europe 600 Industrial Goods & Services	**35.9**	11.7	10.9

(2) TSR computed in euros

Listed investments and private assets

LafargeHolcim is the leading global construction materials and solutions company

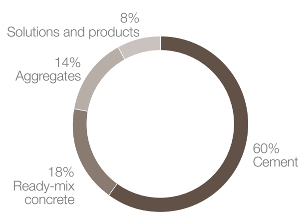
LafargeHolcim

Profile

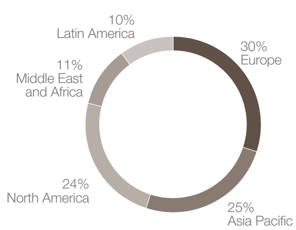
LafargeHolcim, the product of the merger between Lafarge and Holcim, made official in July 2015, is the world leader in construction materials. The company offers the most innovative cement, concrete, and aggregates solutions to meet its customers' needs. The group employs over 70,000 persons in over 70 countries and has a balanced presence in developing and mature markets.

LafargeHolcim in figures

Breakdown of 2019 net sales by branch[1]



Geographical breakdown of 2019 net sales[1]



(1) Breakdown based on net sales excluding corporate/eliminations

Key financial data

Simplified income statement (in CHF million)	**2019**	**2018**	**2017**
Net sales	**26,722**	27,466	27,021 [4]
Recurring EBITDA [2]	**6,153**	6,016	5,990
Operating profit (loss)	**3,833**	3,312	(478)
Cash flow from operating activities	**4,825**	2,988	3,040
Simplified balance sheet (in CHF million)			
Shareholders' equity (group's share)	**28,566**	26,925	27,787
Non-controlling interests	**2,933**	3,128	3,188
Net financial debt [2]	**8,811**	13,518	14,346
Debt-equity ratio (in %)	**28**	45	46
Net financial debt/Recurring EBITDA (x) [2]	**1.4**	2.2	2.4
Market data (in CHF/share)			
Earnings before impairment and divestments [2]	**3.40**	2.63	2.35
Dividend	**2.00** [5]	2.00	2.00

(2) Pre-IFRS 16
(3) Pre-IFRS 16, before impairment & divestments, group's share
(4) Restated due to change in presentation following the entry into force of IFRS15
(5) Based on information disclosed as of March 26, 2020 9am CET and subject to the approval of the General Shareholders' Meeting

Performance in 2019

Net sales of CHF 26,722 million grew 3.1% on a like-for-like basis compared to the prior year, driven by good growth in Europe and North America, good price dynamics across all business segments and higher prices in most markets.

Recurring EBITDA [2] reached CHF 6,153 million, up 6.5% like-for-like for the full year, driven by good pricing, improvement in efficiencies and the CHF 400 million SG&A cost savings program. The recurring EBITDA margin [2] increased from 21.9% in 2018 to 23% in 2019.

Record net income [3] of CHF 2,072 million increased by 32% compared to 2018 (CHF 1,569 million), driven by less restructuring costs, lower financial expenses as well as a decrease in the tax rate.

Earnings per share before impairment and divestments [2] were up by 29% accordingly to reach CHF 3.40 for the full year 2019 versus CHF 2.63 for 2018.

The group achieved record free cash flow [2] generation of CHF 3,047 million (+ 79%) and a strong improvement in cash conversion [2] reaching 49.5%, well above the target of 40%, as defined in Strategy 2022 – "Building for Growth". This achievement reflects reduced cash paid for tax, financial and restructuring costs as well as improved net working capital.

Net financial debt [2] was substantially reduced by CHF 4.7 billion (- 35%) to CHF 8.8 billion at year-end 2019, reflecting the strong free cash flow and the positive impact following the sale of Indonesia and Malaysia. This resulted in a significant deleveraging with a ratio of net financial debt to recurring EBITDA of 1.4x [2] (2.2x in 2018).

Return on invested capital [2] (ROIC) was a strong 7.6% for 2019, close to the 2022 target of above 8% and compared to 6.5% in the previous year. ROIC is now above cost of capital thanks to higher profitability, lower tax rate and disciplined capex.

For the 2019 financial year, the Board of Directors is proposing a cash dividend of CHF 2.00 per registered share, subject to approval by the shareholders at the Annual General Meeting on 12 May 2020. The dividend will be fully paid out of the foreign capital contribution reserve and is not subject to Swiss withholding tax.

Investment case

The building materials industry is supported by:

- Increasing urbanization
- Demand for sustainable construction
- Rising living standards, driving quality housing and infrastructure needs.

LafargeHolcim is well positioned to address those megatrends:

- Leader in the building material sector
- Portfolio exposed towards the most promising regions in terms of growth
- Improving operating performance and strength of the balance sheet.

The following challenges are however faced by the group:

- Industry dynamics have been challenging in selected regions and may continue to be
- Increasingly ESG requirements and awareness will require significant investments.

Portfolio

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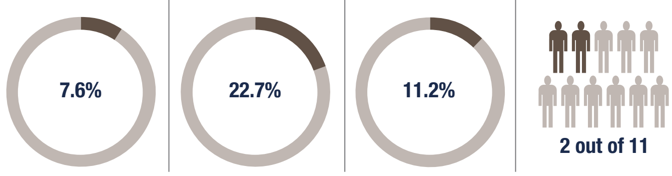
www.lafargeholcim.com

Capital held by GBL	LafargeHolcim's contribution to the net dividends collected on GBL's investments (1)	LafargeHolcim's contribution to GBL's portfolio	Representatives in statutory bodies



(1) Excluding the reimbursements by the French tax authorities of withholding taxes which had been applied to Total and ENGIE dividends

Market data and information on GBL's investment

Stock market data	2019	2018	2017
Number of shares issued (in thousands)	**615,929**	606,909	606,909
Market capitalisation (in CHF million)	**33,075**	24,580	33,350
Closing share price (in CHF/share)	**53.70**	40.50	54.95
GBL's investment	**2019**	**2018**	**2017**
Percentage of share capital (in %)	**7.6**	9.4	9.4
Percentage of voting rights (in %)	**7.6**	9.4	9.4
Market value of the investment (in EUR million)	**2,308**	2,051	2,693
Dividends collected by GBL (in EUR million)	**111**	97	107
Representatives in statutory bodies	**2**	2	2

Annualized TSR (%) (2)	1 year	3 years	5 years
LafargeHolcim	**42.7**	3.4	0.6
STOXX Europe 600 Construction & Materials	**40.9**	9.0	11.6

(2) TSR computed in euros

Listed investments and private assets

Umicore is a leader in materials technology and recycling of precious metals

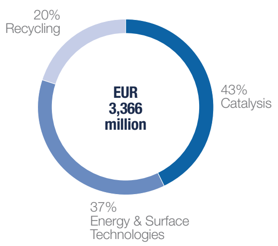
umicore

Profile

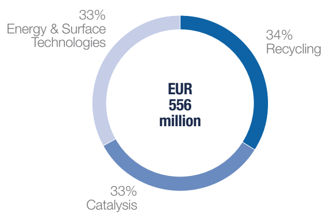
Umicore is a global group specialized in materials technology and the recycling of precious metals. Its activity is focused on application fields where its expertise in materials science, chemistry and metallurgy is widely recognized. It is centered on three business groups: Catalysis, Energy & Surface Technologies and Recycling.

Umicore in figures

Segment split of 2019 revenues excluding metals (corporate not included)



Segment split of 2019 recurring EBIT (corporate not included)



Key financial data

Simplified income statement (in EUR million)	**2019**	**2018**	**2017**
Turnover	**17,485**	13,717	12,277
Revenues (excluding metal)	**3,361**	3,271	2,916
Recurring EBITDA	**753**	720	599
Recurring EBIT	**509**	514	410
Recurring net profit (group's share)	**312**	326	267
Simplified balance sheet (in EUR million)			
Shareholders' equity (group's share)	**2,593**	2,609	1,803
Non-controlling interests	**67**	50	60
Net financial debt	**1,443**	861	840
Debt-equity ratio (in %) (1)	**35**	24	31
Net financial debt/recurring EBITDA (x)	**1.9**	1.2	1.4
Market data (in EUR/share)			
Diluted earnings	**1.19**	1.31	0.96
Dividend	**0.375** (2)	0.75	0.70

(1) Computed as the ratio between the net financial debt and the sum of the net financial debt and total equity
(2) Based on information disclosed as of March 26, 2020 9am CET and subject to the approval of the General Shareholders' Meeting

Performance in 2019

Key figures for 2019:

- Revenues of EUR 3.4 billion (+ 3%);
- Recurring EBITDA of EUR 753 million (+ 5%);
- Recurring EBIT of EUR 509 million (- 1%);
- ROCE of 12.6% (compared to 15.4% in 2018, reflecting impact of growth investments);
- Recurring net profit (group's share) of EUR 312 million (- 5%) and recurring EPS of EUR 1.30 (- 5%);
- Higher cash flow from operations of EUR 549 million (EUR 92 million in 2018), including a EUR 78 million increase in working capital requirements from higher PGM prices; free cash flow from operations (3) of EUR - 39 million (EUR - 406 million in 2018);
- Capital expenditures of EUR 553 million (EUR 478 million in 2018);
- Net financial debt at EUR 1,443 million, up from EUR 861 million, mainly due to growth investments and including the EUR 188 million cash out relating to the acquisition of the cobalt refinery and cathode precursor activities in Kokkola, Finland. This corresponds to a net financial debt/recurring EBITDA ratio of 1.9x;
- Proposed stable gross annual dividend of EUR 0.75, of which EUR 0.375 was already paid out in August 2019.

Umicore posted a strong performance in 2019 against a backdrop of persisting headwinds in key markets, in particular the automotive sector. Revenues for the full year grew by 3% to EUR 3.4 billion and recurring EBITDA increased 5% to EUR 753 million, while recurring EBIT was EUR 509 million, close to the record levels of 2018. After a somewhat softer first half performance, revenues and recurring EBIT in the second half posted strong sequential growth and were up 6% and 12% respectively.

(3) Free cash flow from operations = Cash flow generated from operations – capex – capitalized development expenses.

Over
20
countries where Umicore is present

Over
11,100
employees

Over
50
industrial sites

211
EUR million of R&D expenditure

Investment case

Umicore operates in industries such as automotive and precious metals' recycling, characterised by high barriers to entry and exposed to strong long-term trends:

- Megatrend of vehicle electrification
- Global focus on improving air quality
- Resource scarcity.

Umicore is a world leader in these fields, notably with the following strengths:

- Solid know-how with pioneering technologies and world class process
- High-quality and increasingly diversified production global footprint
- A recognized leadership in ESG matters, including responsible sourcing of precious metals
- A solid balance sheet to finance ambitious development projects.

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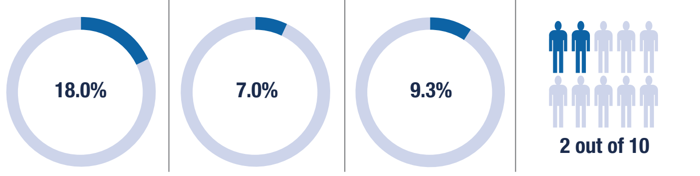
Tel.: +32 2 227 78 38 investorrelations@eu.umicore.com
www.umicore.com

Capital held by GBL | **Umicore's contribution to the net dividends collected on GBL's investments (1)** | **Umicore's contribution to GBL's portfolio** | **Representatives in statutory bodies**



(1) Excluding the reimbursements by the French tax authorities of withholding taxes which had been applied to Total and ENGIE dividends

Market data and information on GBL's investment

Stock market data	2019	2018	2017
Number of shares issued (in thousands)	**246,400**	246,400	224,000
Market capitalisation (in EUR million)	**10,684**	8,590	8,838
Closing share price (in EUR/share)	**43.36**	34.86	39.46

GBL's investment	2019	2018	2017
Percentage of share capital (in %)	**18.0**	17.7	17.0
Percentage of voting rights (in %)	**18.0**	17.7	17.0
Market value of the investment (in EUR million)	**1,922**	1,520	1,503
Dividends collected by GBL (in EUR million)	**34**	30	26
Representatives in statutory bodies	**2**	2	2

Annualized TSR (%)

	1 year	3 years	5 years
Umicore	**27.6**	19.5	23.9
STOXX Europe 600 Chemicals	**32.5**	9.4	8.5

Listed investments and private assets

Imerys is the world leader in mineral-based specialty solutions for industry

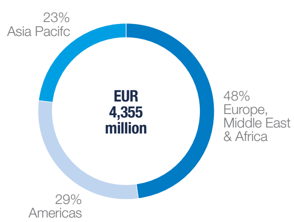
IMERYS

Profile

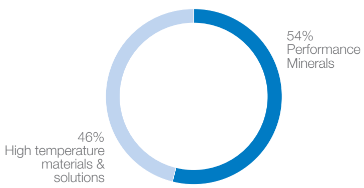
Imerys extracts, transforms, develops and combines a unique range of minerals to provide functionalities that are key to its customers' products and production processes. These specialities have a very wide range of uses and are becoming increasingly common on growing markets.

Imerys in figures

Geographic breakdown of FY19 revenues



Segment breakdown of FY19 revenues



Key financial data

Simplified income statement (in EUR million)	**2019** (1)	**2018** (2)	**2017** (2)
Revenue	**4,355**	4,590	4,299
Current EBITDA	**765**	793	777
Current operating income	**439**	562	551
Net income from current operations (group's share)	**277**	357	335
Net income (group's share)	**121**	560	368
Simplified balance sheet (in EUR million)			
Shareholders' equity (group's share)	**3,114**	3,217	2,828
Non-controlling interests	**48**	36	51
Net financial debt	**1,685**	1,297	2,246
Debt-equity ratio (in %)	**53**	40	78
Net financial debt/current EBITDA (x)	**2.2**	1.6	2.5
Market data (in EUR/share)			
Net income from current operations (group's share) (3)	**3.50**	4.50	4.24
Dividend	**2.150** (4)	2.150	2.075

(1) After taking into account IFRS 16
(2) Financial data exclude the Roofing division in 2017 and 2018
(3) Net income from current operations (group's share) in EUR per share is computed based on the weighted average number of outstanding shares (79,089,697 in 2019, 79,238,417 in 2018 and 79,015,367 in 2017)
(4) Based on information disclosed as of March 26, 2020 9am CET and subject to the approval of the General Shareholders' Meeting

Performance in 2019

In 2019, revenue fell 3.8% year on year at constant scope and exchange rates. Market conditions, especially in the automotive, industrial equipment and steel markets in Europe, as well as the paper industry in the U.S. in particular, considerably deteriorated throughout the year, causing group sales volumes to decrease by 6.1% (EUR 277.8 million). In this context, Imerys maintained a positive + 2.2% price mix (+ EUR 102.7 million).

Revenue also included a positive currency effect of EUR 96.9 million, primarily as a result of the rise of the U.S. dollar to euro exchange rate. The scope effect was negative in 2019, representing EUR 157.3 million (-3.4%), the majority of which (EUR 126.1 million) was due to the deconsolidation of the North American talc subsidiaries after they filed for the protection of the "U.S. Chapter 11" legal procedure on February 13, 2019. The balance (EUR 31.2 million) corresponds to the disposal of non-core assets.

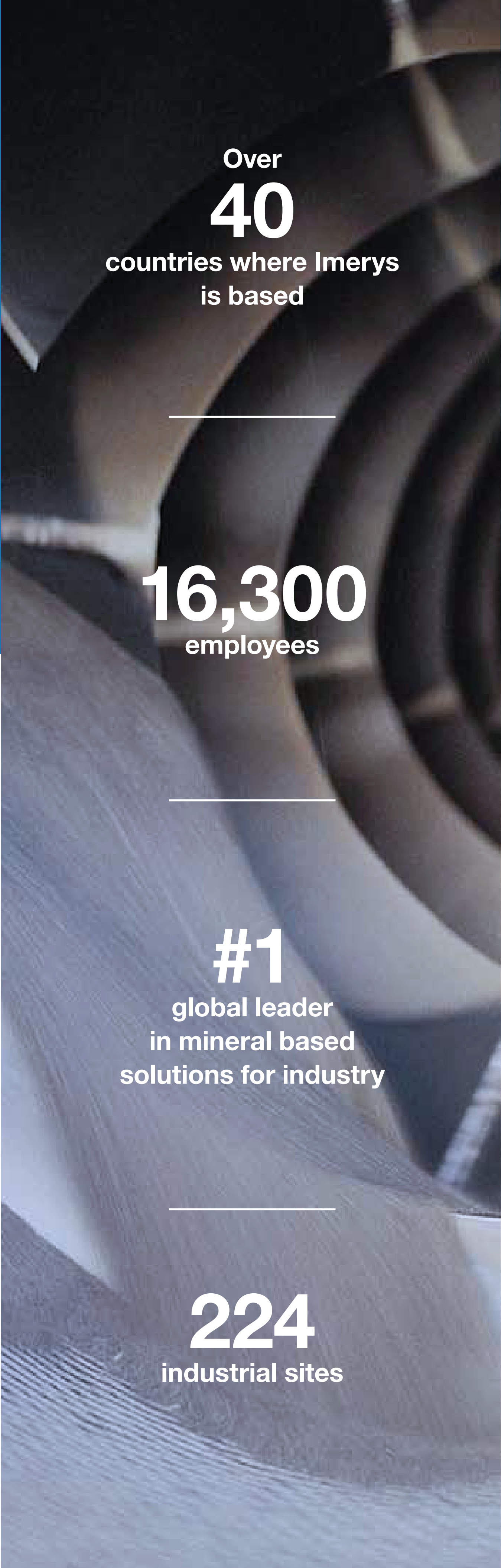
The year-on-year fall in current operating income recognized in 2019 was due to the impact of reduced volumes (EUR 144.5 million), which the positive price mix and savings achieved only partially offset. The positive price mix, which corresponded to EUR 100.3 million, continued to easily cover the EUR 77.8 million rise the group absorbed in variable costs, almost half of which in raw materials, and to a lesser extent, energy and transportation costs.

Net income from current operations, group's share, totaled EUR 276.9 million, down 22.4% on 2018 (down 22.0% before taking into account IFRS 16), but in line with the forecast communicated by the group in October 2019.

The Board of Directors will propose the Shareholders' General Meeting of May 4, 2020 to approve the payment of a EUR 2.15 dividend per share, which is level on the dividend paid in 2019 and represents 61% of net income from current operations, group' share.

Subject to approval by the Shareholders' General Meeting, the Board of Directors has decided to offer Imerys shareholders the choice between receiving part or all of the dividend payment (i) in cash and/or (ii) in new shares of the company. The price of new ordinary shares issued as payment for the dividend will be set at 95% of the average Imerys share price on the Euronext Paris market over the 20 trading days prior to the Shareholders' General Meeting, minus the amount of the dividend per share.

GBL has indicated its intention to opt for a dividend in shares for the totality of its ownership.



Over
40
countries where Imerys is based

16,300
employees

#1
global leader in mineral based solutions for industry

224
industrial sites

Investment case

Growing market benefiting from structural advantages:

- High added value functional solutions providing key properties to customers' products
- Low dependency on fluctuations in commodity prices
- Low substitution risk notably due to the limited proportion in the customers' total costs.

Imerys is a worldwide leader and presents an attractive profile:

- Leader in its sector: #1 or #2 in almost all its markets
- Ongoing transformation plan towards a simpler and more customer-centric organization aiming at accelerating organic growth and improve operating profitability
- Resilience of the business model, notably stemming from GBL's support as a stable reference shareholder having a long-term investment horizon
- Diversity in terms of geographies and customers' end-markets
- Strong cash-flow generation in support to external growth.

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Capital held by GBL	Imerys' contribution to the net dividends collected on GBL's investments (1)	Imerys' contribution to GBL's portfolio	Representatives in statutory bodies
54.0%	18.9%	7.8%	3 out of 13

(1) Excluding the reimbursements by the French tax authorities of withholding taxes which had been applied to Total and ENGIE dividends

Market data and information on GBL's investment

Stock market data	2019	2018	2017
Number of shares issued (in thousands)	**79,500**	79,486	79,604
Market capitalisation (in EUR million)	**2,996**	3,337	6,252
Closing share price (in EUR/share)	**37.68**	41.98	78.54
GBL's investment	**2019**	**2018**	**2017**
Percentage of share capital (in %)	**54.0**	53.9	53.8
Percentage of voting rights (in %)	**67.6**	67.7	67.5
Market value of the investment (in EUR million)	**1,617**	1,799	3,366
Dividends collected by GBL (in EUR million)	**92**	89	80
Representatives in statutory bodies	**3**	3	6

Annualized TSR (%)

	1 year	3 years	5 years
Imerys	**(5.4)**	(16.6)	(6.3)
STOXX Europe 600 Construction & Materials	**40.9**	9.0	11.6

Listed investments and private assets

Webhelp is the European leader in the CRM – BPO space

Profile

Webhelp is a global business process outsourcer (BPO), specializing in customer experience, sales and marketing services and payment services. Services are delivered across all channels including voice, social media and digital channels.

From more than 150 sites in 36 countries with an approximately 50,000-strong team, Webhelp's focus is on engineering performance improvements and delivering a lasting transformation in its clients' operating models to further enhance customer experience and drive efficiency gains.

Recent developments / key highlights

Webhelp has generated 2019 pro forma revenues of EUR 1,456 million, up 6.6% compared to 2018.

This growth was mainly driven by:

- organic growth of 6.2% stemming from new client wins and the continued development of existing clients in key verticals (tech, e-commerce) and geographies (UK, France and The Netherlands);
- the growth of services rendered to international clients, and in particular large international digital firms that are served in an increasing number of geographies;
- the development of Webhelp regional hubs: multilingual platforms in Europe and in Asia and the opening in Jordan to serve the Middle East market;
- the acquisition as of October 4, 2019 of Pitech, a BPO player, founded and headquartered in Romania, focused on software development outsourcing.

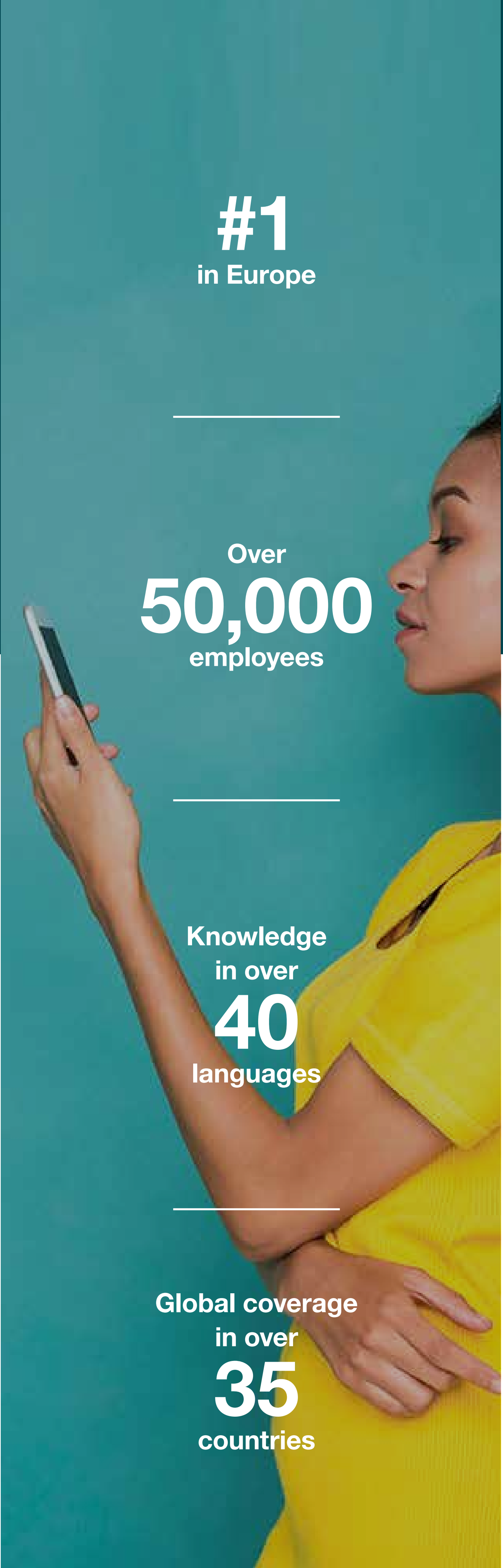
Investment case

Webhelp operates in an attractive industry:

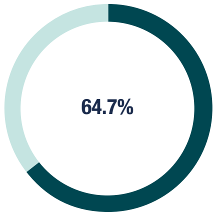
- long-term growth in customer engagement driven by a combination of overall volume growth as a result of the ongoing development of e-commerce and digital services, and increased penetration of outsourcing due to technology and scale requirements as well as the increasing complexity of the service (multichannel, etc.);
- high degree of fragmentation providing scope for further consolidation for scaled and international leaders.

Webhelp is a European leader with a comprehensive product offering and affirmed strategy:

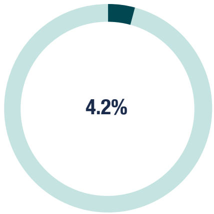
- strong market position in Europe, with potential for further international expansion;
- leadership position supported by a high-quality and well-diversified portfolio of client relationships, a strong and differentiated delivery platform and best in class capabilities and expertise (analytics, consulting, etc);
- robust management team, led by talented co-founders Olivier Duha and Frédéric Jousset;
- solid track record with a demonstrated success story of profitable growth creating a European champion over the past 20 years;
- unique entrepreneurial culture with a highly coordinated decentralized organization (structured by regions and activities);
- multiple opportunities for further growth in a still largely fragmented market and development in existing business, as well as in new services and geographies;
- shared strategic vision and ambition with the management and the co-founders.



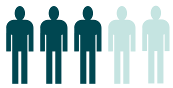
Capital held by GBL



Webhelp's contribution to GBL's portfolio



Representatives in statutory bodies



Listed investments and private assets

Total is an integrated global oil and gas group with a presence in chemicals

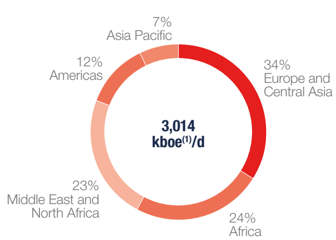
TOTAL

Profile

Total is one of the leading global oil and gas groups. The company operates in more than 130 countries and covers every oil industry segment, from Upstream to Downstream. Total is also a major player in chemicals and is committed to the development of renewable energy.

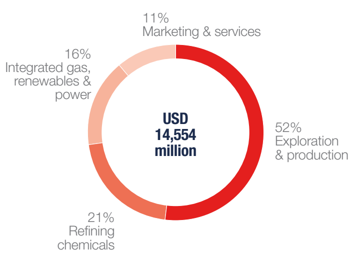
Total in figures

Hydrocarbon production by geographic area



(1) boe = barrel of oil equivalent

Adjusted net operating income from business segments



Key financial data

	2019	2018	2017
Simplified income statement (in USD million)			
Sales	**200,316**	209,363	171,493
Adjusted net operating income from business segments	**14,554**	15,997	11,936
Adjusted net income (group's share)	**11,828**	13,559	10,578
Net income (group's share)	**11,267**	11,446	8,631
Simplified balance sheet (in USD million)			
Shareholders' equity (group's share)	**116,778**	115,640	111,556
Non-controlling interests	**2,527**	2,474	2,481
Net financial debt	**31,124**	21,657	15,424
Debt-equity ratio (in %) (1)	**21**	15	12
Market data (in EUR/share)			
Adjusted fully-diluted net income	**3.92**	4.27	3.65
Dividend	**2.68** (2)	2.56	2.48

(1) Computed as the ratio between the net financial debt and the sum of the net financial debt and total equity
(2) Based on information disclosed as of March 26, 2020 9am CET and subject to the approval of the General Shareholders' Meeting Subject to the approval of the General Shareholders' Meeting

Performance in 2019

In 2019, the group reported solid adjusted net income of USD 11.8 billion, a decrease of 13%, and a return on equity above 10%. The group generated cash flow for the year of USD 28.5 billion, strong growth of USD 2.4 billion compared to 2018, thanks to a positive contribution from all segments. This performance was achieved despite the drop in oil prices of 10% and European gas prices of 38%, or a price environment down on average by about 20%.

The Exploration & Production segment increased cash flow to USD 18.0 billion, despite the deterioration of the environment. The integrated gas, renewables & power segment, with an increase in LNG sales by nearly 60%, generated cash flow of USD 3.7 billion, i.e. an increase by 80%.

The Downstream contributed stable cash flow of USD 6.6 billion, notably thanks to its non-cyclical activities and despite a decrease in refining and petrochemical margins on the order of 10%.

Net investments rose to USD 17.4 billion and reflect in particular the strategy to strengthen LNG and deep offshore, as shown by the acquisition of Mozambique LNG and the launching of Arctic LNG 2 in Russia and Mero 2 in Brazil.

Total maintains a solid financial position with gearing of 16.7% excluding capitalized leases (20.7% including). Including the interim dividends, the full-year 2019 dividend increased by 5% to EUR 2.68 per share. Finally, the group bought back USD 1.75 billion of its shares in 2019 and projects USD 2 billion of share buybacks in 2020 in a USD 60/b environment.

GBL has finalized its exit from the Total group through forward sales executed in March and April 2019 and having matured in January 2020.

Over
130
countries where Total is active

100,000
employees

#4
international major

3,014
kboe/d of hydrocarbon production

Financial communication: Ladislas Paskiewicz, Senior Vice-President, Investor Relations
Tel.: +44 207 719 79 62 ir@total.com
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Capital held by GBL	Total's contribution to the net dividends collected on GBL's investments (1)	Total's contribution to GBL's portfolio
0.6%	5.5%	3.9%

(1) Excluding the reimbursements by the French tax authorities of withholding taxes which had been applied to Total and ENGIE dividends

Market data and information on GBL's investment

Stock market data	2019	2018	2017
Number of shares issued (in thousands)	**2,601,881**	2,640,602	2,528,990
Market capitalisation (in EUR million)	**128,013**	121,943	116,447
Closing share price (in EUR/share)	**49.20**	46.18	46.05
GBL's investment (2)	**2019**	**2018**	**2017**
Percentage of share capital (in %)	**0.6**	0.6	0.6
Percentage of voting rights (in %)	**1.2**	1.2	1.2
Market value of the investment (in EUR million)	**798**	748	746
Dividends collected by GBL (in EUR million)	**27**	35	36

Annualized TSR (%)

	1 year	3 years	5 years
Total	**10.8**	5.2	8.4
STOXX Europe 600 Oil & Gas	**11.0**	4.6	7.7

(2) The percentage of ownership and voting rights, as well as the stake value of the investment do not take into account yet the forward sales of Total shares which matured in January 2020

Listed investments and private assets

GEA is one of the largest suppliers of process technology to the food industry

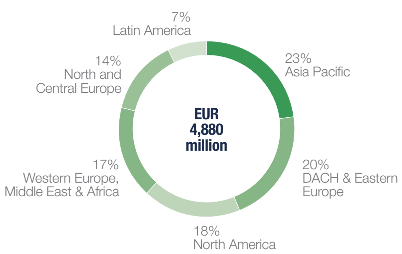
engineering for a better world

Profile

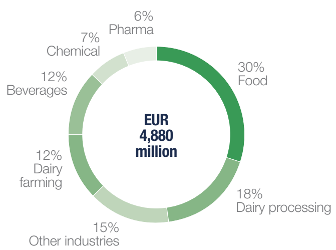
GEA is a world leader in the supply of equipment and project management for a wide range of processing industries. Its technology focuses on components and production processes for various markets, particularly in the Food & Beverage sectors. The company employs about 18,500 people worldwide.

GEA in figures

Revenue split by geography



Revenue split by end markets



Key financial data

Simplified income statement (in EUR million)	2019	2018	2017
Order intake	**4,931**	4,918	4,751
Revenue	**4,880**	4,828	4,605
EBITDA before restructuring measures (1)	**479**	539	n.a.
EBIT before restructuring measures (1)	**271**	309	n.a.
Consolidated profit (2)	**(171)**	113	243
Simplified balance sheet (in EUR million)			
Shareholders' equity (group's share)	**2,090**	2,449	2,502
Non-controlling interests	**0**	1	1
Net liquidity/(net financial debt)	**28**	(72)	6
Debt-equity ratio (in %)	**n.a.**	3	n.a.
Market data (in EUR/share)			
Earnings (2)	**(0.95)** (3)	0.63	1.30
Dividend	**0.85** (4)	0.85	0.85

(1) Pro forma figures for 2018 including IFRS 16 effects from 2019
(2) First half of 2019 includes interest income of EUR 32.7 million due to adjustment of the interest calculation method used to measure provisions for long-term liabilities
(3) Earnings per share computed based on the weighted average number of shares outstanding (180.5 million shares at year-end 2019)
(4) Based on information disclosed as of March 26, 2020 9am CET and subject to the approval of the General Shareholders' Meeting

Performance in 2019

Revenue and order intake rose during the reporting period, in spite of weakened overall economic conditions for mechanical engineering. Compared with the previous year, order intake rose lightly by 0.3% to EUR 4,931 million. These orders include 17 major orders, primarily from the dairy and beverage industries (13 significant projects in 2018). Revenue rose by 1.1% to EUR 4,880 million. A large portion of this growth is attributable to the service business, which increased by a currency-adjusted 4.7%, amounting to 32% of the group's revenue on the reporting date.

EBITDA before restructuring expense dropped by 11.1% to EUR 479 million, however was at the upper end of the originally forecast and confirmed target corridor of EUR 450 million to 490 million.

Return on capital employed (ROCE) in fiscal year 2019 amounted to 10.6%. A major contributor to this was the reduction in working capital, which GEA reduced by more than EUR 75 million.

The strong free cash flow of EUR 342 million meant that the group's net financial position was improved by about EUR 100 million. At the end of 2019, GEA therefore had a net liquidity of EUR 28 million.

GEA was able to implement various restructuring measures in 2019 more quickly than anticipated. The required expense of EUR 47 million originally planned for 2020 was therefore brought forward to the end of 2019. Compared to the originally assumed amount of up to EUR 55 million, the expense for restructuring measures in 2019 amounted to a total of EUR 105 million. In addition to the restructuring expense brought forward, the goodwill impairment of GEA's Italian subsidiary Pavan, which did not have a cash effect, had a strong influence on consolidated profit.

Consolidated profit for the year amounted to EUR - 171 million (EUR 113 million in previous year), almost all of which was again attributable to GEA Group Aktiengesellschaft shareholders in 2019. Since the average number of shares was unchanged year on year, this corresponds to earnings per share of EUR - 0.95 (EUR 0.63 in previous year).

Investment case

The industry combines favorable long-term trends, consolidation opportunities and high barriers to entry:

- Food & Beverage end-markets driven by urbanization with growing middle class
- Increasing focus on food safety and quality
- Greater interest in energy efficient automation.

In this sector, GEA is a global leader that offers upside potential:

- Global leader with #1 or #2 positions in most of its markets
- Unique technology, know-how and innovation power
- New management team focusing on accelerating medium term organic growth and improving profitability
- Solid cash generation and balance sheet profile
- Good positioning to seize consolidation opportunities.

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www.gea.com

Capital held by GBL	GEA's contribution to the net dividends collected on GBL's investments [1]	GEA's contribution to GBL's portfolio	Representatives in statutory bodies
8.5%	2.7%	2.2%	1 out of 12

(1) Excluding the reimbursements by the French tax authorities of withholding taxes which had been applied to Total and ENGIE dividends

Market data and information on GBL's investment

Stock market data	2019	2018	2017
Number of shares issued (in thousands)	**180,492**	180,492	192,495
Market capitalisation (in EUR million)	**5,321**	4,061	7,702
Closing share price (in EUR/share)	**29.48**	22.50	40.01
GBL's investment	**2019**	**2018**	**2017**
Percentage of share capital (in %)	**8.5**	8.5	4.3
Percentage of voting rights (in %)	**8.5**	8.5	4.3
Market value of the investment (in EUR million)	**453**	346	328
Dividends collected by GBL (in EUR million)	**13**	10	2
Representatives in statutory bodies	**1**	1	0

Annualized TSR (%)

	1 year	3 years	5 years
GEA	**35.3**	(5.8)	(2.0)
STOXX Europe Industrial Engineering	**36.4**	10.8	11.0

Listed investments and private assets

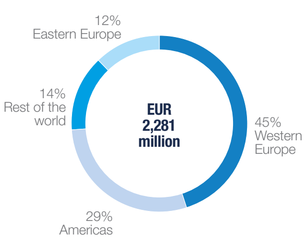
Ontex is a leading international personal hygiene solutions provider

Profile

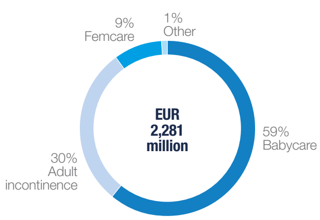
Ontex is a growing international group specialised in hygienic products for baby, adult and feminine care. Ontex products are distributed in more than 110 countries under the company's own brands and retailer brands. The main sales channels are retail trade, medical institutions and pharmacies.

Ontex in figures

Geographic breakdown of 2019 reported revenue



Breakdown of 2019 reported revenue per category



Key financial data

Simplified income statement (in EUR million)	**2019** (1)	**2018** (1)	**2017**
Reported revenue	**2,281**	2,292	2,335 (2)
Adjusted EBITDA	**245**	264	266
Adjusted profit/(loss)	**86**	108	131
Profit/(loss)	**37**	95	128
Simplified balance sheet (in EUR million)			
Shareholders' equity (group's share)	**1,198**	1,184	1,178
Non-controlling interests	**0**	0	0
Net financial debt	**861**	908	744
Debt-equity ratio (in %)	**72**	77	63
Net financial debt/Adjusted EBITDA (x)	**3.5**	3.4	2.8
Market data (in EUR/share)			
Adjusted EPS	**1.07**	1.33	1.65
Dividend	**0.16** (3)	0.41	0.60

(1) Including impact of IFRS 16
(2) Restated due to change in presentation following the entry into force of IFRS 15
(3) Based on information disclosed as of March 26, 2020 9am CET and subject to the approval of the General Shareholders' Meeting

Performance in 2019

Ontex reported total revenues of EUR 2,281 million, down by 1.0% on a like-for-like basis vs. 2018. The positive price/mix in all categories and divisions largely offset lower volumes.

In terms of categories:

- revenue in the Babycare category decreased by 0.9% in 2019, explained by lower volumes of retailer brands in Europe;
- Adult incontinence revenue was slightly up in 2019 versus a year ago (+ 0.1%);
- Feminine Care ("Femcare") category revenue was down by 5.0% in 2019 after a strong 2018, albeit with better trends in the second half of the year.

2019 adjusted EBITDA amounted to EUR 245 million (EUR 261 million at constant currencies), with acceleration in Q4, reflecting initial benefits of Transform to Grow ("T2G") program and raw material indices starting to ease. The adjusted EBITDA margin at constant currencies is stable at 11.5% (10.7% reported).

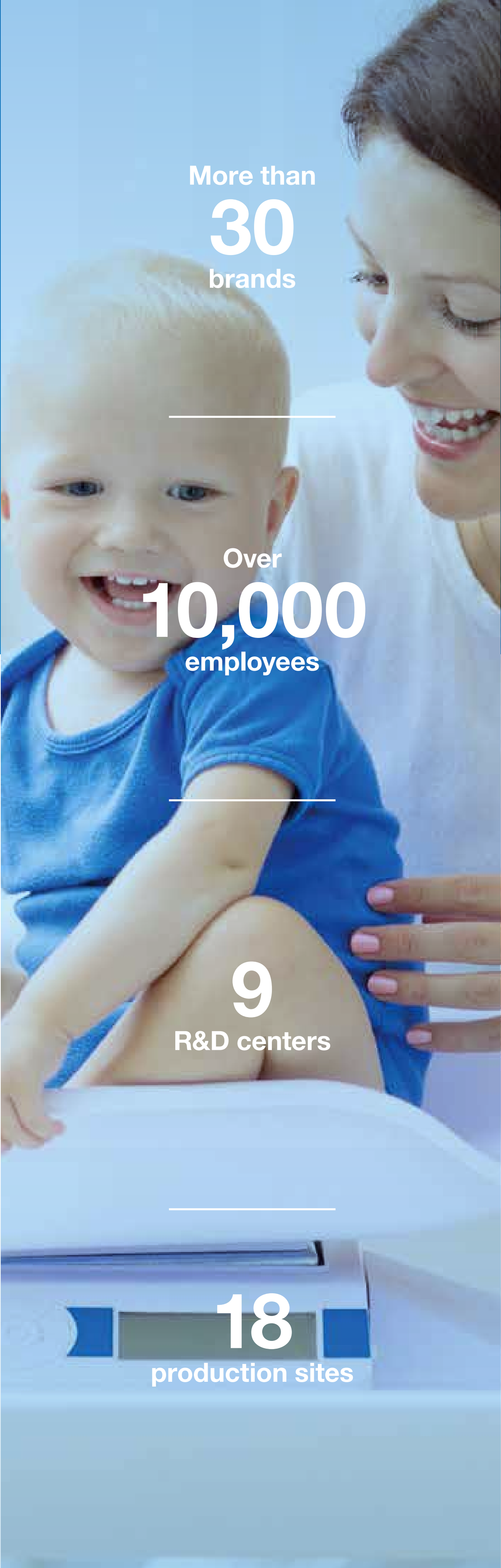
Adjusted EPS landed at EUR 1.07 vs. EUR 1.33 in 2018 mainly due to negative currency impacts.

Free cash flow (post tax) improved by a very strong + 50.5% or EUR 36.8 million in 2019 to EUR 109.7 million, net of EUR 29.9 million in T2G-specific cash outflows (for one-off expenses and capital expenditures). Improved management of the working capital was the main driver for the strong cash generation.

Debt leverage was 3.5x at December 31, 2019, lower than the 3.7x reported at June 30, 2019 and only marginally higher than one year ago (pro forma for IFRS 16).

The gross dividend is proposed at EUR 0.16 per share, in line with Ontex's policy to pay out 35% of net profit.

The T2G program is on track to significantly step up competitiveness and profitability with more than 55% of the initiatives well underway.



Investment case

The growth of the industry is expected to be supported by:
- Resilience of the business (hygiene basics)
- Ageing population in mature countries
- Market share gains of retailer brands in Europe
- Growth in population and product adoption rates for hygiene products in emerging countries.

Ontex should be able to continue to outperform the market thanks to:
- Increases in share of retail brands and its own brands
- Premiumization of its products through innovation
- Greater exposure to emerging countries and adult incontinence products.

The group has potential to increase its margin, through efficiencies and savings programs ("Transform to Grow" strategic plan).

Despite high leverage and other ongoing priorities, Ontex continues to be well positioned to consolidate a fragmented industry.

Capital held by GBL	Ontex's contribution to the net dividends collected on GBL's investments (1)	Ontex's contribution to GBL's portfolio	Representatives in statutory bodies
19.98%	1.4%	1.5%	2 out of 8

(1) Excluding the reimbursements by the French tax authorities of withholding taxes which had been applied to Total and ENGIE dividends

Market data and information on GBL's investment

Stock market data	2019	2018	2017
Number of shares issued (in thousands)	**82,347**	82,347	82,347
Market capitalisation (in EUR million)	**1,544**	1,474	2,271
Closing share price (in EUR/share)	**18.75**	17.90	27.58

GBL's investment	2019	2018	2017
Percentage of share capital (in %)	**19.98**	19.98	19.98
Percentage of voting rights (in %)	**19.98**	19.98	19.98
Market value of the investment (in EUR million)	**309**	295	454
Dividends collected by GBL (in EUR million)	**7**	10	9
Representatives in statutory bodies	**2**	1	1

Annualized TSR (%)

	1 year	3 years	5 years
Ontex	**7.7**	(10.7)	(2.8)
STOXX Europe 600 Personal & Household Goods	**31.0**	8.6	10.5

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Listed investments and private assets

Parques Reunidos is a leading operator of leisure parks with a global presence

Profile

Since its inception in 1967 as a small-sized Spanish operator, Parques Reunidos has become one of the leading operators of leisure parks in Europe and the US, through organic growth and multiple acquisitions, including Bobbejaanland (Belgium, 2004), Mirabilandia (Italy, 2006), Warner (Spain, 2007), Palace Entertainment (US, 2007) and Tropical Islands (Germany, 2018). The company operates amusement, animal and water parks with a portfolio of regional and local parks, which have strong local brands.

Key financial data (1)

Simplified income statement (in EUR million)	**09/30/2019**	**09/30/2018**
Revenue	**596**	514
Recurring EBITDA	**201**	179
Recurring EBIT	**118**	118
Operating profit	**(33)**	85
Net income (group's share)	**(73)**	43
Simplified balance sheet (in EUR million)		
Shareholders' equity (group's share)	**968**	1.055
Non-controlling interests	**1**	1
Net financial debt (2)	**865**	584
Debt-equity ratio (%)	**89**	55

(1) Data related to the first 9 months of the year
(2) Defined as long-term and short-term borrowings with credit institutions less cash and other cash equivalents

Performance in 2019

On April 26, 2019, EQT, Corporación Financiera Alba and GBL announced their intention to launch a take-private offer at EUR 14.0 per share. The offer represented a 29% premium vs. the undisturbed share price of EUR 10.8.

The CNMV (Spanish regulatory body) authorized the transaction on July 24, 2019 and the Board of Directors of Parques Reunidos issued a favorable opinion report on the transaction on July 31, 2019. The company was delisted in December 2019.

Parques Reunidos published 9M YTD 2019 revenue of EUR 596 million, up 15.9% compared to 9M YTD 2018. This growth was mainly driven by:

- the acquisition of the German park Tropical Islands announced in 2018 and finalized in 2019;
- organic growth achieved during the summer season, which in turn has been driven by an increase in both visitors and spend per visitor.

The operating profit has been negatively affected by an increase in non-recurring expenses (mainly due to the termination of indoor entertainment centers) and impairment of goodwill.

Under the new corporate structure, the main initiatives for 2020 include:

- focus on profitable growth and value creation for shareholders:
  - organic growth improvement of current portfolio;
  - expansion capex into second-gate parks;
  - active search for M&A opportunities;
- design and implementation of a long-term strategic plan aimed at improving the customer experience and the organization's efficiency.

In addition, as a result of the reorganization, Parques is expected to book a significant impairment for FY 2019, mostly related to some European parks.

Investment case

The local and regional leisure park market benefits from structural factors, including:

- Appeal of experience
- "Staycation"[(1)] effect providing resilience during downturn
- High industry fragmentation with build-up potential

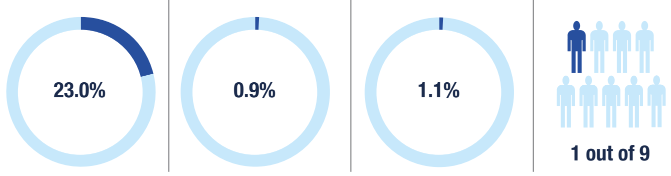
Parques Reunidos is uniquely positioned:

- Large and well-diversified portfolio of parks in multiple countries with well-known local brands
- Multiple avenues of organic and external growth, and operational improvements
- Strong M&A track record with the ability to transfer best practices to newly-acquired parks

The take-private of the company alongside EQT and Corporación Financiera Alba should enable to accelerate the organic and external growth strategies.

(1) Vacation where one returns home each night

Capital held by GBL	Parques Reunidos' contribution to the net dividends collected on GBL's investments [(1)]	Parques Reunidos' contribution to GBL's portfolio	Representatives in statutory bodies



(1) Excluding the reimbursements by the French tax authorities of withholding taxes which had been applied to Total and ENGIE dividends

Market data and information on GBL's investment

Stock market data	2019	2018	2017
Number of shares issued (in thousands)	**n.a.**	80,742	80,742
Market capitalisation (in EUR million)	**n.a.**	872	1,199
Closing share price (in EUR/share)	**n.a.**	10.80	14.85
GBL's investment	**2019**	**2018**	**2017**
Percentage of share capital (in %)	**23.0**	21.2	21.2
Percentage of voting rights (in %)	**23.0**	21.2	21.2
Stake value of the investment (in EUR million)	**235**	185	254
Representatives in statutory bodies	**1**	2	1

Sienna Capital

Sienna Capital, the alternative investments platform of GBL, continued to expand by dynamically building a strong and diversified portfolio of asset managers whilst continuing to make direct investments and co-investments with strategic partners.


SIENNA CAPITAL

Sienna Capital aims at generating superior risk-adjusted returns by building a select portfolio of investment managers delivering a strong performance in their area of expertise (e.g. private equity, debt and specific thematic funds) as well as opportunistic direct investments and co-investments with managers on the Sienna Capital platform and first-in-class external managers.

Sienna Capital is an active and involved partner with the managers it selects. It supports them by helping to fundraise, attract talents and source investment opportunities as well as by providing advice on sound governance and best practices.

Sienna Capital offers a differentiated proposition to investment managers deploying long-term capital enabling to secure both attractive financial terms and play a role as an active, value-added partner.

Its development and diversification strategy consists of anchoring the launch of successive funds, as well as examining opportunities for direct commitments into additional investment managers providing exposure to new strategies and geographies. Sienna Capital is also actively seeking additional opportunities for direct investments and co-investments.

Sienna Capital generates revenue via capital gains, interest income, dividends and fees earned through revenue-sharing agreements.

SIENNA CAPITAL

	9 investment managers									Direct investment/ co-investments				
	ERGON CAPITAL	SAGARD	KARTESIA	MERIEUX EQUITY PARTNERS	PrimeStone	BDT CAPITAL PARTNERS	BACKED	MARCHO PARTNERS	Carlyle International Energy Partners II	Upfield	pollen	CEPSA	opseo	**Total**
Year of initial investment	2005	2002	2013	2014	2015	2015	2017	2019	2019	2018	2019	2019	2019	
Share in Sienna Capital's portfolio	16%	13%	12%	3%	11%	7%	3%	9%	0%	18%	1%	5%	2%	**100%**
In EUR million **In 2019**														
New commitment	-	-	-	-	-	-	50	150	49	-	9	100	45	**403**
Capital invested	51	39	26	6	-	35	16	150	-	-	9	88	38	**459** (1)
Distribution	185	-	46	9	0	6	-	-	-	-	-	-	-	**247**
In EUR million **As of December 31, 2019**														
Initial commitment	863	385	300	75	150	97	75	150	49	250	9	100	45	**2,547**
Capital invested	672	302	237	61	150	95	36	150	-	250	9	88	38	**2,087**
Remaining commitment	191	83	63	14	-	7	39	-	49	-	0	13	7	**466**
Realized proceeds	778	286	122	10	0	9	-	-	-	-	-	-	-	**1,204**
Stake value (Sienna Capital's portfolio)	**287**	**237**	**221**	**59**	**199**	**117**	**47**	**155**	**(1)**	**325**	**9**	**87**	**38**	**1,779** (2)

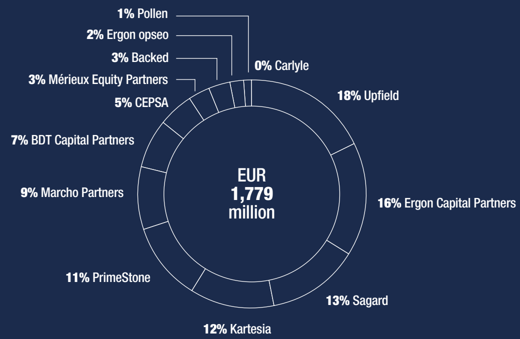
(1) Difference between the capital invested for an amount of EUR 459 million and the investments in Sienna Capital as mentioned in the economic presentation of the financial position for an amount of EUR 465 million corresponding to the financing needs of the Sienna Capital entity
(2) Difference between Sienna Capital's stake value of EUR 1,779 million and its net asset value of EUR 1,785 million primarily corresponding to Sienna Capital's cash position

2019 Performance

2019 has been an active year for Sienna Capital with new commitments totaling EUR 403 million, additional invested capital of EUR 459 million and divestments of EUR 247 million, primarily from ECP III (EUR 185 million) and Kartesia (EUR 46 million), bringing the value creation to EUR 252 million.

In 2019, Sienna Capital's contribution to GBL's cash earnings amounted to EUR 11.9 million, the full amount being interest paid.

Breakdown of Sienna Capital's portfolio



Key highlights

ERGON CAPITAL

Continued deployment of Ergon Capital Partners IV ("ECP IV") and sale of Looping and opseo

- ECP IV closed at EUR 581 million of commitments with a diverse and high-quality LP base exceeding its initial target of EUR 500 million. ECP IV invested in 3 companies in 2019.
- In June 2019, ECP IV invested in TMC, a fast-growing provider of technical and R&D expertise with international presence.
- In July 2019, ECP IV invested in Haudecoeur, the leading ethnic food company in France, and Dolciaria Acquaviva, an Italian leading player in the attractive frozen bakery market.
- During the last quarter of 2019, ECP III completed the sale of Looping Group, a leading operator of regional amusement parks in Europe.
- In 2019, ECP III sold opseo, a leading German ambulant care provider, to Ergon opseo Long Term Value Fund, a continuation fund managed by Ergon Capital Management.

SAGARD

Three investments in 2019

- In June, Sagard 3 finalised the acquisition of Sabena Technics, a leading independent MRO player for civil and military aircrafts.
- In August, Sagard 3 announced a minority investment in Vulcain Ingénierie, a multi-specialist pan-European engineering services provider.
- In October, Sagard closed the acquisition of a majority stake in Sterimed, a leading manufacturer of medical packaging solutions.

MARCHO PARTNERS

EUR 150 million investment by Sienna Capital

- Sienna Capital anchored Marcho Partners' first fund with a EUR 150 million investment.

Carlyle International Energy Partners II

EUR 150 million commitment by Sienna Capital into CEPSA and CIEP II

- Sienna Capital committed to co-invest alongside the Carlyle Group in the context of the investment in CEPSA, a privately owned, fully integrated, Spanish energy company. Sienna Capital's combined commitment to CEPSA and the Carlyle International Energy Partners II fund ("CIEP II") amounted to EUR 150 million.
- The deal was led by Marcel van Poecke and The Carlyle Group, following Sienna Capital's strategy of co-investing alongside first-in-class managers.

BDT CAPITAL PARTNERS

Continued deployment of BDT Capital Partners Fund II

- BDTCP II purchased a majority stake in Whataburger, a renowned Texas-based regional quick service restaurant chain alongside other BDT investment funds.
- BDTCP II sold its 45% stake of Truck-Lite, a leading provider of safety lighting, filtration systems and telematics services for commercial vehicles.

BACKED

Backed successfully launched two new funds in 2019

- Sienna Capital anchored Backed 2 LP and Backed Encore 1 LP, committing EUR 25 million into each fund.

ERGON CAPITAL

John Mansvelt
Chief Financial Officer
Tel.: +32 2 213 60 90 www.ergoncapital.com

Profile
Created in 2005, Ergon Capital Partners ("ECP") is a private equity fund operating in the mid-market segment. It makes equity investments from EUR 25 million up to EUR 75 million in leading companies with a sustainable competitive position in attractive niche markets located in the Benelux, Italy, Iberia, France, Germany and Switzerland.

Sienna Capital & Ergon
ECP I was founded in 2005 with shareholders consisting of GBL and Parcom Capital, a former subsidiary of ING, and with EUR 150 million in assets under management. In 2007, these same shareholders backed a second fund, ECP II, in the amount of EUR 275 million. GBL also supported a third fund of initially EUR 350 million, which was later successfully increased to EUR 500 million.

Ergon closed its fourth fund, ECP IV, at EUR 581 million with a diverse and high-quality LP base, of which Sienna is EUR 200 million.

Sienna Capital receives certain preferential financial terms in relation to its support of ECP IV.

Valuation
The investments are valued based on the International Private Equity and Venture Capital Valuation (IPEV) Guidelines.

Financial year 2019
In 2019, Ergon closed ECP IV, a EUR 581 million fund. The fund has already called capital for EUR 119 million to partially finance three acquisitions.

In 2019, ECP III completed the sales of Looping Group and opseo, distributing proceeds of EUR 185 million to Sienna Capital.

SAGARD

Mariane Le Bourdiec
General Secretary
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Profile
Created in 2002 on the initiative of Power Corporation of Canada, Sagard invests in companies valued at more than EUR 100 million that are leaders in their markets, primarily in French-speaking European countries.

Sagard enables entrepreneurs to sustainably expand into new geographies or new markets.

Sienna Capital & Sagard
GBL agreed to invest in the first Sagard fund (Sagard I) for an amount of EUR 50 million. During the financial year 2006, GBL committed an amount of EUR 150 million in the fund's successor, Sagard II, reduced in 2014 to EUR 113 million.

In 2013, Sienna Capital participated in the launch of Sagard 3 by committing EUR 218 million.

Sienna Capital receives certain preferential financial terms in relation to its support of Sagard 3.

Valuation

The investments are valued based on the International Private Equity and Venture Capital Valuation (IPEV) Guidelines.

Financial year 2019
In 2019, Sagard 3 called capital amounting to EUR 143 million, most notably for the acquisitions of a stake in Sabena Technics, Vulcain Ingénierie and the Sterimed Group.

KARTESIA ADVISOR

Frantz Paulus
Head of Investor Relations
Tel.: +32 2 588 73 39 www.kartesia.com

Profile
Kartesia offers liquidity and credit solutions to mid-sized European companies, while providing a higher stable return to its investors. More generally, Kartesia wishes to facilitate the participation of institutional investors and major individual investors in the European LBO debt market, by offering them exposure to highly rated, resilient and diversified credit through primary, secondary or rescue financing operations carried out with duly selected mid-sized companies.

Kartesia had its final closing for its third and fourth fund.

Sienna Capital & Kartesia
KCO III successfully closed at EUR 507.5 million, of which EUR 150 million from Sienna Capital, while KCO IV successfully closed at EUR 870 million, of which EUR 150 million from Sienna Capital.

Since Sienna Capital's first investment the team have raised over EUR 2.5 billion.

In exchange for providing Day 1 capital to support the launch of Kartesia, Sienna Capital receives certain preferred economics.

Valuation
Assets are valued by an external expert with an internal valuation committee reviewing and approving the valuation to ensure the most appropriate fair market value is reflected for each investment.

Financial year 2019
Kartesia distributed EUR 46 million to Sienna Capital, thereof EUR 33 million from KCO III and EUR 13 million from KCO IV, and called capital from Sienna Capital for investments of KCO IV of EUR 26 million.

MERIEUX EQUITY PARTNERS

Christine Demode
Chief Financial Officer
Tel.: +33 4 78 87 37 00 www.merieux-partners.com

Profile
Mérieux Equity Partners is an AIFM management company owned by Merieux Développement, an Affiliate of Institut Merieux, and by the management team and it is dedicated to venture capital and growth equity investments within the healthcare and nutrition sectors. The companies in its portfolio benefit from privileged access to the industrial, commercial and scientific networks of Institut Mérieux's subsidiaries in France and worldwide in compliance with the regulatory authorities. Institut Merieux is an establishment industrial holding with global network in the healthcare and nutrition sectors, it employs 15,000 people worldwide and generated revenues representing circa in excess of EUR 3 billion in 2018.

Sienna Capital & Mérieux Equity Partners
In 2014, Sienna Capital committed an amount of EUR 75 million dedicated to the two funds managed by Mérieux Equity Partners, Mérieux Participations and Mérieux Participations 2. Sienna Capital benefits from certain favorable financial terms for its support of Mérieux Participations and Mérieux Participations 2.

Valuation
The investments are valued based on the International Private Equity and Venture Capital Valuation (IPEV) Guidelines.

Financial year 2019
In 2019, Mérieux Participations 2 called capital totalling EUR 14 million for follow-on investments. Furthermore, Sienna Capital sold part of its stake in Mérieux Participations 2 to a third party limited partner, decreasing its stake from 37.75% to 34.27%.

PrimeStone

Martin Donnelly
Chief Operating Officer
Tel.: +44 20 7072 3150 www.primestonecapital.com

Profile
PrimeStone was established in 2014 by three former partners from The Carlyle Group, specialising in buy-outs, and who have worked and invested together across Europe for more than 20 years. PrimeStone has a strategy of constructive and active management in mid-sized, listed, European companies that have significant value creation potential through strategic, operational or financial improvement. PrimeStone creates value by taking a long-term perspective, adopting an active approach and having a significant influence over its underlying investments through a constructive dialogue with boards and management teams.

Sienna Capital & PrimeStone
As part of a long-term agreement, Sienna Capital invested EUR 150 million in February 2015. In exchange for its support of PrimeStone, Sienna Capital benefits from certain favorable financial terms.

Valuation
Investments which are quoted, listed or traded on or under the rules of a recognised market are valued at the closing price.

Financial year 2019
The portfolio's organic growth at constant currency was about 30%, with the fund's largest investments, JSG and Spirent, performing well in 2019.

BDT CAPITAL PARTNERS

Jennifer Dunne
Director of Communication
Tel.: +1 312 660 7314

Profile
Founded in 2009 by Byron Trott, BDT Capital Partners and its affiliates have offices in Chicago, New York, Los Angeles, London, and Frankfurt and provide solutions-based advice and capital to leading family and founder-led businesses around the world. BDT Capital Partners successfully raised USD 3 billion over 2 fundraisings in 2010 and 2012, and then a second fund in 2014, BDT Capital Partners Fund II ("BDTCP II"), amounting to USD 5.2 billion.

In 2015, BDTCP II was reopened to new investors, in order to raise USD 1 billion of new capital.

In 2019, BDT launched BDTCP Fund 3.

Sienna Capital & BDT Capital Partners
In the context of reopening of BDTCP II, Sienna Capital committed USD 108 million in 2015.

Valuation
Investments shall be valued in a manner consistent with U.S. generally accepted accounting principles, taking into account the Fair Value and Disclosure Topic of ASC 820, *Fair Value Measurement*.

Financial year 2019
In 2019, BDTCP II called capital amounting to USD 38 million for the acquisitions of a stake in Whataburger, Lew's, Cognita, Commercial Credit, Inc. and the Schaeffler Group. BDTCP II sold its 45% stake of Truck-Lite to Genstar Capital, an investment BDT Fund II has held since 2015.

BACKED

Andre De Haes
Founding Partner
info@backed.vc www.backed.vc

Profile
Backed LLP is a venture capital fund manager and has a unique investment proposition. The investment team of millennials is targeting investments in companies founded by millennial entrepreneurs who create products and offer services for millennials. Backed LLP currently manages three funds, with Backed 1 LP and Backed 2 LP investing in seed/series A deals whilst the Backed Encore 1 LP fund invests in follow-on rounds in more established companies already invested in via Backed 1 LP and/or Backed 2 LP.

Sienna Capital & Backed
As part of a long-term agreement, Sienna Capital committed (i) EUR 25 million in September 2017 into Backed 1 LP; and in 2019 (ii) EUR 25 million into Backed 2 LP and (iii) EUR 25 million into Backed Encore 1 LP.

As a cornerstone investor in those funds, Sienna Capital was able to negotiate favourable terms.

Valuation
The valuation of the investments is based on the latest cost of investment in the portfolio companies or the latest round of investment, whichever is more recent.

Financial year 2019
Backed 1 LP is now almost fully invested. Further, Backed LLP launched Backed 2 LP following the same strategy as Backed 1 LP, and a second fund, Backed Encore 1 LP, which will focus on follow-on investments in later rounds of financing with a particular focus on the current portfolio.

Upfield

Profile
Upfield is a global leader in plant-based nutrition with more than 100 brands, including Becel, Flora, Country Crock, Blue Band, I Can't Believe It's Not Butter, Rama and ProActiv. The company operates in 69 markets around the globe, holding the number 1 brand positions in 49 countries. Upfield's six business units cover Northwest Europe, Southwest Europe, Central/Eastern Europe, North America, Middle/Latin America and Asia/Africa. The company employs more than 3,500 Associates.

Sienna Capital & Upfield
In July 2018, Sienna Capital has invested EUR 250 million alongside KKR and other co-investors into Upfield, its first co-investment transaction.

Sienna Capital is represented on the Board of Upfield by a senior member of GBL's investment team.

Valuation
The investment valuation is based on industry-accepted valuation methodologies, primarily consisting of an income approach and market approach.

Financial year 2019
In 2019, Upfield continued to perform in-line with our expectations with encouraging sales growth in markets such as the U.S. and Indonesia. Upfield also purchased Arivia S.A., a leading producer of plant-based cheese.

MARCHO PARTNERS

Barbara Turner
CEO
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Profile
Marcho Partners is a technology focused investment firm that targets companies outside the US and China. Launched in 2019, by a silicon valley entrepreneur with almost 20 years of investing experience, the fund takes both long and short positions on public technology equities over 2- to 5-year time horizons. Marcho Partners believes that technology companies in the "Rest of World" (non-US / non-China) has the potential to be the fastest growing part of the global public equity market over the next decade.

Sienna Capital & Marcho Partners
As part of a long-term agreement, Sienna Capital committed EUR 150 million in July 2019.

In exchange for its support of Marcho Partners, Sienna Capital benefits from certain favorable financial terms.

Valuation
Investments which are quoted, listed or traded on or under the rules of a recognised market are valued at the closing price.

Financial year 2019
Marcho Partners launched its first fund in 2019 with an investment by Sienna Capital of EUR 150 million. Over the first five and a half months, Marcho deployed capital with a gross exposure in the range of 120-160%.

pollen

Profile
Pollen was founded by two serial entrepreneurs and is an international online marketplace with a unique membership model and a vast portfolio of travel, music, sports and other live experiences across North America and Europe. The market place has over 35,000 active members globally, and is deemed to be the world leader in word-of-mouth sales and marketing. Pollen's members bring their friends to the best experiences and share rewards such as free tickets, backstage passes, meet and greets, and queue jumps.

Sienna Capital & Pollen
Sienna Capital invested EUR 9 million in the last round of funding alongside the platform manager BACKED.

This follows the strategic goal of co-investing with our current manager platform in unique deals.

Valuation
The valuation is based on the latest cost of investment or the latest round of investment in case it is a more recent valuation.

Financial year 2019
In 2019, Pollen successfully closed a USD 60 million funding round, composed of more than USD 42 million in primary and USD 17 million in convertible notes.

CEPSA

Profile

CEPSA is a privately owned Spanish, fully integrated energy company. The company operates in many European countries (headquartered and mainly operated in Spain) as well as globally. CEPSA is involved in activities across the full supply chain of energy production, from exploration and production to refining and selling the product through their petrol stations. The investment is one of The Carlyle Group's largest buyouts and is invested across multiple funds.

Sienna Capital & CEPSA

Sienna Capital committed USD 110 million alongside the Carlyle Group into CEPSA and USD 55 million into their second energy fund, CIEP II.

Valuation

In accordance with Luxembourg law, the valuation of the assets will be performed, at the AIFM's discretion, by the AIFM itself and with the support of such external agents as required from time to time.

Financial year 2019

In October 2019, the acquisition of a 37% stake in CEPSA from Mubadala Investment Company was completed; Sienna Capital has exposure to this transaction through its commitment to CEPSA directly and indirectly through CIEP II.

Carlyle International Energy Partners II

Profile

Carlyle International Energy Partners ("CIEP") is part of Carlyle's Energy & Natural Resources group, which has USD 27 billion under management and 96 active portfolio companies across the globe. CIEP II is headed by Marcel Van Poecke, a distinguished and successful energy entrepreneur and investor, and has 18 dedicated investment professionals with 200+ years of combined experience. The primary aim of the fund is to invest in energy assets outside of North America (USA and Canada) at attractive entry multiples.

Sienna Capital & Carlyle International Energy Partners II

In 2019 Sienna Capital committed USD 55 million into CIEP II alongside its investment in CEPSA.

Valuation

Investments which are quoted, listed or traded on or under the rules of a recognised market are valued at the closing price. The Fair Market Value of any non-marketable Investments shall be calculated not less frequently than annually and shall initially be determined by the AIFM in good faith in accordance with GAAP.

Financial year 2019

CIEP II is currently fundraising and have accepted total commitments of USD 1.8 billion as of December 31, 2019.

opseo
Ganzheitliche Intensivpflege

Profile

opseo is a leading German ambulant care provider offering intensive care services to more than 850 patients across Germany, both in individual one-to-one settings (34%) and in care communities (66%), operating at best-in-class quality standards. The Company consolidates the highly attractive German outpatient intensive care market.

Sienna Capital & Ergon opseo Long Term Value Fund

opseo was initially acquired by ECP III in 2016 and subsequently sold in 2019 to a continuation fund managed by Ergon Capital Management, Ergon opseo Long Term Value Fund ("Ergon opseo LTVF"), to which Sienna Capital committed EUR 45 million out of an aggregate commitment of EUR 284 million. This investment is aligned with Sienna Capital's strategic aim of co-investing with its current manager platform in unique deals.

Valuation

The investment is valued on the basis of the International Private Equity and Venture Capital Valuation (IPEV) Guidelines.

Financial year 2019

In 2019, Sienna Capital invested EUR 38 million in Ergon opseo LTVF.

Sustainability report


GBL
Groupe Bruxelles Lambert

Sustainability report
1. Our management approach

1.1 Our commitment

As a patrimonial and engaged investor, GBL believes that responsible management is key to ensure the best interests for its stakeholders, by seeking sustainable growth of its portfolio assets and ultimately long-term value creation.

While GBL's primary focus is to carry out profitable and sustainable activities, it also seeks to play a role within the broader society in which it operates. GBL's responsible management approach consequently aims at benefiting to all stakeholders.

1.2 Our responsible management approach

As an investment holding company, GBL has adopted a twofold approach to its responsible management:

- **GBL as a responsible company:**
  In spite of its non-material direct impact from an environmental and social standpoint (as presented in section 1.4), GBL values ESG responsibility and awareness. The group has a long history of being a responsible employer and consistently demonstrates integrity and strict ethical standards.

- **GBL as a responsible investor:**
  GBL's material impact is primarily indirect, i.e. through the companies composing its portfolio. Incorporating ESG factors into its investment analysis, within both the investment process and the portfolio monitoring, will contribute to enhance GBL's investment performance over the long term.

GBL's responsible management approach has thus been structured on each of these levels through (i) the identification of the most relevant stakeholders and (ii) the materiality assessment of ESG factors. GBL's mid-term ESG objectives and related key performance indicators have been defined similarly, as presented in the following sections.

1.3 Stakeholders

GBL's stakeholders have been identified based on their impact in relation to the group's activities and are primarily composed as follows:

Our key stakeholders

GBL as a responsible company	GBL as a responsible investor
• Employees • Shareholders • Analysts • Regulator • Communities in which the company is established	• Portfolio companies • Institutional investors

Note: GBL's suppliers are primarily consultants and office supply providers, which are not considered material given the limited volume of transactions.

GBL has an ongoing dialogue with its key stakeholders, notably through the following interactions:

- employees: day-to-day relationships;
- reference shareholders: meetings of the Board of Directors and its specialized Committees;
- GBL's shareholders (whether individual or institutional): general assembly meetings;
- analysts: primarily meetings held after the annual and half-year results;
- institutional investors: roadshows;
- portfolio companies: meetings of the governance bodies, general assembly meetings, roadshows…;
- community: direct engagement particularly through the philanthropic actions;
- regulator: compliance with regulations in force and applicable to GBL.

1.4 Materiality assessment

A materiality assessment has been conducted by GBL, notably based on the group's continuous engagement and interactions with its key stakeholders and their related expectations, to identify the material areas of ESG focus.

Through this materiality assessment, ESG risks are mapped from both perspectives, i.e. at the levels of GBL as a company and as an investor.

Materiality assessment

Materiality	GBL as a responsible company						GBL as a responsible investor	
	Environmental		Social		Governance		Environmental, Social and Governance	
High risk/Prioritize					• Board and management diversity • Corporate governance • Ethics & Integrity	Subsection 2.1	As a patrimonial and engaged investor focused on long-term value creation in a sustainable manner, GBL embedded ESG responsibilities at all stages of: • The investment process • Portfolio monitoring	Subsection 3
Medium risk/Manage			Employee-related matters: • Diversity and inclusion • Training and development	Subsection 2.2				
Low risk/Monitor	GBL considers its impact on the environment as **non-material** as a result of: • No production or distribution activities • A limited headcount of around 50 people	Subsection 2.3	• Community involvement • Human rights	Subsection 2.2				

1.5 Reporting framework

GBL's choice of reporting frameworks mirrors the twofold responsible management approach described in section 1.2.

GBL as a responsible company	GBL as a responsible investor
The non-financial reporting is inspired by the United Nations Global Compact framework ("UNGC"), which GBL formally committed to in 2018. Adhering to the UNGC and its 10 principles (covering human rights, labour, environment and anti-corruption) allowed GBL to cover all general areas that could be impacted by its activities. This report has been prepared in accordance with the Global Reporting Initiative Standards ("GRI"): Core option (refer to page 78 and 79 for the GRI content index).	Having a long-term and through-the-cycle approach to investing, GBL recognizes the importance of ESG factors in its investment decisions and portfolio monitoring. The UN Principles for Responsible Investment ("UNPRI") thus constitute an appropriate and inspiring framework for GBL as its set of principles allow ESG issues to be incorporated into investment practices. GBL is a signatory to the UNPRI since 2018 and will report under this framework for the first time on its reporting period covering 2019.
Reporting detailed in Section 2	Reporting detailed in Section 3

GBL's statutory auditor, Deloitte, performed a review of the non-financial information as disclosed in the sustainability report and verified that it includes all the information required by article 119, § 2 of the Companies Code, which became article 3:32, §2 of the Code on companies and associations on January 1, 2020, and is in accordance with the consolidated financial statements for the financial year ended December 31, 2019. Deloitte do however not express any opinion on the question whether this non-financial information has been established in accordance with the internationally recognised frameworks mentioned in the directors' report on the consolidated financial statements. PwC has provided ISAE 3000 limited assurance on GBL's assertion that the Annual Report 2019 meets the requirements of the GRI Standards (Core Option). PwC's assurance opinion is available upon request.

1.6 Key performance indicators

GBL's management approach entails the measurement and monitoring of its ESG actions through key performance indicators ("KPIs"). Those KPIs are derived from the group's mid-term ESG objectives, which are structured since 2018 over a 3-year period and approved by GBL's Board of Directors. New objectives related to the 2020-22 period have been approved by the Board of Directors of March 11, 2020.

These mid-term objectives follow the twofold approach presented in section 1.2. The KPIs monitored by GBL (i) as a responsible company are presented in section 2 page 67 and (ii) as a responsible investor in section 3 page 71.

1.7 Responsibilities

CEO and Board of Directors

The Board of Directors reviews and approves the ESG strategic orientations, performance and reporting, whilst:

- the CEO is responsible for the monitoring of the compliance with the ESG Statement through a yearly assessment of the performance and efficiency of the actions undertaken to pursue GBL's long-term commitments and objectives; and
- the Audit Committee reviews and assesses on a yearly basis the risks inherent to GBL, including the ESG-specific risk assessment performed as part of the portfolio monitoring process (see section 3).

ESG Lead

The formal responsibility for ESG matters has been delegated to the General Secretary who is the assigned "ESG Lead". GBL believes however that, in addition to giving the tone at the top, proper ESG integration requires widespread workforce engagement, as corporate culture is key in order to ensure alignment with the group's strategy.

The Board and ESG Lead are therefore supported by all corporate functions, primarily:

- the investment team in charge of deploying GBL's ESG approach as a responsible investor at each stage of the investment cycle;
- the communication team; and
- the legal and human resources departments in charge of social and governance matters at GBL level.

1.8 Policies

As a long-term and listed investor, GBL has developed (i) an ESG Statement, (ii) a Diversity & Inclusion Policy, (iii) a Code of Ethics and (iv) a Corporate Governance Charter (the "Charter").

- The ESG Statement reflects the core values that guide GBL and the CEO on environmental, social and governance issues. It presents the commitments and implementation guidelines regarding all three ESG pillars.
- The Diversity & Inclusion policy supports and facilitates a diverse and inclusive environment that embraces differences and recognizes their benefits. These differences can be notably age, gender, sexual identity and orientation, disability, ethnicity, and cultural and religious backgrounds.
- The Code of Ethics provides guidance in conducting business activities in accordance with the highest legal, ethical and professional standards. It is made available to all employees and the Directors, and notably covers compliance, responsible management, conflicts of interest, anti-corruption and anti-bribery, relations with third parties, respect at work and non-discrimination.
- GBL has adopted the Charter (as referred to in page 177 of the Governance section) that brings together all of the company's corporate governance rules and particularly the principles governing the conduct of GBL's Directors and its specialised Committees, as well as these bodies' operating rules. This document also includes the Dealing Code, which defines the rules applicable to transactions in GBL shares.

GBL is committed to responsible and transparent communication towards its stakeholders. The ESG Statement, The Diversity & Inclusion policy, The Code of Ethics and the Charter are available on its website and form the reference framework applicable to GBL and its holdings. GBL employees are regularly updated on the group's policies.

1.9 Scope

GBL's ESG approach described in this section applies to Groupe Bruxelles Lambert and its subsidiaries:

- whose principal activities are investing, reinvesting, owning, holding, managing or trading in shareholdings in other companies, or proposing to do so, and/or engaging in treasury management activities;
- other than Sienna Capital's direct or indirect subsidiaries;

together being the "GBL Group" or "GBL".

This consequently excludes from the considered scope (the "ESG Scope"):

- the companies within GBL's portfolio (whether controlled or not);
- the investment fund managers into which Sienna Capital invests; and
- the companies into which Sienna Capital co-invests.

Those companies identify and address their ESG impacts and associated risks within the framework of their own internal control.

Section 3 hereafter provides an overview of the key sustainability commitments of GBL's portfolio companies, and notably their long-term vision and strategy.

We highlight the fact that the Directive 2014/95/EU on non-financial reporting (transposed into the Belgian law of September 3, 2017) covers the GBL Group and its consolidated operating activities (detailed in page 116). As the consolidated operating activities are excluded from the ESG Scope (see above), please refer to their own ESG analysis and reporting on their website:

Imerys	**"Sustainable Development" on www.imerys.com**
ECP III	**www.ergoncapital.com/strategy.php**
Webhelp	**www.webhelp.com/en-be/about-us/social-responsibility**

Sustainability report
2. A responsible company

2.1. Governance

a) Board and management diversity

Commitment

GBL is committed to the proper application of the corporate governance provisions. GBL strives to apply the principle of diversity to the composition of its governance bodies and this notwithstanding the presence of a controlling shareholder. Therefore, with regards to the selection of new Directors and management, GBL applies diversity criteria and does not tolerate discrimination of any kind.

Implementation

For some years now, GBL has gradually strengthened the presence of women in its Board of Directors which counts six women out of a total of eighteen members. GBL thus respects the quota of a third of its Directors of a different gender that of the rest of the Board required by the law of July 28, 2011, which aims at ensuring diversity within the Boards of Directors of listed companies.

The company also strives to ensure that members of the Board of Directors and the management have various complementary backgrounds in the financial, industry and services sectors and from the national and international academic world. The composition of the Board of Directors and the profiles of its members are detailed in the Governance section in page 178 to 185.

In addition, the Board of Directors ensures the presence and contribution of independent Directors in sufficient number and quality, thus ensuring the respect of all shareholders' interests.

GBL has otherwise also rejuvenated its Board of Directors in recent years, with the average age of Directors falling from 64 years (end of 2013) to 59 years (end of 2019).

b) Corporate governance

Commitment

GBL believes that sound corporate governance is essential to be able to generate long-term sustainable returns and is committed to the highest standards of governance. Responsibility for ESG has been assigned to the Board of Directors, which supervises the implementation of the ESG Declaration on the basis of the annual report prepared by the ESG Lead.

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 Charter (see page 177).

Implementation

Attesting of GBL's priority given to a sound and strong corporate governance, the Board of Directors assesses its own performance every three years based on an individual questionnaire. This questionnaire concerns the size, composition and collective performance of the Board of Directors, as well as the actual contribution of each Director and the Board of Directors' interaction with the CEO. Furthermore, the non-executive Directors meet annually, in the absence of the CEO, to review their interaction with the management.

c) Ethics & Integrity

Commitment

GBL is committed to carrying out its business ethically and in accordance with all applicable laws. This includes the prohibition on the use of illegal practices, including bribery, corruption and market abuse to obtain or retain a commercial advantage.

GBL's core values and business principles are specified in the Code of Ethics which further indicates to whom all employee can refer to should any question or insecurity arise. The Code of Ethics indicates limits and elements to be considered for the full compliance to local regulations as well as anti-corruption practices supported by the group.

Implementation

Ethics and integrity are embedded into GBL's day-to-day activities as reflected by the following actions:

- GBL monitors that all employees and Directors are given access to the ESG Statement, the Diversity & Inclusion Policy, the Code of Ethics and the Charter. Yearly training courses are organized for all employees to (i) raise their awareness to GBL's corporate values and related anti-corruption practices and (ii) require them to comply with these policies. In 2019, no incidents related to corruption were reported with regards to GBL and its employees;
- a whistleblowing process is in place within GBL. All the employees can exercise their right to report in a secure manner a violation (actual or potential) of the Code of Ethics. The reporting is confidential and without any retaliation risk;
- with regards to conflicts of interest, GBL's policy is detailed in pages 196 and 197 of the Governance section;
- any invitation or gift offered or received should remain within acceptable limits in accordance with current practice;
- GBL does not make any political contributions and is not involved in lobbying activities;
- GBL complies with the General Data Protection Regulation, a dedicated European regulation entered into force on May 24, 2018. The group ensures that the personal data is protected and that employees receive periodic training.

2.2. Social

a) Employee-related matters

Commitment

GBL has a headcount of around 50 people. This allows dialogue to be based on proximity and trust between the management and the employees.

As an employer, GBL believes that value creation derives, among other things, from its ability to attract and retain talented people with diverse gender, backgrounds and skills and adhering to GBL's ethical values. These talented people are a key asset for GBL as an investment holding company.

GBL commits to the following principles:

- creating a positive and long-term working relationship with its employees;
- providing a diverse and inclusive workplace in which people are treated with mutual respect and dignity as well as fairly;
- providing equal opportunities in employment, appointment and advancement based on appropriate qualifications, requirements and performance;
- ensuring a safe and healthy workplace environment, free from all forms of discrimination.

Implementation

GBL's commitment is overseen by the CEO and the Human Resources department. The group strives to create an environment where people are valued, supported and empowered to be successful both personally and professionally. This involves conducting half-year assessments where the development opportunities and career objectives of each employees are discussed and reviewed. Furthermore, GBL gives all individuals the resources to develop their expertise and leadership skills, by supporting and providing training opportunities for its employees' professional development.

All GBL's employees are covered by a collective bargaining agreement.

Furthermore and when feasible, GBL outsources some services to organizations employing people with disabilities.

b) Community involvement

Commitment

GBL is convinced that it can be successful as a business and create shareholder value only if it seeks to serve all of its stakeholders. This involves conducting the business in a way that benefits the communities where GBL is established.

Implementation

In 2019, GBL has set up a new philanthropy policy targeting projects developed in Belgium and articulated around the following three pillars:

- Education
- Health
- Environment

To complement it, GBL created a Philanthropy Committee in 2019 to select the supported projects. GBL employees had the opportunity to present projects that are analyzed and reviewed by the Philanthropy Committee.

2019	**EUR 1.8 million allocated in 2019**	**57 projects supported in 2019**
Launch of GBL's new philanthropy policy and Committee	vs. EUR 1.4 million in 2018	vs. 67 in 2018

Illustrations of GBL's community involvement

In the cultural field, Musica Mundi

Recognized internationally, the association Musica Mundi organizes every summer since 21 years an international chamber music workshop and festival de chambre for young musicians being between 10 and 20 years old.

In 2018, the association has inaugurated its school, the Musica Mundi School, enabling young musicians to pursue their professional musical training and general studies simultaneously; a unique pedagogical formula in Western Europe. The school opened its doors in September 2018 with 25 young musicians being selected. For the 2019-2020 academic year, the school has accepted, upon audition, 11 additional students to reach a total of 36. In May 2019, the students took part - for the first time - to the official Cambridge exams and performed regularly throughout the year in public and private concerts.

GBL has been supporting Musica Mundi since 2008. GBL's Philanthropy Committee has decided to continue supporting the association in 2019.

In the educational field, DUO for a JOB

Launched at the end of 2012 in Brussels, DUO for a JOB is a social start-up offering free, effective and personalized support to young jobseekers from a migrant background by offering them the opportunity to form a duo for 6 months with experienced volunteers being over 50 years old. Thanks to this intergenerational and intercultural mentoring programme, the association has since then created 2.500 duos with 3 out of 4 young people finding a positive solution within 12 months and 9 out of 10 mentors starting a new accompaniment. The association is active in Brussels, Liège, Antwerp and Ghent, and aims at opening new branches in the coming years to offer its services to more and more people.

In 2019, GBL's Philanthropy Committee decided to support the DUO for a JOB initiative.

In the environmental field, RHEA

Since 2013, the RHEA research centre has been working on the adaptation of agroecological principles to the field realities of several farms in Belgium on the basis of agroecological management contracts for their farms.

In this context, RHEA has the ambition to launch a project of "support to the transition of Walloon farms to agroecology". This project will precisely allow to change scale and to undertake a transition program of Walloon farms on the whole territory of the region. The objective of the project is to play a key role as a pilot and catalyst in the important area of developing agroecology to ensure healthy food for the future.

For the first time in 2019, GBL, through its Philanthropy Committee, is supporting RHEA in this environmental approach.

c) Human rights

Commitment

As a matter of principle, respect for human rights has always been embedded into GBL's responsible management philosophy. The whole of the company must defend this commitment. Direct and indirect human rights impacts are considered during dealings with business partners, where material and relevant.

GBL's commitment to respect human rights is defined in its ESG Statement, its Diversity & Inclusion Policy and its Code of Ethics, includes compliance with all applicable laws, and the group endeavours to support and respect internationally proclaimed human rights.

Implementation

As a diversified investment holding company, GBL recognizes the role it can play in supporting and respecting the universal protection of human rights. It believes that respecting and protecting human rights is fundamental to creating long-term sustainable value.

Implementation efforts at group level include raising awareness of all employees with regards to corporate values and related human rights aspects, including freedom of speech and opinion, paying fair compensation, and absence of discrimination.

2.3. Environment

Commitment

As highlighted in the materiality assessment section (detailed in page 62), GBL has a non-material direct environmental impact.

In spite of this non-material environmental footprint, GBL recognizes its role in:

- promoting environmental values in its operations and in limiting any negative impact within its own scope; and
- acting as a professional investor by embedding in its investment cycle all ESG aspects and notably the environmental one at the level of the portfolio, as described in section 3.

GBL is committed to complying with applicable environmental laws and regulations, and to address and assess, where relevant and applicable, the foreseeable environmental impacts associated with its activities.

Implementation

Over the years, GBL has focused its efforts on resource conservation, energy efficiency and waste management. As a responsible company, GBL remains committed to continually reducing its low direct impact on the environment and at the level of portfolio companies, GBL supports the environmental management initiatives (as described in section 3). In addition, GBL promotes leading energy efficiency and waste management practices at its head office. As an illustration, its premises have been fully renovated to reduce their energy consumption

In spite of its non-material environmental impact, GBL aims at minimizing its carbon footprint as a way to contribute to the global effort and act as an example vis-à-vis its portfolio companies. In this context, GBL will start, as from 2020, to assess its carbon emissions with the objective to offset it.

Finally, all GBL employees are expected to be mindful of the environmental impact of the company and to respect the commitments made in this area. Through its commitment in an environmental approach, the group raises the awareness of its employees by promoting ecological gestures such as the usage of water fountains and the reduction and / or the recycling of paper at the office.

2.4. Key performance indicators

GBL as a responsible company

UNGC Principle	KPI	Objective	2019	2018
	Governance	**Objective**		
	a) Board and management diversity			
	% of women in the Board of Directors	33	**33**	33
	Directors have various complementary backgrounds in the financial, industry and services sectors and from the national and international academic world	yes	**yes**	yes
	# of independent Directors in the Board of Directors	5	**5**	5
	Average age of Directors		**59**	59
	% of Directors under 30 years old		**0**	0
	% of Directors between 30 and 50 years old		**28**	22
	% of Directors over 50 years old		**72**	78
	b) Corporate governance			
	% of independent Directors in the Audit Committee	50	**60**	60
	The chair of the Audit Committee is held by an independent Director	yes	**yes**	yes
	% of independent Directors in the Nomination, Remuneration and Governance Committee	50	**60**	60
	c) Ethics & Integrity			
10 Business should work against corruption in all its forms, including extortion and bribery.	A yearly training course is organized for all the employees	yes	**yes**	yes
	# of confirmed incidents of corruption	0	**0**	0
	# of confirmed incidents in which employees were dimissed or disciplined for corruption	0	**0**	0
	# of confirmed incidents when contracts with business partners were terminated or not renewed due to violation releted to corruption	0	**0**	0
	# of public legal cases regarding corruption brought against the organisation or its employees	0	**0**	0
	# of reports received through the whistleblowing process	0	**0**	0
	Social			
	a) Employee related matters [2]			
3 Business should uphold the freedom of association and the effective recognition of the right to collective bargaining [1];	Average workforce (full time equivalent)		**48.2**	46.9
4 the elimination of all forms of forced and compulsory labour;	% of women (full time equivalent)		**39.8**	44.3
5 the effective abolition of child labour; and	% of permanent contracts at year-end		**96.1**	97.7
6 the elimination of discrimination in respect of employment and occupation.	Average number of training hours per employee		**12.5**	14.4
	% of employees receiving regular performance review		**100**	100
	% of employees with higher (university/graduate level) education background at year-end		**83.5**	82.4
	Employee turnover excluding retirements (in %)		**10.0**	16.5
	# of interns during the year (full time equivalent)		**1.7**	1.9
	# of nationalities		**8**	6
	Average age of employees		**41.8**	42.6
	% of employees under 30 years old		**15**	21
	% of employees between 30 and 50 years old		**63**	51
	% of employees over 50 years old		**22**	28
	b) Community involvement			
	Total contributions (in EUR million)		**1.8**	1.4
	Number of supported projects		**57**	67
	c) Human rights			
1 Business should support and respect the protection of internationally proclaimed human rights; and 2 make sure they are not complicit in human rights abuses.	All employees and Directors have access to the ESG Statement, the Diversity & Inclusion Policy, the Code of Ethics and the Charter		**yes**	yes
	Environment			
7 Business should support a precautionary approach to environmental challenges; 8 undertake initiatives to promote greater environmental responsibility; and 9 encourage the development and diffusion of environmentally friendly technologies.	As a holding company without any production or distribution activities and a limited headcount around 50 people, GBL does not have a material direct environmental impact, and consequently does not have environmental KPIs.			

(1) GBL respects the right of employees to enter into an association. The group has no works council given that the regulatory thresholds are not met.
(2) KPIs computed based on Groupe Bruxelles Lambert and its subsidiaries as defined in section 1.9 Scope (see page 63 for more information).

Sustainability report
3. A responsible investor

3.1. Commitment

As a patrimonial and engaged investor, GBL believes that effective management of ESG aspects by portfolio companies can have a positive impact on their long-term performance and their ability to create value in a sustainable manner. GBL consequently embeds ESG at all stages of its investment process and portfolio monitoring.

<table>
<tr><th></th><th>Investment process</th><th>Portfolio monitoring</th></tr>
<tr><td>Commitment</td><td colspan="2">• Positive impact on the company's long-term performance through sustainable value creation</td></tr>
<tr><td>Objectives</td><td>• Understand the Target's ESG risk and related mitigation processes
• Assess whether the investment opportunity is in line with GBL's ESG approach and commitments</td><td>• Identify material risks and potential opportunities from an ESG perspective
• Following-up on action plans defined by the portfolio companies to mitigate the identified ESG risks and ultimately to strengthen their operational performance
• Ensure that the portfolio companies remain aligned with GBL's ESG approach and commitments</td></tr>
<tr><td>Methodology</td><td>• Negative screening aimed at excluding companies not aligned with GBL's responsible management philosophy
• Positive screening of investment opportunities consisting in identifying and assessing ESG related tailwinds as part of the analysis of the investment criteria</td><td>• Engaged ownership approach of GBL vis-à-vis its portfolio companies
• Direct engagement with the governance bodies of the portfolio companies on ESG matters</td></tr>
<tr><td>Tools</td><td>• Due diligence by third party ESG specialists
• Research reports provided by tier 1 ESG-rating providers</td><td>• Formal engagement with the Boards of Directors of GBL's portfolio companies, through the Compliance questionnaire
• In-depth risk assessment of portfolio companies</td></tr>
</table>

3.2. Implementation within the investment process

GBL incorporates the analysis of ESG aspects into its investment process with the aim to identify companies with sustainable business models over the long term. GBL believes that ESG compliance and commitments are drivers of sustainable growth and ultimately of long-term value creation for any company, and consequently contribute to maximizing its investments' performance over the long run.

GBL conducts into in-depth analysis of new investments notably under the ESG angle as part of GBL's strategic investment criteria (refer to pages 16 and 17 of the Strategy section), with the aim to identify risks as well as opportunities.

In terms of ESG risk assessment, negative screening is conducted with the aim to exclude companies that do not comply with GBL's responsible management philosophy, including its Code of Ethics and its ESG Statement. In this context, GBL will ascertain whether practices in relation to environmental, social and governance responsibility are consistent with international standards.

Positive screening of investment opportunities consists in taking into account ESG-related tailwinds forming part of GBL's investment mandate (as described in page 12 of the Strategy section).

Both screenings are based on due diligence work carried out by third party ESG specialists, as well as on research reports provided by independent tier 1 ESG-rating providers. Due diligence scope varies according to the business nature of the considered investment target and may include:

- from an environmental perspective: Resource efficiency, pollution prevention and management, ecosystems and biodiversity, climate change, environmental supplier and procurement standards, environmental product responsibility, etc;
- from a social and governance perspective: Labor rights and working conditions, human rights and livelihoods, social supplier and procurement standards, business ethics and governance, customer and product responsibility, etc.

GBL thus invests in companies that share its principles and commitment with regards to the imperative need to behave responsibly and ethically as well as serve the whole of the community.

3.3. Implementation within the portfolio monitoring

GBL has an engaged ownership approach in the companies in which it invests and ensures through a direct engagement with their governance bodies that they are managed in a manner consistent with its responsible management philosophy, including its Code of Ethics and its ESG Statement.

Each portfolio company remains responsible for developing its own ESG policies, programs and key performance measures. This is monitored by GBL's investment team as part of the asset rotation guidelines (refer to page 16 of the Strategy section). GBL believes, however, that it is necessary to promote common guidelines on responsible management within its various shareholdings.

In case of an incident arising at the level of a portfolio company and being reported to GBL through its governance bodies, monitoring would be ensured by GBL's representative(s) within the relevant governance body, with the assistance of the relevant advisers. Any significant incident would be discussed, reviewed and monitored by the relevant reporting levels at GBL (including the CEO, the Chief Legal Officer and the Head of Investments). This escalation process was followed for the Syrian case which arose in 2016 in relation to LafargeHolcim.

In order to monitor appropriately its portfolio from an ESG perspective, GBL conducts on a yearly basis an in-depth risk assessment focusing on its portfolio companies.

This risk assessment, whose process is detailed in chart in page 70, has been structured by GBL to combine information from third-party ESG-rating reports and market data with proprietary data derived from (i) GBL's in-house Compliance questionnaire (see page 69 for covered areas) and (ii) the knowledge and expertise of GBL's investment team on the portfolio companies and, more generally, their sectors.

On that basis, GBL's ESG risk assessment does cover a wide scope of ESG factors including:

- from an environmental perspective: Resource efficiency, pollution prevention and management, ecosystems and biodiversity, climate change, environmental supplier and procurement standards, environmental product responsibility, etc;
- from a social and governance perspective: Labor rights and working conditions, human rights and livelihoods, social supplier and procurement standards, business ethics and governance, customer and product responsibility, etc.

This assessment aims at identifying, for each portfolio company, its key ESG risks, and, if assessed as material, (i) translating them into potential adjustments to the investment theses, (ii) reporting them to GBL's Audit Committee and ultimately to GBL's Board of Directors, and (iii) ensuring their monitoring by GBL's representatives through the governance bodies of the portfolio companies.

GBL's compliance questionnaire

GBL conducts a yearly review of its portfolio to understand and assess the approach followed by the companies to integrate compliance into their internal policy.

Compliance is the process to ensure that a company and its subsidiaries comply with all the standards applicable to them, their employees and executives.

In that respect, GBL has developed a dedicated in-house questionnaire which is communicated to the portfolio companies by GBL's representative(s) in their governance bodies.

The questionnaire is structured around the following pillars:

Compliance culture in the organization	Risk assessment and follow-up	Control activities and process	Monitoring and reporting	Training and communication

The answers provided by the portfolio companies are analyzed and processed with an independent expert:

- main conclusions are presented once a year to GBL's Board of Directors;
- the information is used as an input data for GBL's ESG risk assessment (see above).

Climate risk's assessment in 2020

As part of its portfolio monitoring, GBL will conduct in 2020 an in-depth analysis from a climate perspective.

This assessment will notably aim at:

- mapping the climate impact and identifying the portfolio's maturity degree on that matter and its exposure to carbon pricing mechanisms;
- understanding the portfolio's exposure to physical and climate transition risks and ultimately feed its ESG risk management process and investment strategies.

Scope of portfolio review applicable to the reporting period ending on December 31, 2019

Companies taken into account in the scope of portfolio review for 2019 are:

- the following portfolio companies: adidas, Pernod Ricard, SGS, LafargeHolcim, Umicore, Imerys, GEA, Ontex and Parques Reunidos;
- Sienna Capital (taking into account the exclusions detailed in section 1.9.).

Specifities related to 2019:

- **Total**: In March and April 2019, GBL entered into forward sales related to 15.9 million Total shares (representing 0.60% of the capital). At maturity of these sales, on January 24, 2020, GBL's ownership in Total was reduced to 0.01%. GBL has thus finalised its exit from the Total group. On that basis, Total has been excluded (i) from the ESG risk assessment and (ii) from the following section dedicated to the ESG commitments of the portfolio companies (those commitments being prospective). For information purposes, the KPIs related to GBL acting as a responsible investor are presented for 2019 by including Total and excluding Total.
- **Webhelp**: The acquisition of the Webhelp group has been finalized in November 2019. GBL specifies the fact that (i) a due diligence notably covering social and data protection aspects has been carried out in the context of the acquisition process and (ii) Webhelp will be included in the ESG risk assessment process from 2020 onwards.

ESG risk assessment

Stage 1 - Data collection

Company data
Public information made available by the portfolio companies (Annual Reports, Sustainability Reports, etc)

Proprietary data
In-house Compliance questionnaire sent by GBL to portfolio companies (the "Compliance Review")

ESG reports
Information derived from reports issued by a tier 1 third-party ESG-rating provider (the "ESG-rating Provider")

Market data
Statistics and analyses collected by GBL's third-party ESG expert (the "ESG Expert") on impacts related to the risks identified by the ESG-rating Provider

Stage 2 - Initial risk assessment

Risk exposure assessment

Using the risk exposure scores in the ESG-rating reports

Using market data and applying the ESG-rating Provider's methodology if no ESG-rating report available

Likelihood score

Impact assessment

Assessment by the ESG Expert of impacts based on the following impact categories:

- Financial
- Compliance / legal
- Reputational
- Business-related

Inherent impact

Risk management assessment

Using the risk management scores in the ESG-rating reports

Adjusting the scores based on answers received in the context of the Compliance Review

Mitigation factor

Stage 3 - Adjusted risk assessment

Input from GBL's investment team
Review and adjustments based on in-house knowledge of the portfolio companies and their sectors

Adjusted inherent impact

Adjusted mitigation factor

Likelihood score

Residual impact score

ESG risk mapping
For each portfolio company, mapping the key risks (based on their probability of occurrence and impact assessment)

Stage 4 - Reporting

GBL's Audit Committee
Review of the ESG risk mapping by portfolio company

GBL's Board of Directors
Presentation of the key risks in the context of the review of the ESG mid-term objectives

Portfolio companies
Key risks to be monitored by GBL's representatives in the governance bodies of the portfolio companies

Assessment extracted from the ESG-rating reports

Analysis performed by the ESG Expert

Actions and analyses performed by GBL

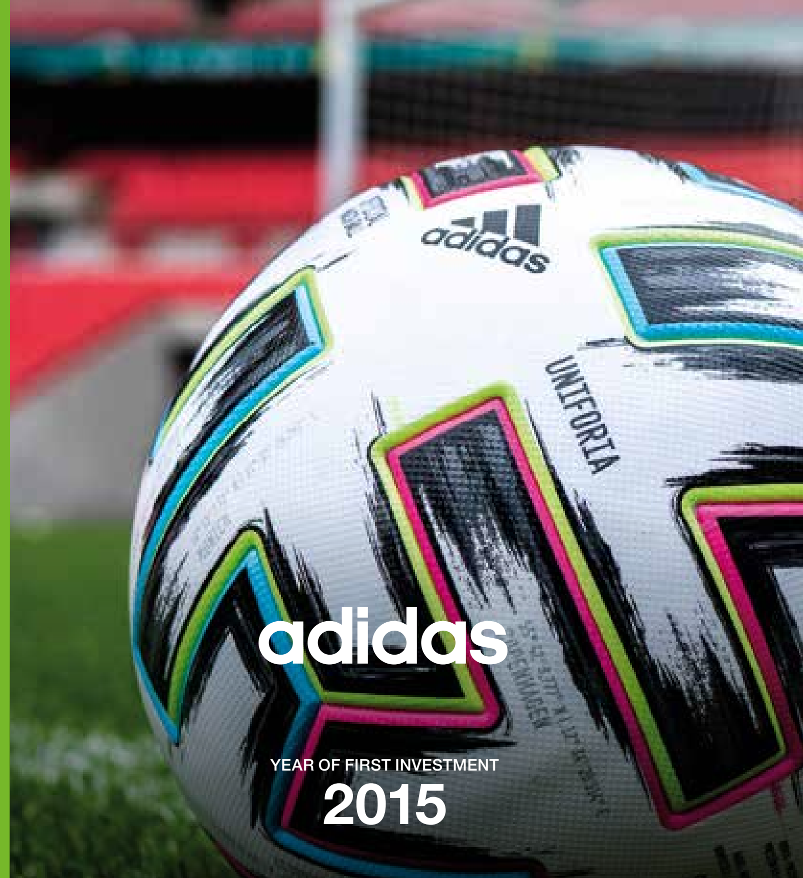
3.4. Key performance indicators

GBL as a responsible investor

	Underlying rationale	Objective	Target	2019 without Total	2019 with Total	2018
Training team	GBL believes in widespread workforce engagement to ensure proper integration of its ESG strategy	GBL employees involved in the investment process and portfolio monitoring participate to annual ESG awareness training	yes	**yes**		yes
Investment process	GBL takes a prudent approach to risk and incorporates the analysis of ESG aspects into its investment process which leads to invest in companies with sustainable business models	% of new investments in private assets, for which an ESG component is included during the due diligence phase	100	**100**		100
		% of new investments in listed assets, for which ESG research reports provided by independent specialists are consulted and taken into account during the investment decision process	100	**n.a.**		n.a.
Portfolio monitoring	GBL believes that it is necessary to promote common guidelines on sustainable development and responsible management within its participations. ESG is part of key performance measures tracked by its investment team, alongside other traditional financial indicators	% of portfolio covered by the yearly ESG risk assessment	100	**95**	**91**	92
		% of answers received from the portfolio companies with regards to the Compliance questionnaire	100	**100**	**n.a.**	100
		Review of ESG positioning of portfolio companies vs. Peers phased over 2020-2022	100	**n.a.**	**n.a.**	n.a.
		Climate impact & transition assessment of portfolio companies by a third party in 2020	yes	**n.a.**	**n.a.**	n.a.
	Calculation methodology: percentages calculated based on the portfolio value and excluding Sienna Capital					
At portfolio companies' level	**Portfolio companies (excluding Sienna Capital):** GBL requires that practices in relation to environmental, social and governance responsibility are ensured at the level of potential targets and portfolio companies, consistently with the international standards	% of portfolio companies for which an ESG strategy has been defined	100	**100**	**100**	100
		% of portfolio companies for which a regular ESG standardised reporting is in place	100	**89**	**90**	89
		% of portfolio companies for which the ESG aspects are integrated within annual financial reports	100	**89**	**90**	89
		% of portfolio companies for which efficient governance bodies are and remain in place, including the Audit Committee, through which GBL seeks appropriate disclosure on ESG issues by the potential target companies.	100	**100**	**100**	10
		% of portfolio companies adhering to the UNGC or equivalent	100	**89**	**90**	67
		% of portfolio companies having a whistleblowing system in place	100	**100**	**100**	100
		% of portfolio companies having a Code of Ethics and/or Conduct in place	100	**100**	**100**	100
		% of portfolio companies disclosing an anti-bribery and/or corruption policy	100	**100**	**100**	100
		% of portfolio companies for which an employee satisfaction survey is performed	100	**89**	**90**	89
	Calculation methodology: percentages calculated based on the number of portfolio companies and excluding Sienna Capital					
	Sienna Capital	Sienna Capital to commit to UNPRI by 2020 (with disclosure as from 2022)	yes	**n.a.**		n.a.
		Sienna Capital funds to commit to UNPRI by 2021 or 2022	yes	**n.a.**		n.a.
GBL as investor of its portfolio companies	Being an engaged and reponsible investor, GBL aims at exercising its influence within the governance bodies and the General Shareholders' Meetings of its portfolio companies. GBL's representatives attend and actively participate in governance bodies' and General Shareholder's Meetings.	% of participation (attendance and vote) by GBL representatives to the Board of Directors meeting of portfolio companies	100	**100**	**100**	100
		% of participation (attendance and vote) by GBL representatives to the meetings of the Audit, Strategic and Nomination & Remuneration Committees of portfolio companies (if relevant)	100	**100**	**100**	100
		% of participation (attendance and vote) by GBL representatives to the Annual General Meeting of the shareholders of portfolio companies	100	**100**	**100**	100
	Calculation methodology: percentages calculated based on the portfolio value and excluding companies into which GBL is not represented					

Sustainability report

Key ESG commitments of portfolio companies



As highlighted before, the portfolio companies identify and address their ESG impact and associated risks within the framework of their own internal control. Summarised below are their strategic commitments and objectives in the ESG field.

adidas' commitment to sustainable practices rests on the company's mission: To be the best sports company in the world. Best means that adidas designs, builds and sells the best sports products in the world, with the best service and experience in a sustainable way. adidas has a clear roadmap for 2020 and beyond, which is a direct outcome of its business strategy "Creating the New". The company believes that, through sport, it has the power to change lives. But sports needs a space to exist. These spaces are increasingly endangered due to man-made issues, including human rights violations, pollution, growing energy consumption and waste. Its holistic approach to sustainability responds to the challenges that endanger the spaces of sport and simultaneously the planet and people. Building on existing programs, it tackles these subjects that are most material to its business and its stakeholders, and translates its overall sustainability efforts into tangible goals for 2020 that have a direct impact on the world of sport adidas operates in.

External recognition

For the 20th consecutive time, adidas was selected to join the Dow Jones Sustainability Indices, the world's first global sustainability index family tracking the performance of the leading sustainability-driven companies worldwide. Adidas was assessed for its corporate economic, environmental and social performance and rated as overall leader in the Textiles, Apparel and Luxury Goods Industry.

In 2019, adidas was again included in the FTSE4Good Index designed to measure the performance of companies demonstrating strong ESG practices.

Throughout 2019, adidas remained a constituent of MSCI World ESG Leaders Index, MSCI Global Sustainability Indices and the MSCI Global SRI Indices as well as of the STOXX Global ESG Leaders indices.

Initiative	Commitment / assessment
SBTi	Committed [1]
CDP Climate Change	B

Additional information

www.adidas-group.com/en/sustainability/managing-sustainability/general-approach/

(1) Committed companies have 24 months to submit targets to the SBTi for validation

In line with the Pernod Ricard consumer-centric model, the group's Sustainability & Responsibility strategy is centered around a robust framework with four pillars: Nurturing Terroir, Valuing People, Circular Making and Responsible Hosting, all of which directly support the United Nations Sustainable Development Goals (SDGs) to help achieve prosperity for the planet and its people.

Each pillar includes ambitious targets for 2030 aimed at driving innovation, brand differentiation and employee attraction. All pillars are based on a 2030 timeline with 2020 and 2025 milestones, in line with the schedule set out by the SDGs.

Pernod Ricard's Sustainability & Responsibility strategy was built on the material risks of its business, consumer concerns and the world's agenda. The strategy is the result of a long process from qualitative interviews to the involvement of sustainability experts with over 300 colleagues globally and external experts. More than 20 workshops were held with representatives from Brand Companies, Market Companies, Regions, HQ and the Top Management team to build the strategy. From this data, ambitious goals were developed where Pernod Ricard's impact could be greatest.

External recognition

In recognition of Pernod Ricard's strong commitment to sustainable development and responsible consumption, it has received a gold rating from Ecovadis and is ranked number one in the beverage sector in Vigeo Eiris

Pernod Ricard has also been recognized as a Global Compact LEAD company, demonstrating its ongoing commitment to the United Nations SDGs and its ten principles for responsible business.

In 2019, the group has officially become a member of RE100, a global initiative led by The Climate Group in partnership with CDP which brings together 221 international companies committed to 100% renewable electricity.

Initiative	Commitment / assessment
SBTi	Target set at "well-below 2°C"
CDP Climate Change	A

Additional information

www.pernod-ricard.com/en/sr/

Sustainability is at the core of SGS' objective of adding Value to Society beyond traditional financial returns, making a positive impact for all its stakeholders: customers, employees, shareholders and society. It is one of its six Business Principles and it is embedded in its decision-making processes.

SGS sustainability strategy is built on four pillars: Professional Excellence, People, Environment and Community. Each one is supported by group-wide policies, global programs and local initiatives. The group continues to provide benefit to society by providing consumers with confidence, supporting more than 400 local communities, protecting the environment, helping industries to innovate and enabling governments to more effectively deliver services to their citizens.

In addition, SGS is positively contributing to the Sustainable Development Goals, is pursuing its Sustainability Ambitions 2020 and is taking a leadership position by quantifying its Value to Society.

Achievements

SGS is now a well-established global sustainability leader. In 2019, SGS has been named a leading company in the Dow Jones Sustainability Indices for the sixth year in a row, maintained their status in the FTSE4Good Index and received the Platinum medal recognition from EcoVadis.

SGS implemented a carbon neutral strategy, and is committed to reduce CO_2 emissions at source through its sustainability programs and offsetting any remaining or unavoidable emissions.

Additionally, the group has been included in the prestigious CDP A-list for their commitment to climate-change mitigation and adoption to the Task Force on Climate-Related Financial Disclosures.

Initiative	Commitment / assessment
SBTi	Target set at 2°C
CDP Climate Change	A
CDP Supply Chain	Supplier Engagement Leader

Additional information

www.sgs.com/en/our-company/corporate-sustainability/sustainability-at-sgs

Climate change, population growth, business ethics, sustainable urban development and resource scarcity: today's and tomorrow's challenges require pan-international actions. LafargeHolcim's sustainability approach capitalizes on its worldwide presence to provide solutions towards meeting these social, environmental and stakeholder challenges, with one clear goal: to create shared value with society.

In 2019, LafargeHolcim made excellent progress in executing its Strategy 2022 – "Building for Growth." In the context of its growth strategy, the group believes that sustainability is a great opportunity for itself. LafargeHolcim's innovative products and solutions enable customers around the world to reduce their impact on the environment and build more quickly and efficiently.

The group Strategy 2022 is focused on building for growth, and sustainability is a key element. LafargeHolcim's vision is to be recognized by its industry and by society as being at the forefront of sustainable construction solutions and innovation, and by its stakeholders as a responsible and ethical company.

LafargeHolcim is committed to contribute its share along its entire value chain. The group's 2050 vision for the built environment rests on four strategic drivers: Climate and Energy, Circular Economy, Environment and Community. In the center of all the group's activities to address the four drivers is Innovation. LafargeHolcim will continue to develop innovative products and solutions for a built environment that meet these criteria, satisfying a continuously growing market demand for sustainable solutions.

External commitments & recognition

With its integrated approach to sustainable development, LafargeHolcim aims to embrace the UNGC principles. The group was again included in the FTSE4Good index in 2019.

Initiative	Commitment / assessment
SBTi	Target set at 2°C
CDP Climate Change	A-
CDP Water	B

Additional information

www.lafargeholcim.com/sustainable-development

Umicore's main contribution to a more sustainable world centres on the products and services it provides to its worldwide customer base.
The areas where it can make the most telling contributions are:

- resource scarcity and efficiency: Umicore operates one of the world's most sophisticated precious metals recycling facilities and across its activities, it can recover over twenty precious and non-ferrous metals from industrial residues, electronic scrap, rechargeable batteries, automotive and industrial catalysts, fuel cells and more. The recovered materials are then transformed into pure metals and new products;
- clean air: Umicore provides automotive catalysts to clean the exhaust gases from internal combustion engines in light-duty and heavy-duty vehicles of all fuel types, and the rechargeable battery materials and automotive catalysts that are required to power hybrid, plug-in hybrid and full electric vehicles. The group also produces catalysts for fuel cell-powered vehicles and for stationary or industrial applications.

Horizon 2020

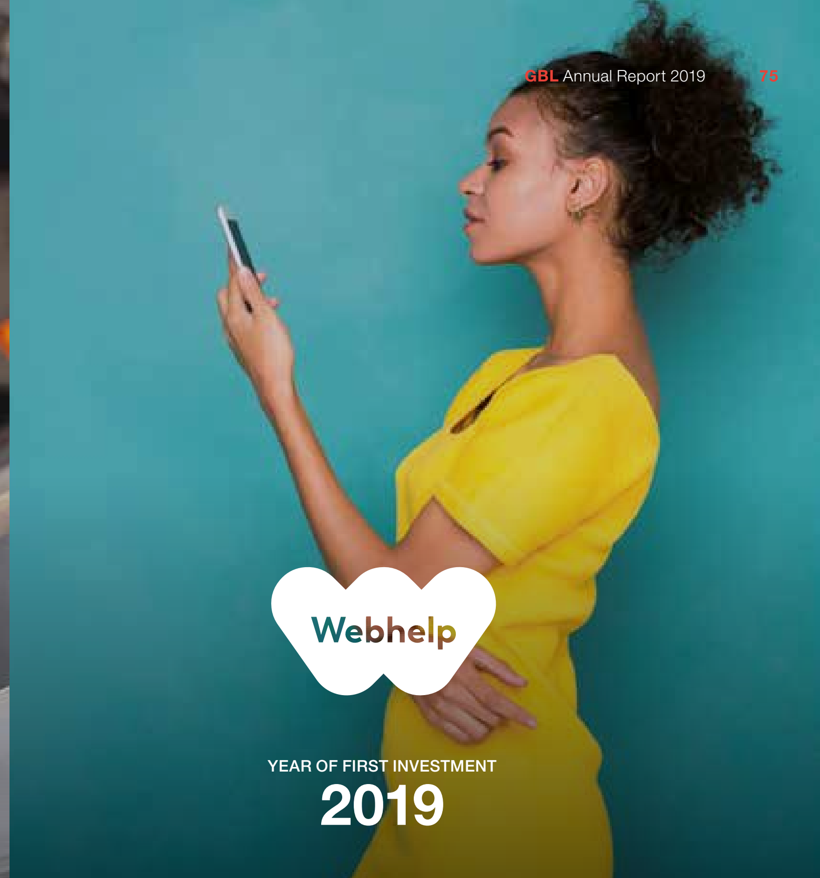
Umicore's "Horizon 2020" strategic plan adopts a conscious view of the group's presence in the overall value chain. The group strives to leverage its sustainability expertise both up the value chain (supply) as well as down the value chain (products and services). From a supply perspective Umicore seeks to provide environmental and ethical sourcing benefits for comparatively scarce raw materials in order to foster sustainable success and growth. Umicore develops products and services that create sustainable value for its customers and society and increase resource security. The group aims to drive an even more efficient use of metals, energy and other substances in its operations. To this end it will pursue selective eco-efficiency initiatives in business units and sites where these can generate compelling value. Umicore seeks to be a safe, healthy and engaging workplace with zero lost time accidents. In terms of occupational health the group aims to further reduce employee exposure to specific metals. Umicore also wants to make progress on specific strategically important themes of talent management, diversity and employability.

Initiative	Commitment / assessment
CDP Climate Change	D

Umicore has fully monitored and reported on emissions since 1999 and included reduction targets in the strategic approach starting in 2010. Umicore delivered emissions reductions beyond their targets then, and today is committed to continuous improvement of environmental performance as it continue to grow through 2020. For more, see annualreport.umicore.com

Additional information

www.umicore.com/en/about/about-umicore/sustainability/



Imerys' Corporate Social Responsibility Charter supports the group's long-term strategy. Commitments on safety & health, environmental impact reduction, human resources, diversity and inclusion, relations with communities and corporate governance and ethics play a vital role in safeguarding the group's future. To achieve these commitments, every employee in the group must support them through their actions.

Since 2017, the group CSR program has been overseen by a CSR Steering Committee, chaired by the CEO, which meets quarterly. The responsibilities of the CSR Steering Committee are to establish group CSR ambitions, validate the group CSR strategy and guide and monitor implementation on progress towards the group objectives.

In 2018, the group announced the launch of its new CSR program referred to as SustainAgility. Mid-term objectives and performance results of the SustainAgility program are reported on annually within the group's Universal Registration Document and available on the group's website.

Memberships, commitments and assessments

Imerys became a signatory member of the United Nations Global Compact in 2016, supports the ambitions of the United Nations Sustainable Development Goals and has duly identified within the SustainAgility program the policies and practices within its operations that directly or indirectly contribute to these sustainable development objectives.

The group also participates in the annual EcoVadis ESG assessment and received a gold rating (64-94th percentile).

Initiative	Commitment / assessment
SBTi	Target set at 2°C
CDP Climate Change	B

Additional information

www.imerys.com/group/our-group/our-commitments

Webhelp operates with a high level of social responsibility, and the determination to conduct business in an ethical, fair and enlightened way challenges the group to be better for its people and for its communities.

Webhelp is passionate about upholding human rights and promoting diversity. The group partners with local authorities on issues affecting vulnerable groups, and consistently offers employment and training opportunities.

As a responsible employer, Webhelp offers positive working conditions, and provides a pleasant and modern working environment. Its commitment to health and safety has been consistently strong since the group was launched, and it continually strives to improve conditions in line with evolving standards. Webhelp also places considerable emphasis on offering social benefits and respecting the culture of its communities.

The group uses a number of internal processes to ensure its high standards are maintained:

- regular written assessments of individual performance;
- both internal and external audits; and
- customer satisfaction surveys after every contact.

Accreditations

For the 10th consecutive time, Webhelp was rewarded with the Human for Client label. This label demonstrates the group's commitment to a socially responsible environment and employee satisfaction.

Since 2012, Webhelp is committed to the UN Global Compact, which supports responsible social practices.

Additional information

www.webhelp.com/en-gb/about-us/social-responsibility/

At GEA, sustainability and value creation are inextricably intertwined. They serve as its guideline for entrepreneurial decisions and the further advancement of the group. GEA's understanding of sustainability implies that the group assumes responsibility for the way it handles its business and its economic, ecological and social impacts while ensuring transparency of reporting in this field in accordance with the GRI Standards. GEA monitors and communicates its contribution to the Sustainable Development Goals.

In 2019 GEA has clearly allocated Corporate Responsibility within the company's organizational structure with direct reporting line to the Executive Board and rolled out and trained important new policies for Compliance and Corporate Responsibility. These documents apply to all employees worldwide and ensure a common understanding of corporate behavior. Furthermore, GEA sets and strives to achieve concrete short- and long-term goals related to quality, occupational health and safety and environmental protection based on targets and actions. They are monitored continuously and communicated annually. In addition, the management systems and respective actions and results are audited by external certifiers and auditors. GEA's corporate claim encapsulates its key value proposition "engineering for a better world". In this way, GEA sets itself the goal of designing value-added processes in a responsible manner and contributing to the sustainable management and protection of natural resources with increasingly efficient products and process solutions for customers. This claim is reflected in the mission statement "Sustainable value creation".

Frameworks and performance

The policies and guidelines such as Compliance Policies, Code of Corporate Responsibility, and Code of Conduct for Suppliers and Subcontractors are all based on international standards and herewith follow the "Guidance on Social Responsibility" (ISO 26000) and the UN Global Compact initiative. The group also pledged to respect human rights and generally accepted core labor standards of the ILO and it fully abides by the OECD Guidelines for Multinational Enterprises.

GEA participates in the annual EcoVadis CSR performance monitoring scheme (2019: "Silver" with 60 points).

Initiative	Commitment / assessment
CDP Climate Change	A-

Additional information

www.gea.com/en/company/corporate-responsibility/index.jsp

As a leading supplier of personal hygienic products for both private label and branded markets, Ontex believes that sustainable business practices contribute to genuine business success.

Ontex aims to integrate sustainability into all policies, aspects and activities of the organization and actively encourages suppliers and employees to perform their activities in an environmentally, socially and economically responsible manner. Ontex has three strategic aims to guide its work: sustainable growth, people at the heart and responsible production.

Ontex strives for sustainable growth, offering responsible products at an affordable price ("Sustainable growth"). The group wants to create a positive impact on society and improve people's lives wherever it connects with them ("People at the heart"). Finally, Ontex strives to operate with the ecological limits of the planet in mind so that it can support the needs of present and future generations ("Responsible production").

Commitments

The group's sustainability strategy has been developed to demonstrate and report against the action Ontex takes to advance broader environmental and social goals, such as the UN Sustainable Development Goals (SDGs).

The most recent CDP Climate Change result of B- was an improvement on the previous rating, and was in part due to the commitment by Ontex to be carbon-neutral in operations by 2030.

Initiative	Commitment / assessment
CDP Climate Change	B-

Additional information

www.ontexglobal.com/sustainability

Parques Reunidos seeks to have a positive impact on its team and communities by operating responsibly. The safety and wellbeing of all its guests is the group's top priority. Parques Reunidos complies with each and every one of the established safety regulations, and goes beyond regulatory requirements, setting new standards for the industry worldwide.

The group also has a strong focus on sustainability, protection of wildlife and the natural world, environmental education, science and research. Parques Reunidos is committed to ensuring that animals receive the best possible care. Its zoos and marine life parks make sure all of the animals' needs are met and exceed all government regulations and professional animal care standards.

Parques Reunidos Foundation

The Parques Reunidos Foundation goal is to contribute to creating a more sustainable and more charitable society, enabling vulnerable communities who have special needs to easily access educational and entertaining experiences at Parques Reunidos, as well as preserving biodiversity by supporting research and raising awareness about sustainability.

The Foundation aims to share the "Parques Reunidos Spirit" with society by fostering a global adoption of a social model inspired by sustainable development and that integrates vulnerable communities.

For several years Parques Reunidos has been actively contributing to the United Nations Sustainable Development Goals through its activity.

Additional information

www.parquesreunidos.com/en/commitment/

GRI content index

GBL's sustainability report has been prepared as part of the Annual Report 2019 in accordance with (i) the Directive 2014/95/EU on non-financial reporting (transposed into the Belgian law of September 3, 2017) and (ii) for the first time, the GRI Standards - Core option. That report covers the calendar year 2019 (i.e. from January 1, 2019 to December 31, 2019).

GBL's statutory auditor, Deloitte, performed a review of the non-financial information as disclosed in the sustainability report and verified that it includes all the information required by article 119, § 2 of the Companies Code, which became article 3:32, §2 of the Code on companies and associations on January 1, 2020, and is in accordance with the consolidated financial statements for the financial year ended December 31, 2019. Deloitte do however not express any opinion on the question whether this non-financial information has been established in accordance with the internationally recognised frameworks mentioned in the directors' report on the consolidated financial statements.

PwC has provided ISAE 3000 limited assurance on GBL's assertion that the Annual Report 2019 meets the requirements of the GRI Standards (Core Option). PwC's assurance opinion is available upon request.

GRI content index - General Disclosures

GRI Standard	Disclosure	Page numbers	Omission
	General Disclosures		
	Organizational profile		
102-1	Name of the organization	Back cover	
102-2	Activities, brands, products, and services	4, 12-19	
102-3	Location of headquarters	Back cover	
102-4	Location of operations	Back cover	
102-5	Ownership and legal form	88-93, 199, 200	
102-6	Markets served	12-19	
102-7	Scale of the organization	67, 88-93, 94-101	
102-8	Information on employees and other workers	67	Given the limited headcount of around 50 people, GBL considers that the breakdown of the total number of employees by region is neither significant nor relevant.
102-9	Supply chain		As an investment holding company, GBL has no production or distribution operations. GBL's main suppliers are primarily consultants and office supply providers, which are not considered material given the limited volume of transactions
102-10	Significant changes to the organization and its supply chain		No significant changes in the organization and its supply chain during the reporting period
102-11	Precautionary Principle or approach	63	
102-12	External initiatives	63	
102-13	Membership of associations		FEB
	Strategy		
102-14	Statement from senior decision-maker	6-10	
	Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	4, 62-71	
	Governance		
102-18	Governance structure	62-71, 177-206	
	Stakeholder engagement		
102-40	List of stakeholder groups	62	
102-41	Collective bargaining agreements	65	
102-42	Identifying and selecting stakeholders	62	
102-43	Approach to stakeholder engagement	62	
102-44	Key topics and concerns raised	62-71	
	Reporting practice		
102-45	Entities included in the consolidated financial statements	69, 116-118	
102-46	Defining report content and topic Boundaries	62-71	
102-47	List of material topics	62-71	
102-48	Restatements of information	78	
102-49	Changes in reporting	78	
102-50	Reporting period	78	
102-51	Date of most recent report	78	
102-52	Reporting cycle	78	
102-53	Contact point for questions regarding the report	3	
102-54	Claims of reporting in accordance with the GRI Standards	63	
102-55	GRI content index	78	
102-56	External assurance	78	

GRI content index - Material topics

GRI Standard	Disclosure	Page numbers	Comment / Omission
	Material topics		
	Long-term value creation in a sustainable manner		
103-1	Explanation of the material topic and its Boundary	62-71	
103-2	The management approach and its components	4, 12-19, 80-87	
103-3	Evaluation of the management approach	12-19, 62-71	
201-1	Direct economic value generated and distributed	88-93, 94-101	
	Ethics & Integrity		
103-1	Explanation of the material topic and its Boundary	62-71	
103-2	The management approach and its components	4, 62-71	
103-3	Evaluation of the management approach	62-71	
205-1	Operations assessed for risks related to corruption	62-71, 84	
205-2	Communication and training about anti-corruption policies and procedures	62-71	
205-3	Confirmed incidents of corruption and actions taken	67	
	Training and development		
103-1	Explanation of the material topic and its Boundary	62-71	
103-2	The management approach and its components	4, 62-71	
103-3	Evaluation of the management approach	62-71	
404-1	Average hours of training per year per employee	67	
404-3	Percentage of employees receiving regular performance and career development reviews	67	
	Diversity and Inclusion / Board composition		
103-1	Explanation of the material topic and its Boundary	62-71	
103-2	The management approach and its components	4, 62-71	
103-3	Evaluation of the management approach	62-71	
405-1	Diversity of governance bodies and employees	178-189, 67	
	Patrimonial and active investor		
103-1	Explanation of the material topic and its Boundary	62-71	
103-2	The management approach and its components	62-71	
103-3	Evaluation of the management approach	62-71	
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	68-71	
FS11	Percentage of assets subject to positive and negative environmental or social screening	68-71	

Risk management

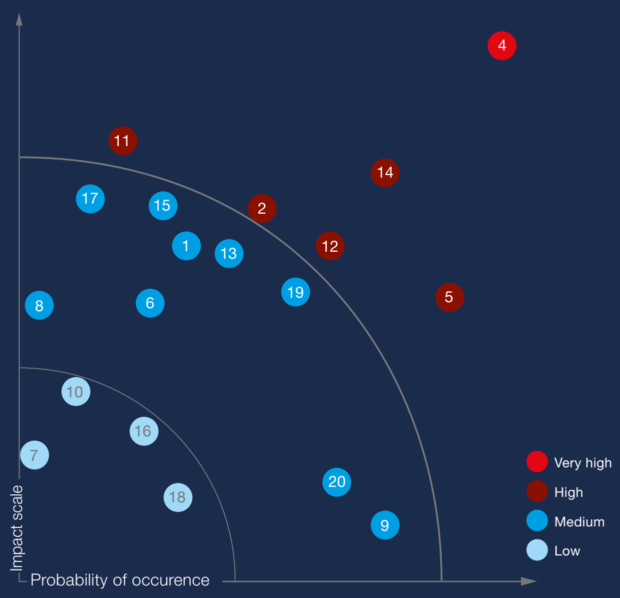
This section presents a summary table that categorises the main risks related to GBL's activities and the various factors and measures mitigating their potential negative impact.

The risk mapping and a schematic representation of the risk identification, assessment and control process can be found on page 81. The section ends with a detailed description of the internal control and risk management system's formalisation based on the COSO model.

Main risks	Risk factors	Mitigants
Exogenous Risks associated with shifts in external factors such as economic, political or legislative change	• Changes in financial markets, notably with regards to the volatility of share price and interest and foreign exchange rates • Changes in macroeconomic variables (growth rates, monetary policy, inflation, commodity prices, etc.) • Regulatory or budgetary policy changes involving, for example, tax reform or new legal obligations • Specific developments affecting certain geographic areas (Eurozone, emerging countries, etc.)	• Geographic and sector diversification of the portfolio with differentiated cyclical exposure • Ongoing legislative monitoring • Systematic monitoring and analysis of macro-economic scenarii, markets and investment thesis
Strategy Risks resulting from the definition, implementation and continuation of the group's guidelines and strategic developments	• Differing visions or understanding of the assessment of strategic priorities and inherent risks • Validity of the parameters underlying investment thesis • Geographic or sector concentration of investments	• Formal decision-making process involving all governance bodies and the management • Ongoing monitoring of key performance indicators and regular updates of assumptions and forecasts • Periodic portfolio review at different hierarchical levels • Portfolio diversification
Cash and cash equivalents, financial instruments and financing Risks associated with the management of cash and cash equivalents, financial instruments and financing	• Access to liquidity • Debt leverage and maturity profile • Quality of counterparties • Relevance of forecasts or expectations • Interest rate exposure • Developments in financial markets • Volatility of derivative instruments	• Rigorous and systematic analysis of considered transactions • Definition of trading limits • Diversification of investment types and counterparties • Strict counterparty selection process • Monitoring of the liquidity profile and limitation of net indebtedness • Formal delegations of authority with the aim to achieve appropriate segregation of duties • Systematic reconciliation of cash data and the accounting
Operations Risks resulting from inadequacies or failures in internal procedures, staff management or systems in place. Risk of non-compliance with quality standards, contractual and legal provisions and ethical norms	• Complexity of the regulatory environment • Adequacy of systems and procedures • Exposure to fraud and litigation • Retention and development of employees' skills	• Internal procedures and control activities regularly reviewed • Implementation of delegations of authority to ensure an appropriate segregation of duties • Maintenance of and investments in IT systems • Hiring, retention and training of qualified staff • Internal Code of Conduct and Corporate Governance Charter

Specific risks related to the participations	GBL indirectly faces specific risks related to the participations, which are identified and addressed by the companies themselves within the framework of their own internal control. The analysis conducted by these companies in terms of risk identification and internal control is described in the reference documents available on their website.	**adidas**: www.adidas-group.com **GEA**: www.gea.com **Imerys**: www.imerys.com **LafargeHolcim**: www.lafargeholcim.com **Ontex**: www.ontexglobal.com **Parques Reunidos**: www.parquesreunidos.com **Pernod Ricard**: www.pernod-ricard.com **Sienna Capital**: www.sienna-capital.com **SGS**: www.sgs.com **Total**: www.total.com **Umicore**: www.umicore.com **Webhelp**: www.webhelp.com

Risk mapping 2019



1. Risk related to strategy implementation
2. Portfolio risk
3. ESG risk (1)
4. Stock market risk
5. Change risk
6. Counterparty risk
7. Treasury risk
8. Liquidity risk
9. Interest rate risk
10. Risk related to derivative financial instruments
11. Eurozone risk
12. Legal risk
13. Tax risk in the current legal and regulatory environment
14. Tax risk related to legal and regulatory changes
15. Risk related to financial reporting
16. Risk of delegation of authority
17. Risk of non-compliance with professional practices and ethics standards
18. Risk related to IT infrastructure
19. Risk related to information access management (IT and non IT)
20. Risk related to human resources

Risk mapping provides indicative information, which may change at any time, particularly depending on market conditions. GBL makes no declarations or warranty and takes no undertaking as to the relevance, accuracy or completeness of the information that it contains.

(1) The ESG risk has been isolated since 2017 and is not subject to an individual assessment in terms of impact scale and probability of occurrence, remaining assessed through other identified risks, as explained further in this chapter.

Risk management and internal control

GBL's Board of Directors is responsible for assessing the risks inherent to the GBL group and the effectiveness of the internal control system. With regards to risk management and internal control, the Belgian legislative framework consists of the law of December 17, 2008 (application of European Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts) and the law of April 6, 2010 (the so-called "Corporate Governance" Law). The 2009 Belgian Corporate Governance Code also includes provisions on that topic. Besides, the IFRS 7 standard defines additional requirements for the management of risks related to financial instruments. Since 2006, GBL has formalised its internal control and risk management system based on the COSO model [1].

The COSO methodology is based on five areas: the control environment, risk assessment, control activities, information and communication, and supervision and monitoring.

1. Control environment

1.1. The company's objective

GBL's primary objective is to create, over the long term, value for its shareholders. GBL strives to develop a quality portfolio focused on a targeted number of companies that are leaders in their sector and in which it can play an active role as as an engaged and responsible shareholder creating value over the long term. The portfolio will evolve over time while remaining balanced in terms of sectorial and geographic diversification.

GBL invests and divests depending on companies' development and market opportunities in order to achieve its objective of value creation, while maintaining a solid financial structure.

Internal control at GBL contributes to the safeguarding of assets and the control and optimisation of transactions. It aims at providing reasonable assurance about achievement of the objectives of compliance with laws and regulations in force and the reliability of accounting information and financial reporting. Like any control system, it can only provide a reasonable assurance that the risks of errors or fraud are totally controlled or eliminated.

1.2. Role of the governance bodies

GBL has a Board of Directors, a Standing Committee, a Nomination, Remuneration & Governance Committee and an Audit Committee. Their respective modes of operation are described from page 188 to page 190. The Audit Committee is in charge in particular of checking the effectiveness of the company's internal control and risk management systems. In this context, the Audit Committee also monitors the proper application of a whistle blowing procedure. The majority of its members, all of whom are designated by the Board, are independent Directors. The Chairman of the Audit Committee is appointed by the members of the Committee and cannot be the Chairman of the Board of Directors.

1.3. Risk culture

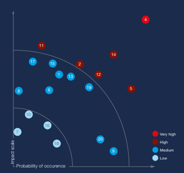
GBL aims at investing in companies that offer potential for value creation in the long term. New opportunities and portfolio management are monitored continuously at the highest level (see "Portfolio risk" in page 83). The divestment policy (as detailed in page 16 of the Strategy section) aims at disposing of investments that no longer meet the group's investment criteria.

1.4. Professional ethics

GBL has adopted a Corporate Governance Charter and a Code of Conduct that are regularly updated and aim to ensure conduct that is honest, ethical and complies with the laws, regulations and principles of good governance, by the group's Directors and staff in the exercise of their duties. Pierre de Donnea serves as Compliance Officer.

(1) The COSO (Committee of Sponsoring Organisations of the Treadway Commission) is a recognised private, international, non-governmental organisation active in the areas of governance, internal control, risk management and financial reporting

Identification, assessment and control of risks at GBL

Identifying and validating the list of risks	Assessing risks	Responding to risks and putting in place control procedures	Verifying and controlling risks
Desk research Update of the list of risks Internal meeting List Validation Workshops with GBL's key people	Risk appetite Definition of assessment scales Assessment workshop Risk mapping 	Accepting / mitigating / rejecting / transferring risks Implementing / adapting / testing control activities	Board of Directors Audit Committee Verification of control systems Whistle blowing procedure Assessment of applicable risks and their level of control

1.5. Measures adapted to ensure appropriate competence

The Nomination, Remuneration & Governance Committee reviews candidacies and seeks to ensure that a satisfactory balance is maintained within the Board of Directors in terms of its members' competences, knowledge and experience, particularly in the fields of finance, accounting and investment. The Board of Directors conducts on a regular basis, at intervals of no more than three years, assessments of itself and its Committees in terms of size, composition and performance. In this context, it also examines regularly the interaction between non-executive Directors and the CEO.

Furthermore, a recruitment process suited to the profiles sought, appropriate training and a remuneration and evaluation policy based on the achievement of targets enable to ensure the competence of GBL's staff.

2. Risk analysis

GBL has set up a formal risk analysis and assessment process since 2006.

The Audit Committee carries out a thorough exercise for the identification of risks faced by GBL and their ranking every three years. The risks identified during the last assessment carried out in 2018 are presented on pages 82 to 87.

Furthermore, the risks and their level of control are reviewed annually, notably based on changes in the portfolio, economic parameters or the control environment.

The Audit Committee reviews the analysis and assessment of the risks performed by the Management, and validates the operational effectiveness of the internal control systems. When necessary, it ensures that the CEO implements a corrective action plan.

The current level of control of these risks (see "Control activities" below) appears sufficient and no additional measures are required to be implemented.

Specific risks related to GBL's participations

Each of GBL's strategic investments is exposed to specific risks which, if they were to materialise, could lead to a change in the overall value of GBL's portfolio, its distribution capacity or its results profile. The bulk (91%) of GBL's portfolio at year-end 2019 was composed of eleven participations which themselves analyse their risk environment. These are described and analysed in their respective management reports and registration documents in accordance with legislation in force.

GBL is also exposed to risks related to its investments carried out through Sienna Capital which nevertheless currently account for 9% of the portfolio value.

Risks specific to GBL

1. Risk related to strategy implementation

The strategy must reflect a clear vision that addresses shareholders' expectations. It must be shared by the CEO and carried out through operational action plans, based on appropriate assumptions, in order to avoid the risk of inefficient implementation and failure to comply with the value creation objectives.

2. Portfolio risk

The composition of the portfolio may involve a particular exposure to certain sectors, certain geographic areas or certain regulations. Investment and divestment decisions must be based on sufficient and adequate analyses in order to ensure that GBL's portfolio remains balanced and in line with the group's strategic orientations.

3. ESG risk

On the basis of an in-depth internal analysis, GBL has decided not to position an ESG risk in the risk mapping as it is a combination of areas of focus which cannot be assessed based on a single, common evaluation grid. Indeed, and similarly to its ESG approach, GBL's exposure to ESG risks is dual. GBL is, on the one hand, directly exposed to ESG-related risks, as an employer and a contributor to the communities in which it operates.

On the other hand, GBL is indirectly exposed to ESG risks in its quality of responsible investor. Additionally, and although environmental, social and governance risks are considered with the same underlying goal of carrying out sustainable activities in the long term, they remain largely diverse in nature, rely on a variety of fundamentals and require different evaluation criteria.

Consequently, GBL's ESG risk exposure will remain assessed indirectly, as described in the ESG section (pages 60 to 79).

4. Stock market risk
GBL is exposed, given the nature of its activities, to stock market fluctuations within its portfolio. Moreover, stock market volatility may impact GBL's share price.

5. Foreign exchange risk
GBL is exposed to foreign exchange risk that may have an impact on its portfolio value through investments listed in foreign currencies, as well as on the dividend flows it receives.

6. Counterparty risk
Counterparty default risk occurs primarily within the framework of deposit, drawdown under the credit lines, hedge transactions, purchase/sale of listed shares, derivative financial instruments or other transactions carried out with banks or financial intermediaries, including collateral transactions.

7. Treasury risk
A lack of control over cash inflows, outflows and investments in money market instruments may have significant financial consequences.

8. Liquidity risk
GBL's financial resources are not sufficient to implement its investment strategy and to meet its obligations.

9. Interest rate risk
GBL is exposed, given its financial position, to changes in interest rates that could have an impact on both its debt and its cash.

10. Risk related to derivative financial instruments
The value of derivative financial instruments evolves depending on market conditions. Use of such instruments must comply with the prerequisites in terms of technical analysis as well as legal documentation to ensure that these instruments are effective and meet GBL's strategy.

11. Eurozone risk
The transactions carried out by GBL are mainly denominated in euros. The European Union and the Eurozone have been weakened over the past years notably by political tensions, the Italian crisis and the Brexit process in progress.

12. Legal risk
As a company listed on a regulated market and as an investor in industrial, consumer goods and business services companies, GBL is subject to many statutory and regulatory provisions. In the course of its activities and through its strategy, in addition to complying with those rules, GBL must also monitor them so that changes therein are appropriately taken into account in the management of its activities and governance.

13 - 14. Tax risk related to current legal and regulatory framework and related to legal and regulatory changes
GBL must manage and foresee the tax implications of all its strategic decisions, comply with its legal and tax reporting obligations and monitor potential changes in the Belgian and international legal framework to avoid any risk of non-compliance that could have negative effects. Given the complexity of the current and constantly changing environment, it is all the more important that GBL controls and effectively monitors this tax risk.

15. Risk related to financial reporting
Complete, reliable and relevant information is a key element of management and governance and is also central to GBL's communication. Competent teams in charge of producing that information and appropriate information systems must enable to control the risk that financial information is not prepared in a timely manner, is incomplete or is not understandable to the reader. Furthermore, budgets and projections are supports to decision-making and management control. Their reliability and relevance can influence the group's performance.

16. Risk of delegation of authority
An inappropriate definition or the failure to comply with signing authority and delegation of authority could commit GBL to unauthorised transactions. A control environment that fails to ensure the segregation of duties and to preserve the group from fraud could result in financial losses and harm its image.

17. Risk of non-compliance with professional practices and ethics standards
GBL is exposed to the risk that behaviour and decisions of its managers or employees, whether individually or collectively, may not comply with professional practices and ethics standards it endorses. GBL's historic performance, its investment policy, its behaviour as a shareholder and its approach to ethics and governance contribute to the group's renown. Preserving this is essential, as a failure to do so could trigger financial losses and harm the group's image.

18. Risk related to IT infrastructure
This risk relates to the general IT environment (including hardware, network, back-up system, software, etc.). The infrastructure and developed tools must address GBL's operational needs in an appropriate manner. Any failure must be anticipated or resolved without any impact on the group's activities.

19. Risk related to information access management
The security of the systems and information access management must ensure that no transaction violates the existing control procedures and that no information is used by unauthorised persons.

20. Risk related to human resources
The group has to recruit, retain and develop the human resources required to ensure that it operates effectively and achieves its objectives.

3. Control activities

Control activities encompass all measures taken by GBL to ensure that the identified key risks are appropriately controlled.

Risk prioritisation has been carried out based on impact (financial, reputational, legal or operational) and occurrence criteria.

This analysis revealed that GBL is exposed simultaneously to:
- exogenous risks, whose materialisation depends on factors outside its control but whose impact the group aims at limiting;
- endogenous risks that arise from its own environment.

The specific risks related to the participations are identified and addressed by the companies themselves within the framework of their own risk management and internal control. The table on page 81 mentions links to the websites where these companies' analyses conducted on risk identification and internal control can be found.

Exogenous risks

Exogenous risks related to external factors, such as market developments and economic, political and regulatory changes, may have a major impact on GBL's operating environment and performance. Exogenous risk factors are, by definition, generated outside the company's scope of control and therefore their occurrence cannot be controlled. However, these risks can be assessed in order to find solutions that mitigate their impacts.

- Stock market risk: stock market fluctuations are inherent to the company's activity and may be mitigated only by adequate diversification, thoughtful investment or divestment decisions and ongoing anticipation of market expectations. This risk and the related mitigants are closely tied to the portfolio risk referred to below.
- Eurozone risk: changes to the economic and political context in the group's areas of activities are monitored particularly closely in terms of exposure and assessment of potential impacts, and the group's needs to adapt its investment strategy or implement specific action plans.
- Legal, tax and regulatory changes: GBL strives to anticipate the regulatory changes (administrative or legal) to which it is subject in order to avoid any risk of non-compliance or adverse impact on the attractiveness of an investment. The group therefore takes such changes into account in its objectives in terms of performance and respect of shareholders and third parties.
- Interest rate risk: GBL's gross indebtedness is mainly at fixed rate. Regarding its cash position, GBL has chosen, despite the negative interest rate environment imposed by the European Central Bank, to continue to favor liquidity while limiting counterparty risk. The cash is placed at very short term and is subject to precise monitoring depending on changes in market conditions and constraints specific to GBL. In this regard, the group remains attentive to the evolution of rates and their relevance in the general economic context.
- Foreign exchange risk: GBL hedges this risk for declared dividends while it remains exposed to foreign exchange fluctuations directly impacting its portfolio value. Nevertheless, geographic and sector diversification makes it possible to reduce the risk of exposure to a particular foreign currency.

Endogenous risks

The endogenous risks related to GBL's activities are the following:
- Risk related to strategy implementation
- Portfolio risk
- ESG risk
- Counterparty risk
- Treasury risk
- Liquidity risk
- Risk related to derivative financial instruments
- Tax and legal risk in the current legal and regulatory environment
- Risk related to financial reporting
- Risk of delegation of authority
- Risk of non-compliance with professional practices and ethics standards
- Risk related to IT infrastructure
- Risk related to information access management
- Risk related to human resources

Risk related to strategy implementation

The composition of the portfolio resulting from the implemented strategy is a key performance element for GBL with a view to creating value for its shareholders. The related decisions are analysed and approved in accordance with the process described below (see "Portfolio risk") by various governance bodies which ensure that they are in line with the group's strategic direction. Furthermore, the assumptions on which the analyses are based and the underlying forecasts are regularly assessed and adjusted when necessary.

Portfolio risk

GBL seeks to mitigate this risk by selecting high-quality assets, leaders in their sectors and by diversifying its portfolio. Any investment or divestment is the subject of in-depth analyses, performed according to pre-established criteria. These are reviewed by the CEO and the Standing Committee and then approved by the Board of Directors. Existing investments are monitored through a systematic and regular portfolio review carried out by the various relevant reporting levels at GBL and at every meeting of the Board of Directors. The direction of the Participations department is regularly invited to the Board meeting to present the development strategy.

GBL's managers regularly meet the management of the companies in portfolio and usually sit on their Committees and Boards of Directors. A continuous dialogue is also maintained with industry experts.

ESG risk

The control activities related to the ESG risks are described in the ESG section (pages 60 to 79).

Counterparty risk

GBL mitigates this risk through the diversification of its counterparties, a continuous evaluation of their quality by analysing their financial situation, and, with regards to treasury management specifically, through a choice of different types of investments.

In this regard, as of December 31, 2019, most of the cash was placed in money market funds (SICAVs) selected on the basis of their size, volatility and liquidity, and in current account deposits with a limited number of tier 1 banks. All financial contracts (including ISDAs) are internally reviewed by the legal department.

Treasury risk

Treasury transactions are subject to documented limits and rules, formal delegations of authority, segregation of duties and reconciliation of treasury data with the accounting. Appropriate IT tools are used, notably enabling to monitor cash positions, carry out cash flow projections, assess return on cash placements.

Liquidity risk

GBL has a solid liquidity profile ensuring it has readily available resources to quickly seize investment opportunities, support its portfolio companies in the event of a capital increase, guarantee the payment of its dividend, meet its requirements in terms of debt service and commitments, as well as ensure the payment of its current expenses.

GBL also maintains a limited net indebtedness in comparison to its portfolio value.

GBL's financial flexibility is in particular ensured by the group's cash management policy which is conservative in terms of investment horizon, by its committed credit lines, none of which has financial covenants, whose undrawn amount and maturity profile are maintained at appropriate levels and by GBL's access to capital markets.

Risk related to derivative financial instruments

Transactions in this field require the approval of the Board of Directors, which may delegate proper execution to the CEO. The transactions are carried out within the framework of well-established documentation and predefined budgets and limits. They are subject to specific and appropriate prior analysis and systematic monitoring. GBL has also put in place strict rules in terms of appropriate segregation of duties and internal approval processes. Every financial transaction requires two signatures and is systematically reviewed by the finance and legal departments.

Tax and legal risk in the current legal and regulatory environment

GBL ensures compliance with the regulatory obligations (legal and tax obligations) to which it is subject in each of the countries in which it operates, with the support of skilled teams, both internally and externally.

Moreover, GBL promotes contractual discipline which is a general matter and is notably applied to the agreements in relation to transactions of financing and cash management, shares' acquisition or disposal as well as derivative instrument contracts. GBL must also manage, in an appropriate manner, litigation in the context of its own activities.

Risk related to financial reporting

GBL publishes consolidated financial statements as well as key financial data four times a year. The consolidated financial statements are reviewed by internal committees and then by the Audit Committee before being approved by the Board of Directors. Complex accounting subjects, notably in relation to the appropriate application of IFRS and to the standards' changes, main estimates and judgments as well as specific transactions of the period are discussed with the Statutory Auditor and in Audit Committee.

Additionally, key financial data, such as the valorisation of assets, the budget and the revised projections, the financing means, the cash management and the access to liquidities, are presented and are discussed in-depth during those meetings. Lastly, the Statutory Auditor carries out its audit procedures, comments on the way its assignment is proceeding and presents its conclusions to the Audit Committee.

The consolidation process is based on a centralised accounting IT system in place in the group's subsidiaries which ensures consistency and comparability of the chart of accounts and accounting treatments. Transaction's accounting recording is based on an appropriate segregation of duties, a review of non-recurring operations by the financial department, an appropriate documentation of operations carried out in relation to treasury and investments, and a documentation of the reconciliation process between the different systems.

Risk of delegation of authority

The company relies on a system of internal authorities adapted to its operations and appropriate separation of duties procedures. The Articles of Association provide that the company can be validly represented by two Directors. Additionally, the CEO has a large degree of autonomy in the context of day-to-day management, which is not limited to the execution of the decisions of the Board of Directors but encompasses all acts necessary to ensure GBL's normal course of business. Finally the Board of Directors can assign special mandates which require the prior approval of at least two individuals to represent validly GBL vis-à-vis third parties.

Risk of non-compliance with professional practices and ethics standards

GBL seeks to play a leading role in promoting and implementing good professional practices and ethics standards. The group intends to achieve its objective of value creation through a long-term strategy in strict compliance with the ethical principles set out in the Code of Conduct and the Corporate Governance Charter which apply to the group's Directors and staff. The control system that has been put in place takes into account the control activities carried out to prevent the risk of inappropriate behaviour within the company's various operating cycles (including segregation of duties, formal delegation of authority, effective IT and information management systems, etc.). In addition, GBL's values are shared with employees through, among other things, regular information sessions and an environment that encourages ethics and good business conduct.

Risk related to IT infrastructure

An appropriate IT architecture has been put in place that meets GBL's requirements in terms of functionalities, security and flexibility. A back-up plan has been implemented to ensure recoverability of data and continuity of operations in the event of a system failure. Furthermore, a thorough analysis of the adequacy of the architecture to GBL's needs is carried out at regular intervals, to ensure its effective operation and its consistency with technological developments and, when necessary, to put in place corrective action plans.

Risk related to information access management

Adequate information access procedures and data protection tools are in place and tested regularly. Intrusion or cyber attack risks are continually analysed and assessed to provide, if necessary, corrective actions.

Risk related to human resources

GBL strives to have skilled and sufficiently resourced teams in relation to the company's needs and conducts, if required, the necessary reinforcements. Trainings are also proposed to employees based on their field of expertise in order to update and develop their knowledge and skills. An annual evaluation process based on the achievement of objectives enables to ensure an appropriate assessment of the performance of GBL's employees. Finally, GBL grants to its employees a fulfilling working environment, an attractive remuneration policy and ensures the alignments of the employees' interests with the achievement of the group's strategic objectives.

4. Information and communication

GBL has developed a standardised information flow process in order to communicate reliable financial information to shareholders in a timely manner. GBL has been applying IFRS requirements since 2000.

Its assessment rules and accounting principles are published every year in its annual report. Standardised financial reporting is used both upstream and downstream within GBL group in order to ensure the consistency of data and to detect potential anomalies.

A financial calendar for this reporting is established every year in consultation with the controlling shareholder, the subsidiaries and the associated companies based on the publication dates.

The Investor Relations department ensures that significant transactions and important changes within the group are communicated in an accurate and timely manner.

5. Supervision and monitoring

Supervision is exercised by the Board of Directors through the Audit Committee. Given the structure and nature of GBL's activities, there is no internal auditor's function. This situation is assessed on a yearly basis and has so far been deemed appropriate.

The Statutory Auditor (Deloitte Reviseurs d'Entreprises) also reviews on a yearly basis the internal control on the risks related to GBL's financial statements. This review of internal control forms part of its assignment of certifying GBL's statutory and consolidated financial statements in compliance with audit standards applicable in Belgium. More specifically, the Statutory Auditor tests, on the basis of a triennial rotation plan, the operational effectiveness of internal control with regards to risks that are deemed critical in relation to the financial statements. Its work consists of discussions with members of the organisation while testing a given number of transactions.

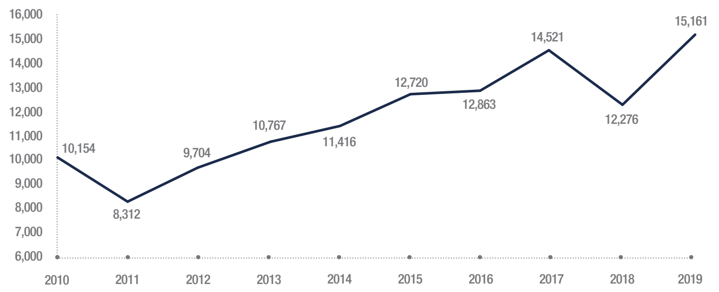
The conclusions of this work are presented in a report submitted to GBL and do not reveal any major deficiencies in the internal control. The report is submitted to the members of the Audit Committee.

GBL share

Key share information
(situation as of December 31, 2019)

- Total number of shares issued and outstanding: 161,358,287
- Fully paid-up share capital: EUR 653.1 million
- One class of shares: all shares have the same rights to dividends and voting rights. Voting rights linked to GBL shares held by the company itself or by its direct and indirect subsidiaries are suspended.
- Market capitalisation: EUR 15.2 billion
- Listed on the Euronext Brussels stock exchange
- Included in the BEL20 index, which represents the 20 largest listed companies in Belgium. GBL is the 8th largest company in the index, with a weight of 6.2%
- Included in the STOXX 600 Financial Services index. GBL is the 8th largest company in the index, with a weight of 3.6%.
- RIC: GBLB.BR
- Bloomberg: GBLB BB

Market capitalisation over 10 years
In EUR million

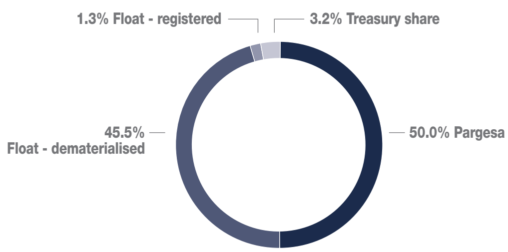


Shareholding structure

At year-end 2019, GBL's share capital totalled EUR 653.1 million, representing 161,358,287 shares. GBL's shareholding is characterised by a controlling shareholder, Pargesa Holding S.A., which holds 50.0% of the outstanding shares and 51.7% of the voting rights (1). Pargesa Holding S.A. itself is held jointly by the Power Corporation of Canada (Canada) and Frère (Belgium) groups, providing GBL with a stable, solid shareholder base. Since 1990, the two groups have been bound by a shareholders agreement. This agreement, which was extended in December 2012 to 2029, may be further extended. The chain of control is presented in detail and illustrated on page 198. As of December 31, 2019, GBL held 5,238,989 GBL shares directly and through its subsidiaries, representing 3.2% of the issued capital. The company concluded an agreement with a third party to improve the market liquidity of the GBL share. This liquidity agreement is executed on a discretionary basis on behalf of GBL within the limits of the authorisation granted by the General Shareholders' Meeting of April 25, 2017 and in accordance with the applicable rules. GBL did not hold shares in that respect in its portfolio as of December 31, 2019. For further information about this authorisation, please see page 201 of this report.

Shareholding structure

(as of December 31, 2019)



Employee and management incentive scheme

GBL has set up a long-term incentive scheme, tied to the company's performance. To this end, various employee incentive plans have been granted to employees and the Executive Management from 2007 to 2012 offering entitlement, when exercised, to 173,710 GBL shares (0.1% of the issued capital). Since 2013, plans have been set up that are a variant of the GBL stock option plans used in previous years. For more information, please see pages 151 to 153.

Shares held by GBL Directors

For information on the shares and options held by members of GBL's Board of Directors and Executive Management, please see pages 151 to 153, 180 to 185 and 190 to 192.

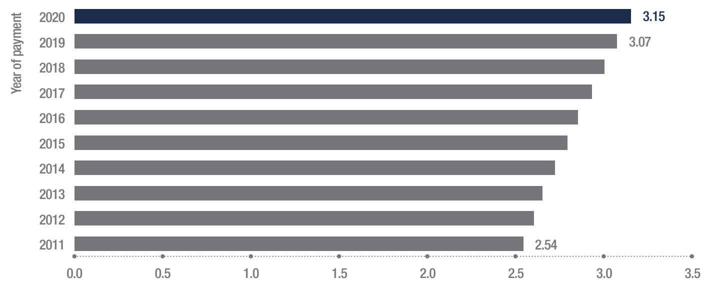
2019 proposed dividend distribution

The proposed dividend distribution for the 2019 financial year of a gross amount of EUR 3.15 per GBL share, which represents a 2.6% increase on the amount of EUR 3.07 paid for the previous financial year, will be submitted for approval to the Ordinary General Meeting on April 28, 2020. This dividend is equal to EUR 2.205 net per share (after a 30% withholding tax).

Based on the number of shares entitled to dividend (161,358,287), the total distribution for the 2018 financial year should amount to EUR 508.3 million compared with EUR 495.4 million in 2018.
As a reminder, the withholding tax rate has been uniformly set at 30% for the GBL dividend since January 1, 2016 (27% for the 2015 financial year).

Evolution of the gross dividend per share

(In EUR)



Analyst coverage of GBL

AlphaValue, Bank of America Merrill Lynch, Bank Degroof Petercam, Citi, Exane BNP Paribas, HSBC, ING Bank, KBC Securities, Kepler Cheuvreux, Société Générale.

Change in the share price in 2019

The GBL share price ended in 2019 at EUR 93.96 and ended 2018 at EUR 76.08, corresponding to a 23.5% increase. It reached a high at EUR 94.50 (December 27, 2019) and a low at EUR 74.98 (January 3, 2019). The volume of transactions reached EUR 5.0 billion, while the number of traded shares totalled nearly 58 million, with a daily average of 225,864. The velocity on free float was 71% (2). GBL's market capitalisation as of December 31, 2019 was EUR 15.2 billion.

Evolution of the share price over 10 years

(In base 100)

Share

(1) Taking into account the treasury shares, whose voting rights are suspended
(2) Source: Bloomberg, EU ticker

Stock data

	2019	2018	2017	2016	2015
Stock price (in EUR)					
At the end of the year	**93.96**	76.08	89.99	79.72	78.83
Maximum	**94.50**	96.32	94.39	80.11	80.66
Minimum	**74.98**	73.54	78.05	64.10	65.52
Yearly average	**85.87**	89.63	86.32	74.30	74.25
Dividend (in EUR)					
Gross dividend	**3.15**	3.07	3.00	2.93	2.86
Net dividend	**2.205**	2.149	2.100	2.051	2.088
Variation (in %)	**+ 2.6**	+ 2.3	+ 2.4	+ 2.4	+ 2.5
Ratios (in %)					
Dividend yield	**3.4**	4.0	3.3	3.7	3.6
Total Shareholder Return	**28.0**	(12.7)	16.8	5.1	15.6
Number of shares at December 31					
Issued	**161,358,287**	161,358,287	161,358,287	161,358,287	161,358,287
Treasury shares	**5,238,989**	2,642,982	5,660,482	5,924,416	6,079,926
Net asset value (in EUR million)	**20,349.4**	**16,192.7**	**18,888.0**	**16,992.2**	**15,188.0**
Market capitalisation (in EUR million)	**15,161.2**	**12,276.1**	**14,520.6**	**12,863.5**	**12,719.9**
Variation (in %)	**+ 23.5**	- 15.5	+ 12.9	+ 1.1	+ 11.4

Stock market indicators (1)

GBL is listed on the Euronext Brussels stock exchange and is part of the BEL 20 and the STOXX 600 Financial Services indexes.

	2019	2018	2017	2016	2015
Traded volume (in EUR billion)	**5.0**	5.8	4.4	4.2	4.1
Number of traded shares (in thousands)	**57,573**	64,639	51,422	57,057	55,116
Average number of traded shares on a daily basis	**225,864**	252,496	201,657	222,013	215,299
Capital traded on the stock exchange (in %)	**35.7**	40.1	31.9	35.4	34.2
Velocity on free float (in %)	**71**	80	64	71	68
Weight in the BEL 20 (in %)	**6.2**	5.5	5.6	5.0	6.1
Ranking in the BEL 20	**8**	9	9	9	8
Weight in the STOXX 600 Financial Services (in %)	**3.6**	4.5	4.3	4.9	4.4
Ranking in the STOXX 600 Financial Services	**8**	6	7	6	6

(1) Source: Bloomberg, EU ticker

Resolutions proposed to shareholders

Extraordinary General Shareholders' Meeting on April 28, 2020

1. Decisions that may be validly adopted if the shareholders present or represented represent at least half of the capital, upon approval by three fourths of the votes cast

1.1. Acquisition and divestment of treasury shares

1.1.1. Proposal to renew the authorisation to the Board of Directors, for a period of five (5) years beginning on the date of the publication of the minutes of this General Shareholders' Meeting, to acquire up to thirty-two million two hundred seventy-one thousand six hundred fifty-seven (32,271,657) treasury shares for a price that may not be more than ten per cent (10%) below the lowest closing price of the twelve (12) months preceding the transaction and no more than ten per cent (10%) above the highest closing price of the last twenty (20) days preceding the transaction, and to authorise the company's direct subsidiaries, within the meaning and limits of Article 7:221, paragraph 1 of the Code on companies and associations, to acquire shares in the company under the same conditions.

1.1.2. Proposal to give the authorisation to the Board of Directors, in accordance with Article 7:218, §1, 4° of the Code on companies and associations, to divest its treasury shares, subject to an equivalent offer price, to one or several defined persons other than staff members; in which case, the Directors that represent in fact that or those person(s) or its or their related persons cannot take part to the vote inside the Board of Directors.

1.1.3. Proposal to renew the authorisation to the Board of Directors, for a period of three (3) years beginning on the date of publication of this decision, to acquire and divest treasury shares, in accordance with the conditions laid down in Articles 7:215 and following of the Code on companies and associations, when such acquisition or divestment is necessary to prevent serious and imminent harm to the company.

1.1.4. Accordingly, subject to approval of the proposals for decision 1.1.1 to 1.1.3, proposal to amend Article 7 (as renumbered – formerly Article 8) of the Articles of Association as follows:

"The company may, without the prior authorisation of the Shareholders' Meeting, in accordance with Articles 7:215 and following of the Code on companies and associations and Articles 8.2 and following of the Royal Decree implementing the Code on companies and associations, and within the limits they provide for, acquire a maximum number of thirty-two million two hundred and seventy-one thousand six hundred and fifty-seven (32.271,657) of its own shares at a unit price which may not be more than ten percent (10%) lower than the lowest price of the last twelve (12) months preceding the transaction and which may not be more than ten percent (10%) higher than the highest price of the last twenty (20) quotations preceding the transaction. This option extends to the acquisition of shares of the company by one of its direct subsidiaries, within the meaning and limits of Article 7:221, paragraph 1 of the Code on companies and associations.

The above authorisation is valid for five years from the date of the publication in the Annexes to the Belgian Official Gazette ("Moniteur belge" / "Belgisch Staatsblad") of the minutes of April 28, 2020.

In accordance with Article 7:218, §1, 4° of the Code on companies and associations, the company is authorised to dispose of the shares acquired under this Article, subject to the equivalence of the offered price, to one or more specified persons other than employees; in this case, the directors who de facto represent this or these person(s) or persons related to it or to them may not participate in the vote on the Board of Directors.

By decision of the Extraordinary Shareholders' Meeting of April 28, 2020, the Board of Directors was authorised to acquire and dispose of its own shares, in accordance with the conditions laid down in Articles 7:215 and following of the Code on companies and associations, when such acquisition or disposal is necessary to avoid serious and imminent damage to the company. This authorisation is valid for three (3) years from the publication of the aforementioned decision."

2. Decisions that may be validly adopted if the shareholders present or represented represent at least half the capital, upon approval by two-thirds of the votes cast

2.1. Double voting right

2.1.1. Proposal to introduce a double voting right for the shares meeting the conditions set out in Article 7:53 of the Code on companies and associations by amending Article 11 (as renumbered – formerly Article 12) of the Articles of Association as follows:

"A double voting right compared to other shares representing the same share of the capital is granted to fully paid up shares of the company that have been registered for at least two years without interruption in the name of the same shareholder in the register of registered shares.

The two-year period begins on the date on which the shares are registered in the register of registered shares, even if this statutory provision introducing double voting rights had not yet been introduced in the Articles of Association at the time of entry.

In the event of a capital increase by capitalisation of reserves, profits or issue premiums, registered shares allocated free of charge to a shareholder, on the basis of existing shares to which a double voting right is allocated, are also allocated a double voting right as from their issue.

Any share converted into dematerialised share or the ownership of which is transferred loses the double voting right as from its dematerialisation or entry of its transfer in the company's share register.

However, the transfer of shares following succession, liquidation of a matrimonial property regime or transfer for consideration or free of charge to a successor does not entail the loss of the double voting right and does not interrupt the two-year period. The same shall apply in the case of the transfer of shares between companies which are controlled by the same controlling shareholder, or if there is joint control, by the same controlling shareholders, natural or legal persons, or between one of these companies and these controlling shareholders.

Any change of control within the meaning of the Code on companies and associations *of a legal entity that holds shares in the company to which double voting rights are attributed amounts to a transfer of shares, unless such a change of control is for the benefit of the spouse or one or more successors of the shareholder or controlling shareholders of such legal entity.*

The transfer of shares to a legal person against the issue of certificates referred to in Article 7:61, §1, paragraph 1 of the Code on companies and associations*, together with the commitment of that person to reserve any product or income for the holder of those certificates and the exchange of certificates for shares referred to in Article 7:61, §1, paragraph 6, or §2, paragraph 2 of the* Code on companies and associations*, do not have the effect of losing the double voting right and do not interrupt the two-year period, provided it takes place to the benefit of this who proceeded with the certification or one of his/her transferee who meets conditions of paragraph 2 or 3.*

The merger or demerger of the company shall not affect the double voting right provided that the Articles of Association of the beneficiary company(ies) provide for the granting of a double voting right."

3. Decisions that may be validly adopted if the shareholders present or represented represent at least half the capital, upon approval by three fourths of the votes cast

3.1. Authorised Capital

3.1.1. Communication of the special report drawn up by the Board of Directors, in accordance with Article 7:199, paragraph 2 of the Code on companies and associations, detailing the specific circumstances in which it may use the authorised capital and the objectives it shall pursue in so doing.

3.1.2. Proposal to renew the authorisation granted to the Board of Directors, for a period of five (5) years as from the date of publication in the Annexes to the Belgian Official Gazette of the minutes of the Extraordinary General Shareholders' Meeting of April 28, 2020, to implement capital increases up to an amount of one hundred twenty-five million euros (EUR 125,000,000). This authorisation shall be valid as from the date of publication of this authorisation.

3.1.3. Accordingly, subject to the approval of the proposed decision 3.1.2, proposal to amend Article 12 of the Articles of Association as follows:

" *1. The capital may be increased or decreased by a decision of the Shareholders' Meeting, taken in the forms and under the conditions provided for amendments to the Articles of Association.*

2. In addition, the Board of Directors is authorised to increase the capital on one or more occasions, up to one hundred and twenty-five million euros (EUR 125,000,000.00); the authorisation is valid for a period of five years from the publication of the minutes of the Extraordinary Shareholders' Meeting of April 28, 2020.

- *This authorisation may be renewed once or several times, for a period not exceeding five years, by the Shareholders' Meeting deliberating under the conditions set by law.*
- *The capital increases decided pursuant to this authorisation may be carried out by contribution in cash, contribution in kind within the legal limits, capitalisation of available or unavailable reserves, or issue premiums, with or without the creation of new shares, preferential or not, with or without voting rights, with or without subscription rights.*
- *When, as part of this authorisation, the Board of Directors decides to increase the capital by issuing new shares, to be subscribed in cash, it may, in the interest of the Company and in compliance with the conditions prescribed by the legal provisions in force, limit or cancel the preferential subscription rights of the existing shareholders. The Board of Directors may also limit or cancel the preferential subscription rights of existing shareholders in favour of one or more specified persons other than the employees of the company or its subsidiaries. In this case, the director(s) who de facto represent the beneficiary(ies) of the exclusion of the preferential subscription right or a person related to the beneficiary within the meaning of Article 7:193, §1, paragraph 6 of the Code on companies and associations, may not participate in the vote.*
- *The Board of Directors shall in any case have the right to amend any agreement intended to ensure the subscription of all or part of the new securities to be issued, to the terms and conditions it shall notify.*
- *When making use of the authorisation to increase the capital, the Board, which may substitute, is empowered to adapt the Articles of Association in order to modify the amount of the capital and, in the event of the issuance of new securities, the number of shares, to complete the history of the capital as well as by a statutory transitional provision to indicate to what extent it has made use of its power to increase the capital.*

3. When the capital increase decided by the Board of Directors includes an issue premium, the amount of the issue premium, after any costs have been charged, must be allocated to an unavailable account which, equal to the capital, will constitute the guarantee of third parties and may only be decreased or cancelled by a decision of the Shareholders' Meeting deliberating under the quorum and majority conditions required for the capital decrease, subject to its incorporation by the Board of Directors as provided for in point 2."

3.1.4. Proposal to renew the authorisation granted to the Board of Directors, for a period of five (5) years as from the date of publication in the Annexes to the Belgian Official Gazette of the minutes of the Extraordinary General Shareholders' Meeting on April 28, 2020, to issue convertible bonds or bonds reimbursable in shares, subordinated or not, subscription rights or other financial instruments, whether or not attaching to bonds or other securities and that can in time give rise to capital increases in a maximum amount such that the amount of capital increases that may result from exercise of these conversion or subscription rights, whether or not attaching to such securities, shall not exceed the limit of the remaining capital authorised by Article 12 of the Articles of Association.
This authorisation shall be valid as from the date of publication of this authorisation.

3.1.5. Accordingly, subject to the approval of the proposed decision 3.1.4, proposal to amend Article 13 of the Articles of Association as follows

" *1. The company may issue bonds; they will be in either registered or dematerialised form. Any owner of dematerialised bonds may at any time request the conversion of his shares into registered form.*

2. In the case of bonds other than those referred to below, under point 3, the decision may be taken by the Board of Directors, which shall determine the type and rate of interest, the method and time of amortisation or repayment, special guarantees and any other conditions of the issue.

3. In the case of bonds convertible or redeemable in shares, whether or not subordinated, subscription rights or other financial instruments, whether or not attached to bonds or other securities that may eventually give rise to capital increases, the decision is taken either by the Shareholders' Meeting deliberating under the conditions set by law or by the Board of Directors within the limit of the authorised capital.
To this end, the Board of Directors is authorised to decide to issue these securities, on one or more occasions, up to a maximum amount such that the amount of capital increases that may result from the exercise of conversion or subscription rights attached or not to such securities does not exceed the limit of the remaining capital authorised by Article 12 of the Articles of Association.
This authorisation is valid for a period of five years from the date of publication in the Annexes to the Belgian Official Gazette ("Moniteur belge" / "Belgisch Staatsblad") of the minutes of April 28, 2020.

This authorisation is renewable once or several times for a period not exceeding five years by the Shareholders' Meeting, deliberating under the conditions set by law.
When the Board of Directors issues the above securities, it is authorised to limit or cancel, in the interest of the company and in compliance with the conditions prescribed by the legal provisions in force, the preferential subscription rights of the existing shareholders. The Board of Directors may also limit or cancel the preferential subscription rights of existing shareholders in favour of one or more specified persons other than the company's personnel in the case of the issue of convertible bonds or bonds redeemable in shares. In this case, the director(s) who de facto represent the beneficiary(ies) of the exclusion of the preferential subscription right or a person related to the beneficiary within the meaning of Article 7:193, §1, paragraph 6 of the Code on companies and associations, may not participate in the vote.
When making use of the option to issue convertible bonds or bonds redeemable in shares or subscription rights or other financial instruments, the Board is authorised, with the power to substitute, to indicate in a statutory transitional provision, to what extent such issues may be of such a nature as to increase the capital and increase the number of securities issued and may, as these bonds are converted or redeemed or as subscription rights or rights to other securities are exercised, adjust in the Articles of Association the amount of subscribed capital, the number of existing securities and complete the history of the capital.
The issue premiums, if any, will be allocated to the "Issue Premiums" account which, like the capital, will constitute the guarantee of third parties and may only be disposed of in accordance with the legal provisions in force for the capital decrease, except in the case of the capitalisation of these premiums."

3.2. Proposal for various amendments to the Articles of Association

3.2.1. Proposal to amend the Articles of Association in order to bring them into line with the applicable legislation, and in particular the Code on companies and associations.

3.2.2. Consequently, subject to the approval of proposal for decision 3.2.1, proposal to adopt the coordinated version of the Articles of Association available on the company's website (https://www.gbl.be) (section "Investors"and then "General Meeting"). A comparative version of the Articles of Association identifying each modification has also been made available on the website.

4. Powers

Proposal to delegate all powers to any employee of Groupe Bruxelles Lambert, with a substitution option and, where appropriate, without prejudice to other delegations of power, in order (i) to coordinate the Articles of Association to take the above amendments into account, to sign the coordinated versions of the Articles of Association and deposit them with the clerk office of the Brussels Company Court, and (ii) to carry out any other formalities for the deposit or publication of the above decisions.

Ordinary General Shareholders' Meeting of April 28, 2020

1. Management report of the Board of Directors and reports of the Statutory Auditor on the 2019 financial year

2. Financial statements for the year ended December 31, 2019

2.1. Presentation of the consolidated accounts for the year ended December 31, 2019.

2.2. Approval of annual accounts for the year ended December 31, 2019.

3. Discharge of the Directors

Proposal for the discharge to be granted to the Directors for duties performed during the year ended December 31, 2019.

4. Discharge of the Statutory Auditor

Proposal for the discharge to be granted to the Statutory Auditor for duties performed during the year ended December 31, 2019.

5. Statutory appointment

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

6. Remuneration policy

Proposal to approve the remuneration policy applicable as from the financial year 2020.

7. Fees for the non-executive Directors

Following the entry into force of the 2020 Belgian Code on Corporate Governance, proposal to approve the yearly grant of 350 ordinary shares of the company to each non-executive Director as from the 2020 financial year which will be part of the fixed remuneration, according to the remuneration policy referred to in the preceding point.

8. Remuneration report

Proposal to approve the Board of Directors' remuneration report for the 2019 financial year.

9. Long term incentive

9.1. To the extent necessary, proposal to approve all clauses of the option plan on shares, referred to in the remuneration policy and in the remuneration report, giving the CEO the right to exercise his options prior to the expiration of a period of three years in case of a change of control of the company, pursuant to Article 7:91 of the Code on companies and associations.

9.2. Report of the Board of Directors drawn up pursuant to Article 7:227 of the Code on companies and associations with respect to the security referred to in the proposal of the following resolution.

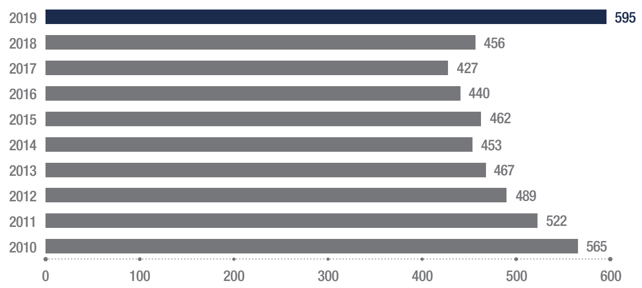
9.3. Pursuant to Article 7:227 of the Code on companies and associations, to the extent necessary, proposal to approve the grant by GBL of a guarantee to a bank with respect to the credit granted by that bank to the subsidiary of GBL, permitting the latter to acquire GBL shares in the framework of the aforementioned plan.

10. Miscellaneous

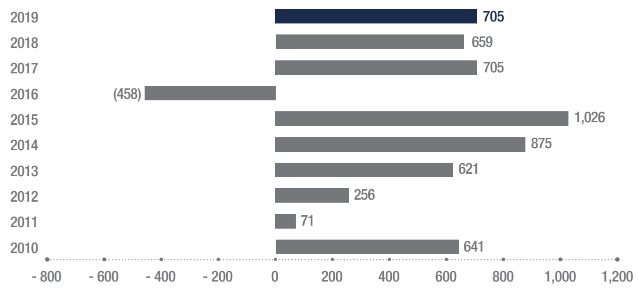
Economic presentation of the consolidated result and the financial position

Key figures

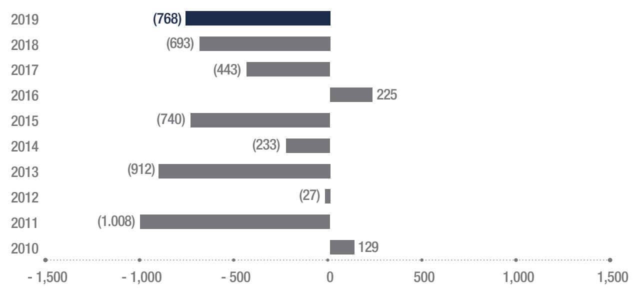
Cash earnings
In EUR million



Net result (group's share)
In EUR million



Net cash/(net debt)
In EUR million



Economic presentation of the consolidated result

In EUR million Group's share	Cash earnings	Mark to market and other non-cash items	Operating companies (associated or consolidated) and Sienna Capital	Eliminations, capital gains, impairments and reversals	Consolidated	Consolidated
	December 31, 2019					December 31, 2018
Profit (loss) of associates and consolidated operating companies	-	-	0.4	-	0.4	332.0
Net dividends from investments	595.0	9.6	-	(96.4)	508.3	350.4
Interest income (expenses)	15.8	(0.1)	(11.7)	-	4.0	(17.5)
Other financial income (expenses)	20.4	(22.1)	152.3	(12.0)	138.6	29.3
Other operating income (expenses)	(35.9)	(0.7)	(25.6)	-	(62.1)	(38.4)
Gains (losses) from disposals, impairments and reversal of non-current assets	-	-	115.6	-	115.6	3.6
Taxes	(0.1)	-	(0.1)	-	(0.2)	(0.5)
IFRS consolidated net result 2019	**595.3**	**(13.2)**	**230.9**	**(108.3)**	**704.7**	
IFRS consolidated net result 2018	456.1	3.3	319.0	(119.5)		658.9

The **consolidated net result, group's share**, as of December 31, 2019, stands at EUR 705 million, compared with EUR 659 million as of December 31, 2018.

This result is primarily driven by:
- the net dividends from investments for EUR 508 million;
- Sienna Capital's contribution (EUR 271 million);
- the contribution of operating companies (Imerys for EUR 66 million, Webhelp for EUR - 20 million and Parques Reunidos for EUR - 86 million).

A. Cash earnings
(EUR 595 million compared with EUR 456 million)

In EUR million	December 31, 2019	December 31, 2018
Net dividends from investments	595.0	452.0
Interest income (expenses)	15.8	24.2
Sienna Capital interests	*11.9*	*39.6*
Other interest income (expenses)	*3.9*	*(15.4)*
Other financial income (expenses)	20.4	13.3
Other operating income (expenses)	(35.9)	(32.0)
Gains (losses) from disposals, impairments and reversal of non-current assets	-	(1.1)
Taxes	(0.1)	(0.3)
Total	**595.3**	**456.1**

Net dividends from investments received as of December 31, 2019 were positively impacted by the reimbursements by the French tax authorities of withholding taxes which had been applied to ENGIE and Total dividends received between 2013 and 2016 (EUR 107 million).

In EUR million	December 31, 2019	December 31, 2018
LafargeHolcim	110.7	97.1
Imerys	92.1	88.9
SGS	87.2	82.2
Pernod Ricard	62.1	47.0
adidas	42.8	34.7
Umicore	34.3	30.2
Total	26.7	34.7
GEA	13.1	10.0
Ontex	6.7	9.9
Parques Reunidos	4.2	4.2
Sienna Capital	-	8.8
Reimbursements of withholding taxes	107.4	-
Other	7.7	4.3
Total	**595.0**	**452.0**

LafargeHolcim distributed a dividend of CHF 2.00 per share for 2018 (CHF 2.00 per share the previous year), which shareholders could elect to receive in cash or shares, contributing EUR 111 million as of December 31, 2019.

Imerys approved in the second quarter of 2019 an annual dividend of EUR 2.15 per share (EUR 2.075 per share in 2018), corresponding to a total collection of EUR 92 million for GBL.

SGS paid an annual dividend of CHF 78.00 per share (CHF 75.00 per share in 2018), representing EUR 87 million in 2019.

Pernod Ricard declared an interim dividend of EUR 1.18 per share in the second quarter of 2019 (compared with EUR 1.01 per share the previous year), and paid the balance during the fourth quarter (EUR 1.94 per share, compared with EUR 1.35 per share in 2018), corresponding to a total amount of EUR 62 million for GBL in 2019.

adidas distributed a dividend of EUR 3.35 per share in the second quarter of 2019 (compared with EUR 2.60 per share in 2018), representing EUR 43 million as of December 31, 2019.

Umicore approved during the second quarter of 2019 the balance of the dividend for 2018 of EUR 0.40 per share (EUR 0.375 per share in 2018), and paid during the third quarter 2019 an interim dividend of EUR 0.375 per share (EUR 0.35 per share in 2018). The contribution of Umicore amounted to EUR 34 million as of December 31, 2019.

Total approved a dividend of EUR 2.56 per share for 2018 and paid, in 2019, the last quarterly interim dividend, the balance of the 2018 dividend and the first quarterly interim dividend in relation to 2019, i.e. EUR 0.64, EUR 0.64 and EUR 0.66 per share respectively. Total's contribution to the results as of December 31, 2019 thus amounted to EUR 27 million.

GEA paid in the second quarter of 2019 a dividend of EUR 0.85 per share (EUR 0.85 in 2018), representing EUR 13 million as of December 31, 2019.

Ontex distributed during the first half of 2019 a dividend of EUR 0.41 per share for 2018 (compared with EUR 0.60 per share the previous year), corresponding to an amount of EUR 7 million for GBL.

Parques Reunidos approved during the first quarter of 2019 a dividend of EUR 0.2477 per share (unchanged compared with 2018), representing a contribution of EUR 4 million for 2019.

In 2019, reimbursements for a total amount of EUR 107 million were made by the French tax authorities of **withholding taxes** which had been applied to ENGIE and Total dividends received between 2013 and 2016.

Net interest income (EUR 16 million) mainly include (i) the default interest on the withholding taxes which had been unduly applied to ENGIE and Total dividends (EUR 19 million compared with EUR 0 million in 2018), (ii) the interest income from Sienna Capital (EUR 12 million compared with EUR 40 million in 2018) and (iii) the interest expenses related to the institutional bonds issued in 2017 and 2018 (EUR - 17 million compared with EUR - 12 million in 2018). Moreover, the net interest expenses included, in 2018, the interest expenses on the bonds convertible into GBL shares maturing in October 2018 (EUR 0 million in 2019 compared with EUR - 2 million in the prior year).

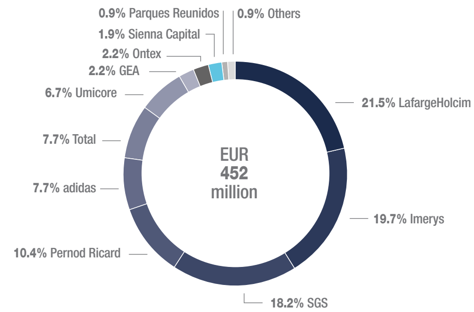
Other financial income (expenses) (EUR 20 million) mainly comprise dividends collected on treasury shares for EUR 11 million (EUR 9 million in 2018), yield enhancement income of EUR 9 million (EUR 11 million in 2018) and realized exchange gains for EUR 6 million (EUR - 1 million in 2018).

Other operating income (expenses) amounted to EUR - 36 million as of end of December 2019 and have increased compared with 2018.

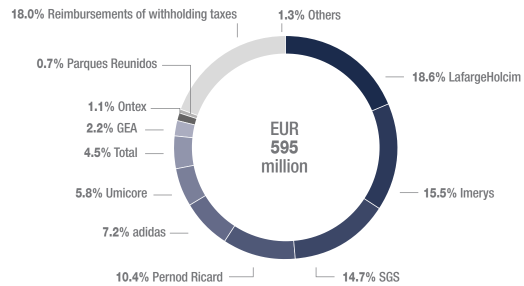
The **gains (losses) from disposals, impairments and reversal of non-current assets** corresponded, in 2018, to the cost related to the early conversions of bonds convertible into GBL shares whose settlement had been carried out in cash (EUR 0 million in 2019 compared with EUR - 1 million in 2018).

Contribution of investments to net collected dividends

2018



2019



B. Mark to market and other non-cash items

(EUR - 13 million compared with EUR 3 million)

In EUR million	December 31, 2019	December 31, 2018
Net dividends from investments	9.6	0.3
Interest income (expenses)	(0.1)	(2.0)
Other financial income (expenses)	(22.1)	(0.0)
Other operating income (expenses)	(0.7)	4.7
Gains (losses) from disposals, impairments and reversal of non-current assets	-	0.3
Total	**(13.2)**	**3.3**

Net dividends from investments correspond exclusively to the provision for the second interim dividend in relation to 2019 to be received from Total, announced end of 2019 but with an ex-date beginning of 2020.

Interest income (expenses) primarily included, in 2018, the impact of the valuation at amortised cost of the bonds convertible into GBL shares maturing in October 2018 (EUR 0 million in 2019 compared with EUR - 2 million last year).

Other financial income (expenses) notably include the mark to market of the trading portfolio and derivative instruments (EUR 4 million compared with EUR - 14 million in 2018) and unrealized exchange differences (EUR 6 million compared with EUR - 7 million last year).

Moreover, this heading includes the mark to market of the derivative component associated to the exchangeable bonds into LafargeHolcim shares (EUR - 32 million compared with EUR 0 million in 2018). This non-monetary loss includes the change in the value of the call options on underlying securities implicitly embedded in the exchangeable bonds into LafargeHolcim shares issued in September 2019, primarily attributable to the change in LafargeHolcim's stock price since the issuance of these bonds. The result as of December 31, 2019 illustrates the accounting asymmetry and volatility of periodic results, which will persist throughout the lifetime of the exchangeable bonds.

Finally, in 2018, the other financial income (expenses) included the mark to market of the derivative component associated to the bonds convertible into GBL shares maturing in October 2018 (EUR 0 million in 2019 compared with EUR 21 million in the prior year).

C. Operating companies (associates or consolidated) and Sienna Capital

(EUR 231 million compared with EUR 319 million)

In EUR million	December 31, 2019	December 31, 2018
Profit (loss) of associates and consolidated operating companies	0.4	332.0
Interest income (expenses)	(11.7)	(39.7)
Other financial income (expenses)	152.3	33.6
Other operating income (expenses)	(25.6)	(11.1)
Gains (losses) on disposals, impairments and reversals of non-current assets	115.6	4.4
Taxes	(0.1)	(0.2)
Total	**230.9**	**319.0**

Net profit (loss) of associates and consolidated operating companies amounts to EUR 0 million compared with EUR 332 million in 2018:

In EUR million	December 31, 2019	December 31, 2018
Imerys	65.9	302.3
Webhelp	(19.6)	-
Parques Reunidos	(85.8)	(0.5)
Sienna Capital	40.0	30.2
Kartesia	*31.1*	*21.5*
Backed	*4.3*	*6.3*
Operating subsidiaries of ECP III	*3.5*	*4.1*
ECP IV	*3.3*	*-*
Mérieux Participations 2	*2.7*	*0.5*
ECP I & II	*(4.8)*	*(2.2)*
Total	**0.4**	**332.0**

Imerys

(EUR 66 million compared with EUR 302 million)

Net current income decreases by 22.4% to EUR 277 million as of December 31, 2019 (EUR 357 million as of December 31, 2018). The current operating income amounts to EUR 439 million (EUR 562 million as of December 31, 2018). The net result, group's share, amounts to EUR 121 million as of December 31, 2019 (EUR 560 million as of December 31, 2018).

Imerys contributes EUR 66 million to GBL's result in 2019 (EUR 302 million in 2018), reflecting the variation in the net income, group's share, and the 54.4% consolidation rate for Imerys in 2019 (54.0% in 2018).

The press release relating to Imerys' results as of December 31, 2019 is available at **www.imerys.com**.

Parques Reunidos

(EUR - 86 million compared with EUR - 1 million)

As of December 31, 2019, Parques Reunidos' contribution amounts to EUR - 86 million, based on:

- EUR - 352 million loss realized by Parques Reunidos for the period from January 1, 2019 to December 31, 2019 and taking into account a consolidation rate of 21.20% for the first three quarters of 2019 and a consolidation rate of 23.34% or 23.00% for the fourth quarter of the year, according to the changes in indirect ownership between the date of completion of the voluntary takeover bid (the "Bid") launched by Piolin Bidco, S.A.U. ("Piolin") and December 31, 2019. The net result of the period was notably impacted by significant impairments booked by Parques Reunidos in 2019 (EUR - 319 million).
- GBL's share of Piolin's result for the period from September 6, 2019 to December 31, 2019, considering a 27.00% consolidation rate. The loss incurred over this period mainly relates to transaction costs related to Piolin's Bid.

As of December 31, 2018, the contribution of Parques Reunidos amounted to EUR - 1 million, based on a EUR - 2 million result for the period from January 1, 2018 to December 31, 2018 taking into account a 21.19% consolidation rate.

Webhelp

(EUR - 20 million)

Following the acquisition of Webhelp in the fourth quarter of 2019, GBL has recognized a contribution of EUR - 20 million on this participation, based on a consolidation rate of 64.45%.

This contribution mainly represents GBL's share in the transaction costs linked to the acquisition.

Sienna Capital

(EUR 40 million compared with EUR 30 million)

Sienna Capital's contribution to GBL's results as of December 31, 2019 amounts to EUR 40 million compared with EUR 30 million in the prior year. This result notably includes the contribution of Kartesia (EUR 31 million in 2019 compared with EUR 22 million in 2018), the contribution of Backed (EUR 4 million in 2019 compared with EUR 6 million in 2018), the results of the operating subsidiaries of ECP III (EUR 4 million in 2019 compared with EUR 4 million in 2018), the result of the new ECP IV fund (EUR 3 million in 2019 compared with EUR 0 million in 2018), the contribution of Mérieux Participations 2 (EUR 3 million in 2019 compared with EUR 1 million in 2018), and the result of ECP I & II (EUR - 5 million in 2019 compared with EUR - 2 million in 2018).

In accordance with IFRS 9, **other financial income (expenses)** include the change in fair value of Sienna Capital's funds, not consolidated or accounted for under the equity method, for a total amount of EUR 152 million (EUR 34 million in 2018). This amount notably includes the changes in fair value of PrimeStone (EUR 54 million), Upfield (EUR 50 million), Sagard funds (EUR 20 million) and BDT Capital Partners II (EUR 16 million).

The **gains (losses) from disposals, impairments and reversals of non-current assets** mainly consist of the net capital gain on the disposal by ECP III of opseo (EUR 88 million) and Looping (EUR 34 million).

D. Eliminations, capital gains, impairments and reversals

(EUR - 108 million compared with EUR - 120 million)

In EUR million	December 31, 2019	December 31, 2018
Elimination of dividends *(Imerys, Parques Reunidos, Sienna Capital)*	(96.4)	(101.9)
Other financial income (expenses) *(GBL, other)*	(12.0)	(17.6)
Total	**(108.3)**	**(119.5)**

Net dividends from operating investments (associates or consolidated companies) are eliminated and are related as of December 31, 2019 to Imerys and Parques Reunidos (EUR - 96 million). As of December 31, 2018, this heading included the elimination of dividends from Imerys, Parques Reunidos and Sienna Capital for EUR - 102 million.

The **other financial income (expenses)** mainly include the elimination of the dividend on treasury shares amounting to EUR - 11 million (EUR - 9 million in 2018). Moreover, in 2018, this heading included the reversal of the derivative recorded in "mark to market and other non-cash items" in relation to the bonds convertible into GBL shares which were the subject of early conversions and whose settlement was carried out through share deliveries (EUR 0 million in 2019 compared with EUR - 8 million in 2018).

E. Comprehensive income 2019 – group's share

In accordance with IAS 1 *Presentation of financial statements*, GBL publishes its consolidated comprehensive income as an integral part of the consolidated financial statements. This income, group's share, amounted to EUR 4,561 million in 2019 compared with EUR - 397 million the previous year. This change is mainly the result of the change in the market prices of the investments held in the portfolio. This result of EUR 4,561 million gives an indication of the value creation achieved by the company in 2019. It is based on the consolidated result, group's share, for the period (EUR 705 million), plus the market value impact on the other equity investments, i.e. EUR 3,442 million, and the changes in the equity of associates and consolidated companies, group's share, amounting to EUR 414 million. The consolidated comprehensive income, group's share, shown in the table below, is broken down according to each investment's contribution.

In EUR million				2019	2018
	Result of the period	Elements entered directly in shareholders' equity		Comprehensive income	Comprehensive income
Group's share		Mark to market	Other		
Investments' contribution	**754.6**	**3,442.4**	**414.1**	**4,611.1**	**(357.4)**
adidas	42.8	1,254.4	333.2	**1,630.4**	274.1
LafargeHolcim	110.7	650.0	107.3	**868.0**	(544.5)
SGS	87.2	609.8	-	**697.0**	(184.2)
Umicore	34.3	378.2	-	**412.5**	(167.7)
Pernod Ricard	62.1	320.3	-	**382.4**	272.8
GEA	13.1	107.2	-	**120.3**	(200.5)
Total	36.4	39.3	-	**75.7**	36.9
Imerys	65.9	-	(14.5)	**51.4**	289.1
Ontex	6.7	14.0	-	**20.7**	(149.3)
Webhelp	(19.6)	-	-	**(19.6)**	-
Parques Reunidos	(85.8)	-	1.5	**(84.3)**	1.0
Sienna Capital	282.6	-	(0.2)	**282.4**	56.8
Other	118.2	69.2	(13.2)	**174.2**	(41.9)
Other income (expenses)	**(49.9)**	**-**	**-**	**(49.9)**	**(39.6)**
December 31, 2019	**704.7**	**3,442.4**	**414.1**	**4,561.2**	
December 31, 2018	658.9	(1,110.2)	54.3		(397.0)

Economic presentation of the financial position

As of December 31, 2019, GBL presents a net debt position of EUR 768 million.

It is characterized by:
- gross cash excluding treasury shares of EUR 1.834 million (EUR 376 million at year-end 2018); and
- gross debt of EUR 2,602 million (EUR 1,069 million at year-end 2018).

The weighted average maturity of the gross debt is 3.0 years (4.2 years excluding the debt related to the prepaid forward sales of Total shares) at the end of December 2019 (6.1 year at year-end 2018).

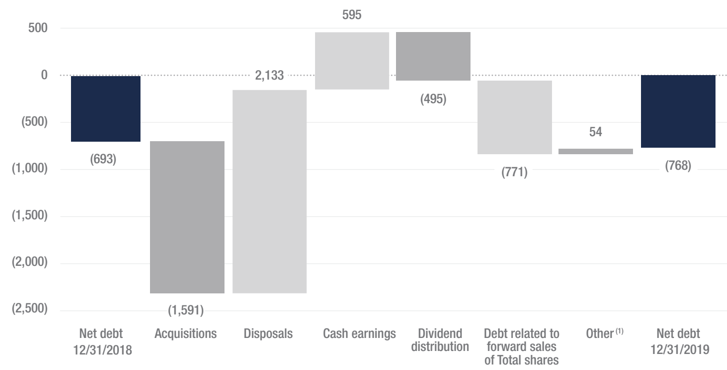
As of December 31, 2019, committed credit lines total EUR 2,150 million (entirely undrawn) and mature in 2024 and 2025.

This position does not include the company's commitments in respect of (i) Sienna Capital, which total EUR 466 million at the end of December 2019 (EUR 528 million as of December 31, 2018) and (ii) the debt towards Webhelp's minority shareholders which is valued EUR 475 million at the end of December 2019.

Finally, the 5,238,989 treasury shares represents 3.2% of the issued capital and are valued at EUR 490 million, compared with 1.6% and EUR 200 million respectively at the end of the previous year.

Net debt: change over 1 year

In EUR million



In EUR million	Gross cash	Gross debt	Net debt
Position as of December 31, 2018	**376.5**	**(1,069.4)**	**(693.0)**
Cash earnings	595.3	-	595.3
Dividend distribution	(495.4)	-	(495.4)
Investments:	(1,590.5)	-	(1,590.5)
Webhelp	*(866.7)*	-	*(866.7)*
Sienna Capital	*(465.2)*	-	*(465.2)*
GBL	*(230.0)*	-	*(230.0)*
Umicore	*(25.6)*	-	*(25.6)*
Imerys	*(3.0)*	-	*(3.0)*
Divestments:	2,133.0	(771.3)	1,361.7
adidas	*499.0*	-	*499.0*
LafargeHolcim	*498.8*	-	*498.8*
Sienna Capital	*247.4*	-	*247.4*
Others	*116.5*	-	*116.5*
Total	*771.3*	*(771.3)*	-
Bank financing	11.0	(11.0)	-
Issuance of exchangeable bonds	751.9	(750.0)	1.9
Other	52.3	-	52.3
Position as of December 31, 2019	**1,834.1**	**(2,601.8)**	**(767.7)**

Gross cash

As of December 31, 2019, gross cash excluding treasury shares stands at EUR 1,834 million (376 million as of December 31, 2018). The following table presents its components in correlation with GBL's consolidated financial statements:

In EUR million	Notes	December 31, 2019	December 31, 2018
Gross cash as presented in:			
Net asset value		**1,834.1**	376.5
Segment information (Holding) - pages 120 to 123		**1,816.4**	378.6
- Trading financial assets	16	**1,400.1**	275.1
- Cash and cash equivalents	17	**416.2**	119.9
- Other current assets	18	**75.4**	30.0
- Trade payables		**(2.9)**	(2.7)
- Tax liabilities		**(6.6)**	(7.0)
- Other current liabilities	23	**(65.8)**	(36.7)
Reconciliation items		**17.7**	**(2.1)**
Reclassification of ENGIE shares previously taken into account in the net asset value and included since 2016 in gross cash		**1.3**	1.1
Valuation difference of the derivative associated to the LafargeHolcim exchangeable bonds		**(7.5)**	-
Valuation difference of the derivative associated to the sales of Total shares and related prepayment		**31.6**	-
Other		**(7.7)**	(3.2)

(1) Primarily upstream flows from Sienna Capital's residual cash from previous years' distributions (EUR 59 million)

Gross debt

As of December 31, 2019, the gross debt of EUR 2,602 million (EUR 1,069 million as of December 31, 2018) breaks down as follows:

In EUR million	December 31, 2019	December 31, 2018
Retail and institutional bonds	**1,000.0**	1,000.0
Exchangeable bonds LafargeHolcim	**750.0**	-
Debt related to the forward sales of Total shares	**771.3**	-
Other	**80.5**	69.4
Gross debt	**2,601.8**	**1,069.4**

The following table presents the components of the gross debt in correlation with the IFRS consolidated financial statements:

In EUR million	December 31, 2019	December 31, 2018
Gross debt, included in the segment information (Holding) - pages 120 to 123:	**2,568.6**	**1,061.0**
Non-current financial liabilities	**1,828.8**	1,061.0
Current financial liabilities	**739.8**	-
Reconciliation items	**33.2**	**8.4**
IFRS 9 impact on the debt related to the forward sales to Total shares	**31.6**	-
Impact of the recognition of financial liabilities at amortised cost in IFRS	**12.6**	8.4
Financial liabilities recognized in accordance with the IFRS 16 standard	**(11.0)**	-

Net debt

As of December 31, 2019, GBL presents a net debt position of EUR 768 million. The net debt presents the following Loan To Value ratio:

In EUR million	December 31, 2019	December 31, 2018
Net debt (excluding treasury shares)	**767.7**	693.0
Market value of the portfolio	**20,626.6**	16,686.1
Market value of the treasury shares underlying the bonds convertible into GBL shares	**n.a.**	n.a.
Loan To Value	**3.7%**	4.2%

Treasury shares

Treasury shares, valued at their historic value, are recorded as a deduction from shareholders' equity in IFRS. The treasury shares (EUR 490 million as of December 31, 2019, vs. EUR 200 million as of December 31, 2018) are valued by applying the following valuation principles set out in the glossary in page 208.

Historical data over 10 years

In EUR million	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Consolidated result										
Cash earnings	**595.3**	456.1	426.5	440.4	461.6	452.8	467.0	489.3	522.3	565.0
Mark to market and other non-cash items	**(13.2)**	3.3	(5.2)	14.4	90.9	(27.8)	(167.4)	(25.7)	18.9	(20.0)
Operating companies (associated or consolidated) and Sienna Capital	**230.9**	319.0	413.4	223.1	(45.2)	225.0	256.0	189.0	284.4	260.2
Eliminations, gains (losses) on disposals, impairments and reversals	**(108.3)**	(119.5)	(129.3)	(1,135.6)	519.1	225.3	65.0	(397.0)	(750.6)	(164.4)
Consolidated result (group's share)	**704.7**	**658.9**	**705.4**	**(457.7)**	**1,026.4**	**875.3**	**620.6**	**255.6**	**75.0**	**640.8**
Consolidated result of the period	**768.9**	**904.1**	**891.1**	**(310.9)**	**1,055.9**	**993.1**	**724.7**	**375.5**	**167.3**	**638.4**
Total distribution	**508.3**	**495.4**	**484.1**	**472.8**	**461.5**	**450.2**	**438.9**	**427.6**	**419.5**	**409.9**
Number of shares at the end of the year [(1)]										
Basic	**157,135,598**	157,679,088	155,607,490	155,374,131	155,243,926	155,139,245	155,060,703	155,253,541	155,258,843	155,223,385
Diluted	**157,309,308**	157,783,601	160,785,245	160,815,820	160,841,125	160,649,657	156,869,069	156,324,572	157,431,914	158,721,241
Payout (in %)										
Dividend/cash earnings	**85.4**	108.6	113.5	107.4	100.0	99.4	94.0	87.4	80.3	72.5
Consolidated result per share [(2)] **(group's share)**	**4.48**	**4.18**	**4.53**	**(2.95)**	**6.61**	**5.64**	**4.00**	**1.65**	**0.48**	**4.13**
Consolidated cash earnings per share [(3)] **(group's share)**	**3.69**	**2.83**	**2.64**	**2.73**	**2.86**	**2.81**	**2.89**	**3.03**	**3.24**	**3.50**

(1) The calculation of the number of basic and diluted shares is detailed in note 27
(2) The calculation of the consolidated result per share takes into account the basic number of shares
(3) The calculation of the cash earnings per share takes into account the number of shares issued

Accounts as of December 31, 2019

Consolidated financial statements

Consolidated balance sheet as of December 31

In EUR million	Notes	2019	2018
Non-current assets		**26,259.6**	**20,529.3**
Intangible assets	9	627.4	556.7
Goodwill	10	4,619.1	2,692.8
Property, plant and equipment	11	2,787.6	2,336.7
Investments		17,962.1	14,717.8
Investments in associates	2	*445.7*	*689.2*
Other equity investments	3	*17,516.4*	*14,028.6*
Other non-current assets	12	108.8	107.4
Deferred tax assets	13	154.7	117.9
Current assets		**4,883.9**	**3,360.9**
Inventories	14	846.1	901.9
Trade receivables	15	959.3	739.7
Trading financial assets	16	1,415.9	341.4
Cash and cash equivalents	17	1,221.3	1,013.6
Other current assets	18	441.4	364.3
Total assets		**31,143.5**	**23,890.2**
Shareholders' equity		**21,339.4**	**17,629.6**
Share capital	19	653.1	653.1
Share premium		3,815.8	3,815.8
Reserves		15,289.3	11,449.8
Non-controlling interests	29	1,581.2	1,710.9
Non-current liabilities		**6,986.7**	**4,832.6**
Financial liabilities	17	5,372.2	3,623.8
Provisions	20	453.6	676.8
Pensions and post-employment benefits	21	400.1	301.4
Other non-current liabilities	22	557.2	32.2
Deferred tax liabilities	13	203.6	198.4
Current liabilities		**2,817.4**	**1,428.0**
Financial liabilities	17	1,315.6	205.6
Trade payables		667.1	597.8
Provisions	20	29.6	26.1
Tax liabilities		95.8	129.0
Other current liabilities	23	709.2	469.5
Total shareholders’ equity and liabilities		**31,143.5**	**23,890.2**

Consolidated income statement as of December 31

In EUR million	Notes	2019	2018
Share of profit (loss) of associates	2	**(49.3)**	25.6
Net dividends from investments	3	**508.3**	350.4
Other operating income (expenses) from investing activities	5	**(62.5)**	(39.1)
Gains (losses) on disposals, impairments and reversals of non-current assets from investing activities		**128.6**	4.2
Investments in equity-accounted entities	4	***135.7***	*5.5*
Other		***(7.0)***	*(1.3)*
Financial income (expenses) from investing activities	7	**143.2**	11.8
Profit (loss) before tax from investing activities - continued operations		**668.3**	**352.9**
Turnover	8	**5,037.9**	5,201.3
Raw materials and consumables		**(1,729.5)**	(1,715.7)
Employee expenses	5	**(1,163.1)**	(1,201.5)
Depreciation/amortisation of property, plant, equipment and intangible assets		**(432.6)**	(313.3)
Other operating income (expenses) from operating activities	5	**(1,413.3)**	(1,802.0)
Gains (losses) on disposals, impairments and reversals of non-current assets from operating activities	6	**(51.1)**	(215.2)
Financial income (expenses) from operating activities	7	**(82.6)**	(95.7)
Profit (loss) before tax from consolidated operating activities - continued operations		**165.7**	**(142.1)**
Income taxes	13	**(65.1)**	**(94.7)**
Profit (loss) from continued activities		**768.9**	**116.1**
Profit (loss) from consolidated operating activities - discontinued operations	Group structure	**-**	**788.0**
Consolidated profit (loss) for the year		**768.9**	**904.1**
Attributable to owners of the Company		**704.7**	658.9
Attributable to non-controlling interests	29	**64.2**	245.2
Consolidated earnings per share for the period	27		
Basic - continued operations		***4.48***	*1.48*
Basic - discontinued operations		**-**	*2.70*
Basic		***4.48***	*4.18*
Diluted - continued operations		***4.48***	*1.44*
Diluted - discontinued operations		**-**	*2.70*
Diluted		***4.48***	*4.14*

Consolidated statement of comprehensive income as of December 31

In EUR million	Notes	2019	2018
Consolidated profit (loss) for the period		**768.9**	**904.1**
Other comprehensive income (1)			
Items that will not be reclassified subsequently to profit or loss			
Actuarial gains (losses)	21	**(56.4)**	18.7
Other equity investments	3	**3,875.9**	(1,043.1)
Total items that will not be reclassified to profit or loss, after tax		**3,819.4**	**(1,024.4)**
Items that may be reclassified subsequently to profit or loss			
Currency translation adjustments for consolidated companies		**30.3**	(38.7)
Cash flow hedges		**(5.5)**	(5.6)
Share in the other items of the comprehensive income of associates		**1.5**	1.5
Total items that may be reclassified to profit or loss, after tax		**26.3**	**(42.8)**
Other comprehensive income (loss) after tax		**3,845.7**	**(1,067.2)**
Comprehensive income (loss)		**4,614.6**	**(163.1)**
Attributable to the group		**4,561.2**	(397.0)
Attributable to non-controlling interests	29	**53.4**	233.9

(1) These elements are presented net of taxes. Income taxes are presented in note 13

Consolidated statement of changes in shareholders' equity

In EUR million	Capital	Share premium	Revaluation reserves	Treasury shares	Currency translation adjustments	Retained earnings	Share holders' equity – group's share	Non-controlling interests	Shareholders' equity
As of December 31, 2017	**653.1**	**3,815.8**	**5,582.0**	**(224.7)**	**(173.6)**	**6,852.4**	**16,505.0**	**1,431.4**	**17,936.4**
Consolidated profit (loss) for the year	-	-	-	-	-	658.9	658.9	245.2	904.1
Reclassification following disposals	-	-	(67.1)	-	-	67.1	-	-	-
Other comprehensive income (loss)	-	-	(1,043.1)	-	(19.3)	6.5	(1,055.9)	(11.3)	(1,067.2)
Total comprehensive income (loss)	**-**	**-**	**(1,110.2)**	**-**	**(19.3)**	**732.5**	**(397.0)**	**233.9**	**(163.1)**
Dividends	-	-	-	-	-	(474.9)	(474.9)	(79.1)	(554.0)
Treasury share transactions	-	-	-	87.0	-	195.7	282.7	-	282.7
Other movements	-	-	-	-	-	2.9	2.9	124.7	127.6
As of December 31, 2018 - published	**653.1**	**3,815.8**	**4,471.8**	**(137.7)**	**(192.9)**	**7,308.6**	**15,918.7**	**1,710.9**	**17,629.6**
Changes in accounting policies [1]	-	-	-	-	-	(1.4)	(1.4)	(1.2)	(2.5)
As of December 31, 2018 - restated	**653.1**	**3,815.8**	**4,471.8**	**(137.7)**	**(192.9)**	**7,307.2**	**15,917.3**	**1,709.8**	**17,627.1**
Consolidated profit (loss) for the year	-	-	-	-	-	704.7	704.7	64.2	768.9
Reclassification following disposals	-	-	(433.4)	-	-	433.4	-	-	-
Other comprehensive income (loss)	-	-	3,875.9	-	17.2	(36.5)	3,856.6	(10.8)	3,845.7
Total comprehensive income (loss)	**-**	**-**	**3,442.4**	**-**	**17.2**	**1,101.6**	**4,561.2**	**53.4**	**4,614.6**
Dividends	-	-	-	-	-	(484.4)	(484.4)	(110.2)	(594.7)
Treasury share transactions	-	-	-	(215.1)	-	(6.4)	(221.6)	-	(221.6)
Changes in group structure	-	-	-	-	-	(2.3)	(2.3)	(56.8)	(59.0)
Other movements	-	-	-	-	-	(12.2)	(12.2)	(14.9)	(27.1)
As of December 31, 2019	**653.1**	**3,815.8**	**7,914.4**	**(352.8)**	**(175.7)**	**7,903.4**	**19,758.2**	**1,581.2**	**21,339.4**

During 2019, shareholders' equity was mainly impacted by:

- the distribution, on May 3, 2019, of GBL's gross dividend of EUR 3.07 per share (EUR 3.00 in 2018), less dividends perceived on treasury shares, for a net total amount of EUR 484 million (see note 19);
- the change in fair value of the portfolio of other equity investments whose changes in fair value are recognised in equity in revaluation reserves for EUR 3,442 million (see note 3);
- the acquisitions of treasury shares; and
- the consolidated result for the year of EUR 769 million.

(1) Refer to note on "Accounting policies"

Consolidated statement of cash flows

The consolidated statement of cash flows takes into account the cash flows from continued and discontinued operations.

In EUR million	Notes	2019	2018
Net cash from (used in) operating activities		**1,064.0**	**914.3**
Consolidated profit (loss) for the year		768.9	904.1
Adjustments for non-cash items:			
Income taxes (continued and discontinued activities)	13	65.1	121.1
Interest income (expenses)	7	84.5	94.8
Share of profit (loss) of associates	2	57.0	(24.1)
Dividends from investments in non-consolidated companies	3	(508.3)	(350.4)
Net depreciation and amortisation expenses	9, 11	433.1	317.9
Gains (losses) on disposals, impairment and reversals of non-current assets		(66.2)	(571.1)
Other non-cash income items (1)		(91.6)	310.9
Interest received		34.6	10.7
Interest paid		(108.6)	(92.4)
Dividends received from investments in non-consolidated companies		509.0	353.2
Dividends received from investments in associates	2	10.4	9.7
Income taxes paid		(138.6)	(118.3)
Changes in working capital		64.6	(54.2)
Changes in other receivables and payables		(49.8)	2.4
Net cash from (used in) investing activities		**(1,386.5)**	**(173.3)**
Acquisitions of:			
Investments in associates		(74.1)	(707.0)
Other equity investments		(382.8)	(297.2)
Subsidiaries, net of cash acquired	Scope of consolidation	(808.2)	(408.0)
Property, plant and equipment and intangible assets	9, 11	(402.7)	(390.6)
Other financial assets (2)		(1,208.7)	(116.5)
Disposals/divestments of:			
Investments in associates		36.9	558.9
Other equity investments		1,130.4	137.5
Subsidiaries, net of cash paid	Scope of consolidation	178.8	743.2
Property, plant and equipment and intangible assets		21.0	35.9
Other financial assets (2)		122.9	270.5
Net cash from (used in) financing activities		**528.1**	**(212.4)**
Capital increase/(decrease) from non-controlling interests		(7.7)	104.6
Dividends paid by the parent company to its shareholders		(484.4)	(474.9)
Dividends paid by the subsidiaries to non-controlling interests		(110.2)	(79.1)
Proceeds from financial liabilities	17	1,598.9	909.7
Repayments of financial liabilities	17	(246.9)	(619.6)
Net change in treasury shares		(221.6)	(59.9)
Other		-	6.8
Effect of exchange rate fluctuations on funds held		**2.2**	**(6.9)**
Net increase (decrease) in cash and cash equivalents		**207.7**	**521.7**
Cash and cash equivalents at the beginning of the year	17	1,013.6	491.9
Cash and cash equivalents at the end of the year	17	1,221.3	1,013.6

(1) Includes in the current year the change in fair value of other equity investments whose change in fair value is recognized through profit or loss for EUR 153 million (EUR 34 million in 2018). In the previous year, this heading also included the booking of provisions, mainly by Imerys for EUR - 353 million.
(2) Change primarily linked to the evolution of money market funds (EUR 1,402 million and EUR 323 million as of December 31, 2019 and 2018, respectively) – see note 16

Accounting policies

Groupe Bruxelles Lambert SA ("GBL") is a Belgian holding company listed on Euronext Brussels. Its consolidated financial statements cover a period of 12 months ended December 31, 2019. They were approved by its Board of Directors on March 11, 2020 on a going concern basis, in million of euros, to one decimal place and rounded to the nearest hundred thousand euros.

General accounting principles and applicable standards

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

Mandatory changes in accounting policies

The following new and amended standards and interpretations have been applied since 2019. With the exception of the IFRS 16 standard mentioned below, they did not have any material impact on GBL's consolidated financial statements.

IFRS 16 *Leases*. As of January 1, 2019, contracts that convey the right to use an asset for a period of time in exchange for consideration are recognized as right-of-use assets against a lease liability. The scope of contracts has been systematically reviewed, reassessing the existence of leases in each contract according to the criteria of the standard and, in line with the exemption set out in the standard, excluding leases with a term of 12 months or less and low-value assets, for which lease fees are recognized in expenses. The initial direct costs of setting up the contracts are excluded from the measurement of right-of-use assets, in accordance with the option set out in the transition provisions of the standard. A single discount rate was used per portfolio of contracts with similar characteristics. The group applied the simplified transition approach, according to which the cumulative impact of initial adoption is recognized as an adjustment in equity as of January 1, 2019. Comparative information for 2018 has not been restated. Right-of-use assets were measured in relation to the amortized value at the date of transition. The non-discounted value of the lease commitment as of January 1, 2019 amounted to EUR 502 million, which represents a discounted liability of EUR 424 million. In the absence of available implicit interest rates, the leases were discounted using the lessees' incremental borrowing rate as of January 1, 2019. As of the transition date, the weighted average marginal borrowing rate was 3.08%. Up until December 31, 2018, only finance leases were recognized as lease liabilities. Operating leases were presented in the income statement as "Other operating income (expenses) from investing activities" and "Other operating income (expenses) from operating activities" and under "Operating lease commitments" of note 30 on contingent assets and liabilities, rights and commitments of the group's 2018 Annual Report.

The following table presents the reconciliation between the off-balance sheet commitments published as of December 31, 2018 and the lease liabilities recognized as of January 1, 2019:

In EUR million	January 1, 2019
Operating leases	364.1
Operating commitments	241.2
Commitments given including leases [1]	**605.3**
Identification of additional lease agreements	43.0
Elimination of operating commitments other than leases [2]	(141.1)
Discount using the incremental borrowing rate	(76.3)
Discounted value of the off-balance sheet lease commitment	**430.9**
Elimination of service concession arrangements	(18.8)
Elimination of leases of low-value assets and other immaterial leases	(8.3)
Elimination of leases with a term of 12 months or less	(5.7)
Elimination of leases of mine land leases	(4.6)
Elimination of leases starting after the transition date and agreed before December 31, 2018	(3.5)
Inclusion of consideration contingent on exercising option to extend the lease	21.3
Lease liabilities previously recognized as finance leases under IAS 17	13.1
Lease liabilities	**424.4**

The following table presents the impact the change in accounting policy had on the consolidated balance sheet as of January 1, 2019:

In EUR million	January 1, 2019
Non-current assets	**469.5**
Property, plant and equipment	394.7
Deferred tax assets	74.8
Current assets	**(1.0)**
Other current assets	(1.0)
Total consolidated assets	**468.5**
Equity, group's share	**(1.4)**
Reserves	(1.4)
Equity attributable to non-controlling interests	**(1.2)**
Equity	**(2.5)**
Non-current liabilities	**390.9**
Provisions	(6.9)
Lease liabilities (presented as finance leases)	336.5
Borrowings and financial debt	(12.8)
Deferred tax liabilities	74.1
Current liabilities	**80.1**
Trade payables	(7.2)
Lease liabilities (presented as finance leases)	87.9
Other financial debt	(0.6)
Total consolidated equity and liabilities	**468.5**

IFRIC 23 *Uncertainty over Income Tax Treatments*. This interpretation clarifies the accounting for uncertainties in the measurement of income tax. The entity must assume that a tax authority will have full knowledge of all relevant information when examining any amounts reported to it. The interpretation sets out the criteria to determine whether each tax uncertainty should be considered independently or whether some tax uncertainties should be considered together. It requires the entity to consider whether it is probable that a given tax authority will accept an uncertain tax treatment and to draw its consequences.

(1) Note 30 of the 2018 Annual Report
(2) Commitments to purchase raw materials, energy and other operating commitments given

Finally, the interpretation requires entities to reassess their judgments and estimates if facts and circumstances change. The group already integrated these criteria in its judgment process and therefore has not felt any impact from this interpretation coming into force. Furthermore, even though the IFRIC 23 interpretation does not clarify the uncertainty over the classification in the balance sheet of income tax treatments, the clarifications provided have led the group to recognize these items in "Current income taxes" as soon as the interpretation came into force.

Amendment to IAS 19 *Plan Amendment, Curtailment or Settlement*. This amendment involves updating the actuarial assumptions used to calculate the current service cost, unwinding and normative return on plan assets and reimbursement rights after a plan amendment, curtailment or settlement. The group's actuaries have already been following the provisions in their work in the interests of best practice. Therefore, the adoption of this interpretation will have no impact.

Furthermore, amendments to IFRS 9 *Prepayment Features with Negative Compensation*, and IAS 28 *Long-term Interests in Associates and Joint Ventures*, do not apply to the group.

Texts in force after the reporting date

GBL did not opt for the early application of the new and amended standards and interpretations which entered into force after December 31, 2019, namely:

- Amendments to IAS 1 and IAS 8 *Amendment to the definition of "material"* (applicable for annual periods beginning on or after January 1, 2020);
- Amendments to IFRS 3 *Business Combinations* (applicable for annual periods beginning on or after January 1, 2020, but not yet adopted at European level);
- Amendments to the references to the Conceptual Framework for Financial Reporting in IFRS (applicable for annual periods beginning on or after January 1, 2020, but not yet adopted at European level);
- Amendments to IFRS 9, IAS 39 and IFRS 7 *Interest rate benchmark reform* (applicable for annual periods beginning on or after January 1, 2020);
- IFRS 17 *Insurance Contracts* (applicable for annual periods beginning on or after January 1, 2021, but not yet adopted at European level);

Basis and scope of consolidation

The consolidated financial statements, prepared before appropriation of result, include those of GBL and its subsidiaries (the "group") and the interests of the group in joint ventures and associates accounted for using the equity method. The important subsidiaries, joint ventures and associates close their accounts on December 31.

Controlled companies

Controlled companies are entities for which GBL is exposed to variable returns because of ties to these entities and has the capacity to influence these returns because of the control that GBL has over these entities. Controlled companies are consolidated.

Intra-group balances and transactions as well as unrealised gains (losses) have been eliminated. Newly acquired companies are consolidated as from the date of acquisition.

Jointly controlled companies (joint ventures)

A joint venture is a company over which GBL has joint control with one or more other parties and for which the parties have a claim to the company's net assets. Joint control is the contractually agreed sharing of the control exercised over a company, which only exists in cases where decisions regarding the relevant operations require the unanimous consent of the parties sharing control.

These joint ventures are accounted for in the consolidated financial statements using the equity method.

Associates

If the group has a significant influence in a company, the investment it holds in that company is considered as an associate company. Notable influence is the power to participate in decisions about financial and operational policies, but without exercising control or joint control over these policies.

Associates are accounted for in the consolidated financial statements using the equity method.

An investment is accounted for using the equity method as from the date it becomes an investment in an associate or joint venture. Under the equity method, the investment in an associate or joint venture is recorded at cost on initial recognition. In the absence of definition in the standards of the notion of cost, the group considers, in the event of a change from an "other equity investment - financial assets recognised at fair value through equity" to an associate, the fair value at the date of the first equity method as the cost. The revaluation reserve accounted for until that date is transferred to consolidated reserves.

Intangible assets

Intangible assets are recorded at cost less any accumulated amortisation and potential impairment losses.

Intangible assets with a finite useful life are amortised using the straight-line method over their estimated useful life.

Intangible assets with an indefinite useful life are not amortised but are tested for impairment annually at the close of the financial year (or at an earlier date should there be an indication of impairment). When the recoverable amount of an asset is less than its carrying amount, this carrying amount is reduced to reflect the loss of value.

If there is no applicable standard or interpretation, Imerys treats greenhouse gas emission credits as intangible assets. Imerys holds these credits solely to prove the volume of its emissions and does not trade them, for example through forward purchases or sales. The recognised value of credits received free of charge is zero and credits purchased on the market are recognised at their purchase price. If the credits held are less than the actual emissions at the reporting date, a provision is recognised in profit or loss that is equal to the value of the credits to be purchased, measured at their market value (net liability method). Disposals are only related to surplus credits and are recognized in profit or loss as asset disposals.

Business combinations and goodwill

When the group acquires a business, the identifiable assets and liabilities of the acquired entity are recorded at fair value on the acquisition date.

The counterparty transferred to a business combination corresponds to the fair value of the transferred assets (including cash), the assumed liabilities and the shareholders' equity instruments issued by the group in exchange for the control of the acquired entity. The costs directly related to the acquisition are generally recognised in profit or loss.

Goodwill is calculated as the positive difference between the following two elements:

- the sum of (i) the counterparty transferred and, where appropriate, (ii) the amount of the non-controlling interests (minority interests) in the acquired entity, and (iii) the fair value of interests already held by the group prior to acquiring the controlling interest; and
- the net amount on the date of acquisition of the identifiable assets and liabilities acquired and assumed.

If, after confirmation of the values, this difference proves to be negative, this amount is immediately recorded in the income statement as a gain from a bargain purchase.

Goodwill is accounted for as an asset in the balance sheet under the heading "Goodwill" and subject to an annual impairment test, which consists in comparing the recoverable amount of the cash generating units ("CGU") to which the goodwill has been allocated with their carrying amount (including the goodwill). If the latter is higher, an impairment loss must be recorded in the income statement.

In addition, in valuing goodwill as outlined above, the amount of the non-controlling interests can be valued on a case by case basis and at GBL's choice, either at fair value (the so-called "full goodwill" option) or at the share of the identifiable net asset in the acquired entity.

Property, plant and equipment

Property, plant and equipment

Items of property, plant and equipment are recorded under assets if they are controlled as a result of a deed of ownership. Items of property, plant and equipment are initially valued at acquisition or production cost.

The cost of property, plant and equipment includes the cost of loans contracted to finance their construction or production when they necessitate a substantial period of time. The cost of the assets is reduced, where appropriate, by the amount of public subsidies used to finance their acquisition or construction.

Maintenance and repair costs are immediately expensed under "Other operating income (expenses) from operating activities". The cost of property, plant and equipment includes, in particular for satellite industrial installations built on clients' land, the present value of the rehabilitation or dismantling obligation, where such an obligation exists. Property, plant and equipment are subsequently valued at cost less accumulated depreciation and any accumulated impairment losses.

Leasehold property, plant and equipment

All contracts that convey the right to use an item of non-substitutable property, plant and equipment for a period of time in exchange for consideration are recognized as right-of-use assets against a lease liability. This treatment applies to all leases except mine land leases, which are recognized in the manner described in the following paragraph, as well as immaterial leases (leases with terms of 12 months or less and leases of low-value assets), for which payments are recognized as an expense.

At Imerys level, easements, especially for pipelines used to connect mineral deposits, processing facilities and shipping facilities are analyzed as non-mine land leases. Right-of-use assets are initially measured at the value of the lease liability, plus any initial direct costs and equipment dismantling costs where necessary. Lease liabilities are measured at the discounted value of future lease payments due in accordance with a contractual payment schedule, adjusted for rent-free periods. Payments are therefore scheduled through to the reasonably certain end date of the lease, reflecting the date beyond which the lease ceases to be legally enforceable. This date represents the end of the lease, adjusted for any options the lessee is able to exercise regarding early termination or extension and any restrictions the lessor is able to exercise. The lease payments taken into account in the calculation of the lease liabilities include the unconditional payments due in exchange for the right to use the asset, as well as the cost related to the early termination, extension or purchase clauses when it is reasonably certain they will be exercised. The liability calculation excludes any variable payment related to the use of the asset (at the level of Imerys, for example, a payment dependent on the actual number of hours a piece of mining equipment is used), as well as any payment for services rendered by the lessor (for example, at Imerys, rail car maintenance). In the absence of implicit interest rates, future payments determined in this way are discounted using the lessees' incremental borrowing rate.

The first time deferred tax assets and liabilities are recognized, they are calculated separately for lease liabilities and right-of-use assets, respectively. In subsequent years, right-of-use assets are amortized under the headings "Other operating income (expenses) from investing activities" or "Depreciation/amortization of property, plant, equipment and intangible assets" of the consolidated income statement and lease liabilities are measured at amortized cost, which generates an interest expense that is recognized in financial income (loss). When an option is exercised, the lease must be reassessed to symmetrically adjust the carrying amounts of the lease liability and the right of use.

Any modification to leases gives rise to such a symmetrical adjustment, except when the scope of the lease is restricted to reduce the capacity of the asset leased or the duration of the lease. In this situation, the carrying amount of the lease liability and the right of use are reduced in proportion to the reduction of the scope, generating an impact recognized in current operating income.

Mining assets

In the absence of any specific applicable standard or interpretation, Imerys has defined the following methods to recognize and measure mining assets. Prospection expenditure, i.e. searching for new sites with mineral producing potential and studying the technical feasibility and commercial viability of a geographical area, is immediately recognized as an expense under the heading "Other operating income (expenses) from operating activities". Mineral reserves are included in property, plant and equipment. Freehold mineral deposits are initially measured at acquisition cost minus subsoil. Leasehold mineral deposits are measured at a value of nil if the lease is entered into in the ordinary course of business. If the lease is acquired through a business combination, the acquisition cost of the deposit is measured at the fair value of the ore. Costs incurred to determine the tonnage of ore present in the deposit are added to the acquisition cost. Overburden work, i.e. the process of removing the topsoil to gain access to the deposit, is considered a component of mineral reserve assets. The initial measurement of overburden work includes production cost and the discounted value of restoration obligations as a result of the deterioration caused by such work. Mineral reserves and overburden assets are included under the heading "Property, plant and equipment". Mining assets are subsequently measured at cost, minus accumulated depreciation and any impairment loss.

Depreciation

Depreciation expense is spread over the expected useful life of the different categories of property, plant and equipment using the straightline method. The estimated useful lives of the most significant items of property, plant and equipment fall into the following ranges:

- buildings: 10 to 50 years;
- industrial constructions: 10 to 30 years;
- fixtures and fittings of buildings and constructions: 5 to 15 years;
- machinery, equipment and technical fittings: 5 to 20 years;
- vehicles: 2 to 5 years; and
- other property, plant and equipment: 10 to 20 years.

Land is not depreciated.

Right-of-use assets held through leases are depreciated over the reasonably certain end date of the lease. If the lessee is considering exercising their right to purchase the asset, the useful life of the asset leased is applied. Rights of use are depreciated or amortized on a straight-line basis, except, for Imerys, those applicable to bulk carriers, which are depreciated by the number of journeys made. Freehold and leasehold equipment is depreciated over its useful life, up to the end of the reasonably certain end date of the lease. Furthermore, Imerys does not consider the straight-line depreciation method appropriate to reflect the consumption of property, plant and equipment related to mining activities such as mineral reserves and overburden assets as well as certain industrial assets of discontinuous use.

Depreciation of mining assets is therefore estimated in units of production on the basis of actual extraction, while operational monitoring units such as production or operating hours are used to estimate depreciation of industrial assets. A mineral reserve is depreciated to the quantity of the geological inventory of the deposit minus discounts for the geological uncertainty inherent to the resources. Overburden assets, a component of mineral reserve assets, are depreciated over the quantity of reserve to which they specifically give access. Subsoil, i.e. the area of land not part of the mineral deposit, is not depreciated since it is not consumed by mining operations.

Other equity investments

Other equity investments include investments in companies in which the group does not control nor exercise a significant influence, as defined above.

Other equity investments are either quoted or not quoted.

Quoted investments (adidas, Pernod Ricard, SGS, LafargeHolcim, Umicore, etc.)

These investments are recorded at fair value based on their share price at closing date.

GBL has opted to account for changes in the fair value of listed investments via equity ("financial assets recognised at fair value through equity"). These amounts will never be recycled in earnings, even in the event of the sale of securities or significant or prolonged loss of value. In the event of a sale, the accumulated revaluation reserves at the time of sale are reclassified to consolidated reserves.

Non-quoted investments (Upfield, Sagard, Sagard II and 3, PrimeStone, Marcho Partners, BDT Capital Partners II, Matador Coinvestment, Ergon opseo Long Term Value Fund,...)

Investments in funds are revalued at each closing at their fair value, determined by the managers of these funds, according to their investment portfolio.

Based on the analysis of the characteristics of these unlisted funds, GBL determined that they were not eligible for the "Fair value through other comprehensive income" option. Therefore, the changes in fair value are accounted for in profit or loss ("financial assets recognised at fair value through profit or loss").

Non-current assets held for sale and discontinued operations

When, at the reporting date, it is highly likely that non-current assets or groups of directly related assets and liabilities will be disposed of, they are designated as non-current assets or groups of assets held for sale. Their sale is considered highly likely if, on the reporting date, a plan to put them up for sale at a reasonable price in relation to their fair value has been organised in order to find a buyer and finalise their transfer within one year at most. Non-current assets or groups of assets held for sale are presented as separate items in the financial statements. They are no longer depreciated and are valued at the lower of carrying amount or fair value less costs to sell. Non-current assets or groups of assets that will be shut down and not sold constitute non-current assets that are to be abandoned. When non-current assets corresponding to a disposal, held for sale or to be abandoned are allocated to a separate line item for the main operation and are to be abandoned as part of a single coordinated plan, they are categorized as discontinued operations and their related flows are disclosed separately in the income statement and statement of cash flows.

Inventories

Inventories are recorded as assets at the date on which the risks, rewards and control are transferred to the group. At the time of sale, their disposal is accounted for through an expense at the same date as the corresponding gain. Inventories are valued at the lower of production cost or net realisable value. When production is less than normal capacity, fixed costs specifically exclude the share corresponding to the sub-activity. Inventories presenting similar characteristics are valued under the same method. The methods used in the group are FIFO - First-In, First-Out - and the weighted average unit cost. When production cost cannot be recovered, it is lowered to net realisation value under the conditions existing at the reporting date.

Trade receivables

Trade receivables are initially recognized at their transaction price, when those do not contain an important financing component (determined in accordance with IFRS 15 *Revenue from Contracts with Customers*). The transaction price is the amount of consideration that the group expects to receive in exchange for the goods or services transferred. Subsequent to their initial recognition, trade receivables are valued at amortised cost, i.e. at fair value plus, where applicable, directly attributable transaction costs, increased or decreased, of accumulated amortisation of any difference between this initial amount and the amount at maturity, and less any write-down for impairment or non-recoverability. At the end of the reporting period, a write-down is recognized for the value of expected credit losses. Such losses correspond to the estimated weighted probability of credit losses, i.e. the expected loss of cash over the life of the trade receivable, minus cash to be received from credit insurance where applicable. A receivable sold to a banking institution for financing purposes is only derecognized if the factoring agreement also transfers to the factor all the risks and rewards incidental to the receivable.

Other financial assets

The other financial assets are classified in one of the following two categories:

- Amortized cost. Financial assets are measured at amortized cost when the objective of the business model is to collect the contractual cash flows. These correspond mainly to cash and cash equivalents, as well as, to a lesser extent, of receivables related to dividends to be received. Cash and cash equivalents include bank deposits and fixed-term investments with a maturity date equal to or less than three months from the acquisition date. These are highly liquid investments indexed on a money market rate and the value of which is known or subject to very little uncertainty.

- Fair value through profit or loss. Financial assets are measured at fair value through profit or loss when the objective of the business model is to both collect the contractual cash flows and make a trading profit in the short term. They are non-derivative financial assets held for trading and recognized as assets between the dates of purchase and disposal, and whose changes in fair value are recognized in other financial income and expenses (investing or operating activities) at market prices published at the end of the reporting period. This category also includes trading assets as well as derivative instruments other than hedge accounting.

Finally, the group derecognizes a financial asset only if the contractual rights to the cash flows of the asset expire, or if the financial asset and the associated risks and benefits are transferred to third parties. If the group does not transfer or retain substantially all the risks and rewards of ownership and continues to control the transferred asset, the group then recognizes retained interests in that asset and an associated liability for amounts that it may have to pay. If the group retains substantially all the risks and rewards of owning a transferred financial asset, the group continues to recognize the financial asset and also recognizes a debt backed by the proceeds received.

Impairment of assets

Other equity investments

Other equity investments are no longer subject to impairment tests since any decrease in fair value, even significant or prolonged, is still recognized in equity for financial assets recognised at fair value through equity or, directly in profit or loss for financial assets recognised at fair value through profit or loss.

Investments in equity-accounted entities

When there is an objective indication of impairment of an investment accounted for using the equity method, an impairment test must be carried out, in accordance with IAS 36 *Impairment of assets* and IAS 28 *Investments in Associates and Joint Ventures*. The recoverable amount of the asset is estimated in order to compare it to its carrying amount and, where applicable, to recognise an impairment loss for the surplus. The recoverable amount is the highest of either the fair value less costs to sell or the value in use. The value in use corresponds to the future estimated discounted cash flows. When an impairment accounted for in an earlier period ceases to exist, the carrying amount is partially or totally restored. The reversal of an impairment loss is recorded immediately in profit.

Property, plant and equipment and intangible assets

At every reporting date, the group reviews the carrying amount of intangible assets and property, plant and equipment with finite useful life in order to assess whether there is any evidence of impairment of these assets.

If there is any evidence of impairment, the asset's recoverable amount is estimated to compare it with its carrying amount. The recoverable amount is the higher of the asset's net sale price or its value in use. The value in use is the present value of estimated future cash flows from the continuous use of an asset. Where it is not possible to estimate the recoverable amount of an asset individually, the group estimates the recoverable amount of the CGU to which the asset belongs. If the recoverable amount of the asset or of the CGU is estimated to be less than the carrying amount, the carrying value of the asset or of the CGU is lowered to its recoverable amount. An impairment loss is immediately recognised in expenses.

When an impairment recorded during past financial years is no longer justified, the impairment loss on this asset or CGU is reversed in order to bring the asset or CGU back to a value corresponding to the new valuation of its recoverable amount. However, the carrying value of an asset or CGU may not exceed, following reversal of an impairment loss, the carrying value it would have had if no impairment had been recognised for the asset or CGU in previous years. The reversal of an impairment loss is recognised immediately as income.

Trade receivables and other financial assets

IFRS 9 *Financial Instruments* requires the application of a model based on anticipated losses on trade receivables and other financial assets. In particular, IFRS 9 requires, among other things, that the group recognizes an impairment loss on trade receivables and other financial assets as of the initial recognition date thereof. The assessment of expected credit losses is made on an individual or collective basis taking into account historical data on late payments, information on current circumstances, as well as forward-looking information.

Taxes

Income taxes of the financial year include both current and deferred taxes. They are recorded in the income statement unless they relate to items directly recorded in shareholders' equity, in which case they are also recorded in shareholders' equity.

Current taxes are the taxes to be paid on the taxable profit for the financial year and are calculated in accordance with the tax rates in effect or that will be in effect on the last day of the financial year, plus any adjustments relating to prior years.

Deferred taxes are calculated in accordance with the liability method, which is applied to the temporary differences between the carrying amounts and tax basis of the assets and liabilities recorded in the balance sheet.

The following tax differences are disregarded: non-tax-deductible goodwill and initial valuations of assets and liabilities not affecting the accounting and taxable profit.

Deferred taxes are calculated according to the manner in which the related assets and liabilities are expected to be realised or settled, based on the tax rates in effect or that will be in effect on the last day of the financial year.

Additionally, deferred tax liabilities related to investments in subsidiaries are not recorded when the group is able to control the date on which the temporary difference will reverse and when the group does not expect the temporary difference to reverse in the foreseeable future.

Deferred tax assets are recorded if the taxable profits are likely to materialise in such a manner as to allow them to be offset against tax losses and tax credits.

Treasury shares

When treasury shares are bought (or sold), the amount paid (or received) is recorded as a decrease (or increase) in shareholders' equity. Movements in these shares are shown in the consolidated statement of changes in shareholders' equity. No profits or losses on these movements are recorded in the income statement.

Appropriation of profit

Dividends paid by GBL to its shareholders are included as a reduction of shareholders' equity for their gross amount, i.e. before withholding tax. The financial statements are prepared before appropriation of profit.

Incentive plans

Equity-settled share-based plans

GBL and Imerys stock options granted prior to November 7, 2002 have not been recorded in the consolidated financial statements in accordance with the transitional provisions of IFRS 2 *Share-based Payment*.

Incentive plans granted as from November 7, 2002 are accounted for in accordance with IFRS 2. In accordance with this standard, the fair value of the options on the date of allocation is recorded in the income statement for the period of acquisition of the rights ("vesting period"). The options are valued by means of a valuation model generally accepted based on the market conditions prevailing at the time of their grant.

Cash-settled share-based plans

If the arrangement is settled in cash, the group incurs a liability measured at fair value. Until the settlement of the liability, the fair value should be measured at each reporting date and at settlement date. The changes in fair value are recognised in the income statement of the period.

Retirement benefits and other post-employment benefits

Defined benefit plans

Commitments for defined benefit pension plans and similar obligations are valued using the projected credit unit method, in accordance with IAS 19 *Employee Benefits*. This valuation uses financial and demographic actuarial assumptions. These are used to value services rendered during the year on the basis of an estimate of the end-of-career salary.

The provisions or assets recognised correspond to the present value of the obligation less the fair value of the plan's assets, which may be capped. The discount rates used to discount the obligations and calculate the resulting normative return on the assets are determined by referring to the yields of bonds issued by AA (high quality) rated companies within the main iBoxx GBP and USD Corporate AA indexes. Where negative interest rates arise, they are applied as published, without a floor at zero.

Contributions to funds and direct payments to beneficiaries as well as contributions and payments related to restructuring are recorded under "Employee expenses" or "Other operating income (expenses) from investing activities". Contributions to closed deficit plans with compulsory funding are recorded under "Financial income (expenses) from operating activities". The effect of these contributions in income statement is neutralized by reversals of provisions recognized in each of the items mentioned above. Other elements of the change in post-employment benefit plans are recorded in "Employee expenses" or "Other operating income (expenses) from investing activities", with the exception of the accretion of obligations and normative return on assets that are recognized under "Financial income (expenses) from investing activities" or "Financial income (expenses) from operating activities".

Administrative costs are recorded in "Employee expenses" or "Other operating income (expenses) from investing activities", except for the administrative expenses of the closed deficit plans with compulsory funding that are recorded under "Other financial income (expenses) from operational activities".

Plan amendments, reductions and liquidations are immediately recognised in profit or loss. Actuarial differences and caps relating to post-employment benefit plan assets are fully recognised in shareholders' equity, net of asset management fees, without reclassification to profit or loss in a subsequent period.

Defined contribution plans

The group participates, in accordance with the regulations and corporate practices of each country, in the creation of retirement reserves for its staff, paying contributions on a mandatory or voluntary basis to external bodies such as pension funds, insurance companies or financial institutions.

These plans are defined contribution plans, in other words they do not guarantee the level of benefits paid. These contributions are recorded under "Employee expenses" or "Other operating income (expenses) from investing activities".

Provisions

Provisions are recorded at the reporting date when a group entity has an actual (legal or implicit) obligation resulting from a past event, when it is probable that an amount will have to be paid out to settle this obligation, and if the amount of the obligation can be determined reliably.

The amount recorded as a provision should be the most accurate estimation of the expenditure required to meet the obligation existing at the reporting date.

Provisions are recognised in profit or loss, apart from provisions for decommissioning and some provisions for rehabilitation, whose counterpart is included in the cost of assets whose construction has created the obligation. This treatment applies in particular to some of Imerys' industrial installations and overburden mineral assets.

Provisions whose settlement is expected within twelve months after the reporting date or whose settlement may occur at any time are not discounted. Provisions whose settlement is expected more than twelve months after the reporting date are discounted.

Changes in discounted provisions resulting from a revision of the amount of the obligation, its calendar or its discount rate are recognised in profit or loss, or for provisions recognised against assets, as an adjustment of the cost of the assets. The discounting is recognised as a debit in financial income (expenses).

Provisions for restructuring costs are not recorded unless the group has approved a detailed and formal restructuring plan and if the restructuring has either begun or been publicly announced. Costs relating to the group's continuing operations are not taken into account.

Current and non-current liabilities

Non-current liabilities (bank loans and bonds) and current liabilities (bank deposits) are initially recognised in the accounting records at their fair value less, in the case of a financial liability that has not been recorded at fair value through the income statement, the transaction costs that are directly imputed to the issuance of the financial liability.

After initial recording, they are valued at their amortised cost (initial amount less repayments of principal plus or minus the accumulated amortisation of any difference between the initial amount and the value at maturity).

The exchangeable or convertible bonds issued by the group are considered as hybrid instruments, i.e. containing both a bond component and an embedded derivative. At the date of issue, the fair value of the bond component is estimated based on the prevailing market interest rate for similar non-exchangeable or non-convertible bonds. The difference between the proceeds of issuance of the exchangeable or convertible bond and the fair value assigned to the bond component, representing the value of embedded option to exchange the bonds for shares, is included separetely, depending on the option's maturity, in the heading "Other current liabilities" or "Other non-current liabilities". The interest cost of the bond component is calculated by applying the prevailing interest market rate prevailing at the issuance date. Transaction costs related to the issue of convertible or exchangeable bonds are allocated to the "liability" and "derivative" components in proportion to the allocation of gross proceeds. Transaction costs related to the "derivative" component are recognized directly in profit or loss. Transaction costs related to the "liability" component are included in the carrying amount of the "liability" component and are amortized over the life of the convertible or exchangeable bonds using the effective interest rate method.

Trade payables and other financial non-derivative liabilities are measured at amortised cost.

The group derecognizes a financial liability if, and only if, its obligations are discharged, canceled or expired. The difference between the carrying amount of the derecognized financial liability and the consideration paid and payable is recognized in profit or loss. When the group exchanges a debt instrument with an existing lender for another instrument with substantially different terms, the exchange is recognized as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, if the contractual terms of an existing liability are substantially changed, the group also recognizes an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the contractual terms of the financial liability are substantially different if the present value of the cash flows under the new conditions, including any fees paid, net of fees collected and discounted at the original effective rate, is at least 10% different from the present value of the remaining cash flows of the original financial liability.

Derivative financial instruments

The group's consolidated operating companies use derivatives to reduce their exposure to various risks, in particular foreign exchange, interest rate and energy price risks. The sole purpose of these instruments is to hedge the economic risks to which they are exposed. Financial instruments are recognised at the transaction date, i.e. the date the hedge accounting contract is entered into. However, only those that fulfil the hedge accounting criteria laid down in IFRS 9 are given the accounting treatments described hereafter.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are immediately recognised in profit or loss.

Any transaction qualified as hedge accounting is documented by reference to the hedging strategy by identifying the hedged risk, the hedged item, the hedging instrument, the hedging relationship and the measurement method of the hedge relationship effectiveness. The measurement of the hedge relationship effectiveness is updated at every reporting date.

Derivatives are measured at fair value on initial recognition. Fair value is subsequently remeasured at every reporting date by reference to market conditions and to IFRS 13 *Fair Value Measurement*.

Derivatives recorded as assets or liabilities are classified in the headings "Other non-current assets/liabilities" and "Other current assets/liabilities" depending on their maturity date. The recognition of hedging derivatives varies depending on whether they are designated as fair value hedges, cash flow hedges or hedges of net investments in foreign operations.

GBL also uses derivative instruments. It can carry out transactions using call or put options. These transactions are implemented with reference to thorough documentation and are subject to specific and appropriate prior analysis and systematic monitoring.

Consolidated operating companies use different types of derivative financial instruments in various hedging strategies, as described below.

Fair value hedge

When changes in fair value of a recognised asset or liability or an unrecognised firm commitment may affect income, these changes may be covered by a fair value hedge. The hedged item and the hedging instrument are remeasured symmetrically in profit or loss at every reporting date. The impact in profit or loss is limited to the ineffective portion of the hedge.

Cash flow hedge

A cash flow hedge is used to cover unfavourable cash flow changes related to a recognised asset or liability or a highly likely future transaction when such changes are likely to affect profit or loss. At every reporting date, the effective share of the hedge and, if applicable, the changes in the time value of the options and futures points of the futures contracts, are recognised in shareholders' equity. The ineffective portion is recognized in profit or loss. When the transaction is recognised, items previously recognized in shareholders' equity are reclassified to profit or loss simultaneously with the recognition of the hedged item. In the event of a disqualification of a derivative, i.e. the interruption of hedge accounting, the effective portion of the hedge previously recognized in shareholders' equity is amortized to operating or financial result, depending on the nature of the hedged item.

Hedge of net investments in foreign operations

Foreign currency translation adjustments generated by net assets held by the group's consolidated operating companies in foreign currencies can be hedged. At every reporting date, the effective share of the hedge is recognised in shareholders' equity and the ineffective portion in profit or loss. The effective portion in shareholder's equity is only reclassified as profit or loss in the case of loss of control over a consolidated activity or reduction of an interest in an activity under significant influence.

Items denominated in foreign currencies

Monetary assets and liabilities denominated in foreign currencies in the accounting records of group companies are translated into euro using the exchange rates of the last day of the financial year. Unrealised differences on translation resulting from the application of this methodology are recorded as gains or losses of the financial year. Non-monetary assets and liabilities are recorded using the exchange rates applicable on the date of the transaction.

In the consolidated financial statements, the group's assets and liabilities related to activities held abroad are converted at the closing rate.

Items of income and expenses denominated in foreign currencies are converted into euro at the average exchange rate for the year. Foreign currency translation adjustments reflecting the difference between the average rate and the rate on the last day of the year, are recognised in shareholders' equity under "Foreign currency translation adjustments". These foreign currency translation adjustments are recorded in profit or loss when the group disposes of the entity concerned.

Revenue

Revenue is made up of two elements: on the one hand, the sale of goods and on the other hand, the services rendered mainly made out of (i) the reinvoicing to customers of the cost of shipping goods, (ii) industrial services provided or (iii) services aimed at intervening in the management of the customer process. The contractual commitments made by the group to transfer these goods and services to customers are categorized as performance obligations.

When control of goods or services is transferred to customers, the performance obligation is deemed to have been satisfied and the revenue is recognized. Goods are therefore transferred to customers at a given point in time, which coincides with the transfer of all the risks and rewards defined in the contractual incoterms. The contract includes multiple incoterms due to the specificities as defined in contracts. However, while certain services, such as molding work, are rendered at a given point in time, most are transferred to customers over time, notably in the case of shipping services, for which the revenue is recognized after the delivery has been made, and certain specialised services in the construction of industrial facilities or services aimed at intervening in the management of the customer process and whose degree of completion is measured based on the actual level of production costs committed or based on the time spent. Collateral requirements on the sale of goods and rendering of services offer customers guarantees about the specifications agreed in the contracts, rather than an additional service on top of these guarantees. Consequently, guarantees are not recognized as performance obligations but as provisions.

Sale of goods and rendering of services are measured at the fair value of the transaction, minus trade and volume rebates, as well as discounts for early payment.

Interest

Interest income (expenses) include interest to be paid on loans and interest to be received on investments. Interest income received or interest charges paid are recorded prorata temporis in the consolidated statement of comprehensive income, taking into account the effective interest rate on the investment.

Dividends

Dividends relating to other equity investments or trading securities are booked in profit or loss on the date on which their distribution is decided upon, unless these dividends clearly represent the recovery of a portion of the cost of the investment. The amount of withholding tax is recorded as a deduction of gross dividends.

Changes in accounting policies, errors and changes in accounting estimates/judgements

A change in the accounting policies is only applied to meet the requirements of a standard or an interpretation, or if it gives more reliable and more relevant information. Changes in accounting policies are recognised retrospectively, except when specific transitional provisions are stated in a standard or an interpretation. When an error is detected, it is also retrospectively adjusted.

Uncertainties inherent to the business require estimates to be made when preparing the financial statements. These estimates result from judgements aiming at providing a true and fair view based upon available and reliable information. An estimate is revised to reflect changes in circumstances, new information available and effects linked to experience.

When such estimates are established, they are explained in the notes on the items to which they relate.

The main estimates are the following:

- the valuation of the assets and liabilities of an acquired business (section "Scope of consolidation, associates and changes in group structure");
- the principal assumptions related to goodwill impairment testing (note 10);
- an estimate of the useful life of intangible assets with limited life (note 9) and property, plant and equipment (note 11);
- assessment, as part of the recognition and measurement of provisions, of the probability of settlement and amount of the obligation, of the expected timing of future payments and of discount rates (note 20);
- actuarial assumptions for defined benefit plans (note 21); and
- the assumptions related to the evaluation of debts on minority interests (note 22).

Ontex, Umicore and SGS

GBL analysed the accounting treatment to be applied to the investment in Ontex, Umicore and SGS and particularly the classification in (i) investments in associates (IAS 28), with the recognition of GBL's share in the profit or loss and shareholders' equity of Ontex, Umicore and SGS respectively or in (ii) other equity investments (IFRS 9), with the recognition of these investment at their fair value and the recognition of the dividend through profit or loss.

In accordance with IAS 28, it is assumed that a group does not exercise significant influence if the percentage holding is less than 20.00%, unless it can be clearly demonstrated. According to this standard, significant influence is usually demonstrated in the case of (i) representation on the Board of Directors, (ii) participation in policy-making processes, (iii) material transactions between the investor and the company owned, (iv) the interchange of managerial personnel or (v) the supply of critical technical information.

As of December 31, 2019, those three investments are held respectively at 19.98%, 17.99% and 16.75%. The representation on the Board of Directors of those companies is not sufficient to demonstrate the existence of significant influence. Moreover, representation on the Boards of Directors is limited to the mandates of the Directors and does not come from a contractual or legal right but from a resolution at General Shareholders' Meeting. Taking these different factors into account, GBL has entered into the accounting treatment of its investments in Ontex, Umicore and SGS as other equity investments as of December 31, 2019.

Exchange rates used

	2019	2018
Closing rate		
US Dollar	**1.12**	1.15
Swiss franc	**1.09**	1.13
Average rate		
US Dollar	**1.12**	1.18

Presentation of the consolidated financial statements

The consolidated statement of comprehensive income separately presents:

- Investing activities
  Components of income resulting from investing activities, which includes the operations of GBL and of its subsidiaries whose main purpose is investment management. This includes Sienna Capital as well as the profit (loss) of operating associates (Piolin II / Parques Reunidos) and non-consolidated operating companies (adidas, Pernod Ricard, SGS, LafargeHolcim, Umicore, Total, GEA, Ontex, etc); and
- Consolidated operating activities
  Components of income from consolidated operating activities, i.e. from consolidated operating companies (Imerys, Webhelp as well as the sub-groups Keesing, Sausalitos, opseo, svt, Indo, Vanreusel, etc).

Scope of consolidation, associates and changes in group structure

Fully consolidated subsidiaries

Name	Registered office	Interest and voting rights (in %) 2019	2018	Main activity
Belgian Securities B.V.	Amsterdam	**100.0**	100.0	Holding
Brussels Securities S.A.	Brussels	**100.0**	100.0	Holding
GBL O S.A.	Brussels	**100.0**	100.0	Holding
Sagerpar S.A.	Brussels	**100.0**	100.0	Holding
GBL Participations S.A.	Brussels	**100.0**	100.0	Holding
Brussels Advisors S.A.	Brussels	**100.0**	100.0	Operational
URDAC S.A.	Brussels	**100.0**	100.0	Holding
FINPAR S.A.	Brussels	**100.0**	100.0	Holding
FINPAR II S.A.	Brussels	**100.0**	100.0	Holding
FINPAR III S.A.	Brussels	**100.0**	100.0	Holding
FINPAR IV S.A.	Brussels	**100.0**	-	Holding
LTI One S.A.	Isnes	**100.0**	100.0	Holding
LTI Two S.A.	Isnes	**100.0**	100.0	Holding
GBL Verwaltung S.A.	Luxembourg	**100.0**	100.0	Holding
Sapiens S.à r.l.	Luxembourg	**100.0**	-	Holding
Marnix Lux S.à r.l. (group Webhelp and subsidiaries)	Luxembourg	**64.5**	-	Operational
GBL Energy S.à r.l.	Luxembourg	**100.0**	100.0	Holding
GBL R S.à r.l.	Luxembourg	**100.0**	100.0	Holding
Serena S.à r.l.	Luxembourg	**100.0**	100.0	Holding
GBL Finance S.à r.l.	Luxembourg	**100.0**	100.0	Holding
Eliott Capital S.à r.l.	Luxembourg	**100.0**	100.0	Holding
Miles Capital S.à r.l.	Luxembourg	**100.0**	100.0	Holding
Owen Capital S.à r.l.	Luxembourg	**100.0**	100.0	Holding
Theo Capital S.à r.l.	Luxembourg	**100.0**	100.0	Holding
Oliver Capital S.à r.l.	Luxembourg	**100.0**	100.0	Holding
GBL Investments Ltd	Dublin	**100.0**	100.0	Holding
GBL Development Ltd	London	**100.0**	100.0	Operational
GBL Advisors Ltd	London	**100.0**	100.0	Operational
RCPE Consulting S.A.S.	Paris	**100.0**	-	Operational
Imerys S.A. (and subsidiaries)	Paris	**54.0**	53.9	Operational
Sienna Capital Participations S.à r.l. (previously Sienna Capital S.à r.l.)	Luxembourg	**100.0**	100.0	Sienna Capital
Sienna Capital S.à r.l.	Luxembourg	**100.0**	-	Sienna Capital
Sienna Capital Invest S.C.Sp.	Luxembourg	**100.0**	-	Sienna Capital
Sienna Capital International Ltd	London	**100.0**	100.0	Sienna Capital
Ergon Capital Partners III S.A.	Brussels	**89.9**	89.9	Sienna Capital
E.V.E. S.A. (in liquidation)	Luxembourg	**-**	100.0	Holding
E.V.U. S.A.	Luxembourg	**-**	100.0	Holding
Urbe Group S.A.	Luxembourg	**-**	100.0	Holding
Egerton S.A.	Luxembourg	**98.2**	98.2	Holding
E.V.S. S.A.	Luxembourg	**96.4**	96.4	Holding
Frisco Bay Holding GmbH (group Sausalitos and subsidiaries)	Munich	**85.0**	85.0	Operational
E.V.R. S.A. (in liquidation)	Luxembourg	**78.6**	78.6	Holding
Ride Holding S.A.S.	Saint-Malo	**-**	45.5	Holding
Financière Looping Holding S.A.S. (and subsidiaries)	Saint-Malo	**-**	100.0	Operational
E.V.C. S.A.	Luxembourg	**-**	82.7	Holding
Care Holding Luxembourg S.à r.l.	Luxembourg	**-**	58.7	Holding
Deutsche Intensivpflege Holding B.V. (group opseo and subsidiaries)	Amsterdam	**-**	100.0	Operational
E.V.P. S.A.	Luxembourg	**95.4**	95.4	Holding
Puzzle Holding B. V. (group Keesing and subsidiaries)	Amsterdam	**60.0**	60.0	Operational
E.V.F. S.C.A.	Luxembourg	**58.8**	58.8	Holding
Fire TopCo GmbH (group svt and subsidiaries)	Hambourg	**77.1**	77.2	Operational
Belmont Food N.V. (group Vanreusel)	Hamont-Achel	**51.0**	51.0	Operational
E.V.L. S.A.	Luxembourg	**84.0**	84.0	Holding
Penasanda Investments S.L. (group Indo and subsidiaries)	Madrid	**67.4**	67.7	Operational

The percentage of voting rights is identical to the percentage interest, with the exception of Imerys and Webhelp, for which the voting rights are 67.64% and 64.72% respectively. An incentive plan has also been granted to the management of Ergon Capital Partners III ("ECP III"), covering 16.67% of the shares.

Associates

Percentage (in %)		Kartesia Management S.A.	Kartesia Credit Opportunities III S.C.A.	Kartesia Credit Opportunities IV S.C.S.	Piolin II S.à r.l. (Parques Reunidos group and subsidiaries)	Backed 1 LP	Backed Encore 1 LP
Office		Luxembourg	Luxembourg	Luxembourg	Luxembourg	Jersey	Jersey
Activity		Sienna Capital	Sienna Capital	Sienna Capital	Leisure parks	Sienna Capital	Sienna Capital
2019	**Ownership**	**-**	**-**	**-**	**23.1**	**48.6**	**99.0**
2018	Ownership	22.2	29.6	17.2	21.2	48.6	-

Percentage (in %)		Backed 2 LP	Ergon Capital Partners S.A.	Ergon Capital Partners II S.A.	Ergon Capital Partners IV S.C.S.P.	IPE S.R.L., subsidiary of ECP III	Mérieux Participations 2 S.A.S.
Office		Jersey	Brussels	Brussels	Luxembourg	Bologna	Lyon
Activity		Sienna Capital	Sienna Capital	Sienna Capital	Sienna Capital	Home furnishing	Sienna Capital
2019	**Ownership**	**99.0**	**50.0**	**42.4**	**34.4**	**65,6**	**34.3**
2018	Ownership	-	50.0	42.4	-	65.6	37.8

The percentage of voting rights is identical to the percentage interest.

In the rest of the notes, Ergon Capital Partners, Ergon Capital Partners II and Ergon Capital Partners IV have been referred to together under the name "ECP I, II & IV", while the name "ECP" refers to these companies referred to above and Ergon Capital Partners III ("ECP III"). Similarly, the Kartesia and Backed entities will be referred to as "Kartesia" and "Backed" respectively.

Following the sale of Kartesia Management S.A. during the fourth quarter of 2019, the entities Kartesia Credit Opportunities III S.C.A. and Kartesia Credit Opportunities IV S.C.S. were deconsolidated as of December 31, 2019 and accounted for as other equity investments.

The group has analysed the accounting treatment to be applied to the recognition of its investment in I.P.E. S.R.L (Visionnaire group) and has concluded that it only has a significant influence despite its 65.55% interest, based on the existence of a shareholders' agreement.

Lastly, GBL holds a 100.00% and 26.93% stake in the Marcho Partners Feeder Fund and Sagard 3 fund respectively, and has determined that it has no significant influence over those investments. These funds are therefore presented as other equity investments and are measured at fair value at each reporting date.

Changes in group structure

Companies entering the group structure

On November 19, 2019, GBL acquired from the KKR a majority stake of 64.72% of the voting rights of the French group Webhelp, one of the world leaders in customer experience and business process outsourcing (BPO). Webhelp develops innovative solutions combining consulting services, technological solutions and omni-channel processing capacities thanks to its 50,000 employees in more than 35 countries. The analyses of the agreements in place with the founders and shareholders of Webhelp concluded to the existence of control of this group by GBL.

The acquisition price amounts to EUR 867 million (excluding acquisition costs of EUR 24 million). Non-controlling interests amounted to EUR 478 million [(1)] at the time of the acquisition. Provisional goodwill, computed based on Webhelp's consolidated financial statements as of December 31 2019, stands at EUR 2,165 million. The goodwill will be allocated within the 12 months following the transaction date, in accordance with IFRS 3. Webhelp's results and its cash flows for the period from November 19, 2019 to December 31, 2019 have not been considered material and only non-recurring items were recognized for a total of EUR - 19 million (group's share), mainly including acquisition costs.

Since its acquisition, Webhelp group has generated a contribution of EUR 0 million to turnover and EUR - 20 million to net result for the year (group's share). If the acquisition had been completed on January 1, 2019, the contribution to turnover would have been EUR 1,456 million and EUR - 43 million to the net result (group's share). The goodwill arising from the acquisition of this group is mainly related to growth forecasts and expected future profitability. It should not be deductible for tax purposes.

In EUR million	Webhelp
Non-current assets	387.9
Current assets	535.5
Non-current liabilities	1,350.6
Current liabilities	392.6
Net liability	**(819.8)**
Non-controlling interests	5.1
Acquired net liability	**(824.9)**
Purchase price - paid in cash	866.7
Fair value of the non-controlling interests	473.3
Total	**1,340.0**
Goodwill	2,164.9
Acquired cash and cash equivalents	147.9
Net cash flow	718.8

(1) Includes EUR 5 million of non-controlling interests recognized at Webhelp group's level and EUR 473 million generated at the acquisition of the group. These were neutralized by the existence of put options (see notes 22 and 29)

Lastly, the group also made other marginally significant acquisitions in 2019. These acquisitions generated a net cash outflow of EUR 89 million.

Companies leaving the group structure

Imerys

On April 17, 2018, Imerys published a press release stating it was currently reviewing its strategic options for the future of its Roofing division (included in the Ceramic Materials division). On May 17, 2018, the Board of Directors had concluded that the Roofing division should be sold as the following criteria had been met: ability of Imerys to dispose of the division immediately in its current state and identification of a potential buyer in order to complete the disposal within a 12-month period. Amortisation and depreciation was no longer recognized after this date. As the Roofing division constituted a major business line, it was accounted for in discontinued operations as of June 30, 2018. On October 11, 2018, the sale of the division to Lone Star Funds was completed, generating a gain of EUR 756 million before income tax (EUR 756 million after income tax), which was recognized in the result from consolidated operating activities – discontinued operations. Contributions from discontinued operations were presented in separate line items in the Consolidated Income Statement and the Consolidated Statement of Cash Flows, and are presented in the table below.

In EUR million	**2018**
Turnover	229.2
Raw materials and consumables used	(61.0)
Staff expenses	(43.0)
Depreciation/amortisation of property, plant, equipment and intangible assets	(5.5)
Other current income (expenses) from operating activities	(61.1)
Gains (losses) on disposals, impairments and reversals of non-current assets from operating activities	-
Financial income (expenses) from operating activities	(0.4)
Result before tax from consolidated operating activities	**58.2**
Gain (loss) on disposal	**756.3**
Income taxes	**(26.5)**
Result from consolidated operating activities - discontinued operations	**788.0**

In EUR million	**2018**
Cash flow from operating activities	59.7
Cash flow from investing activities	676.1
Cash flow from financing activities	(29.9)
Change in cash and cash equivalents	705.9

Sienna Capital

In the fourth quarter of 2019, ECP III concluded an agreement relating to the sale of its majority stake in Looping, one of the leading operators of regional leisure parks in Europe. The net consolidated capital gain on disposal amounts to EUR 34 million (group's share). The net cashflow of this transaction amounts to EUR 58 million.

In the fourth quarter of 2019, ECP III concluded an agreement relating to the sale of its majority stake in opseo, a company operating in intensive care services. The net consolidated capital gain on disposal amounts to EUR 88 million (group's share). The net cashflow of this transaction amounts to EUR 117 million.

Lastly, the group made other minor disposals in 2019 for a total amount of EUR 4 million.

NOTES

For consistency purposes, the notes to the consolidated financial statements are grouped based on the nature of the items and not in the order they are presented in the consolidated balance sheet and consolidated statement of comprehensive income. This arrangement is meant to facilitate the analysis of all the factors of the same kind affecting the assets and liabilities in the financial statements.

1. Segment information

IFRS 8 *Operating Segments* requires that segments be identified based on internal reports which are regularly presented to the main operating decision-maker for the purpose of managing the allocation of resources to the segments and assessing their performance.

In conformity with IFRS 8, the group has identified four segments:

- **Holding:** comprising the parent company GBL and its subsidiaries. Its main activity is to manage investments as well as the non-consolidated operating companies and associates;
- **Imerys** consists of the Imerys group, a French group listed on Euronext Paris, which holds leading positions in each of its two business lines: Performance Materials and High Temperature Materials & Solutions;
- **Webhelp** consists of the Webhelp group, a non-quoted French group, specialized in customer experience and business process outsourcing; and
- **Sienna Capital:** includes, on the one hand, under investment activities, the companies Sienna Capital, ECP, Sagard, Sagard II and Sagard 3, PrimeStone, Backed, BDT Capital Partners Fund II, Kartesia, KKR Sigma Co-Invest II, Mérieux Participations I and 2, Marcho Partners, Ergon opseo Long Term Value Fund, Matador Coinvestment, StreetTeam Software and Carlyle International Energy Partners II and, on the other hand, under consolidated operating activities, the operating subsidiaries of ECP III (sub-groups Sausalitos, Looping, Keesing, opseo, svt, Vanreusel, Indo etc.).

The results of a segment, its assets and its liabilities include all the items directly attributable to it. The accounting standards applied to these segments are the same as those described in the section entitled "Accounting Policies".

1.1. Segment information - Consolidated income statement

For the period ended as of December 31, 2019

In EUR million	Holding	Imerys	Webhelp	Sienna Capital	Total
Share of profit (loss) of associates	(85.8)	-	-	36.5	(49.3)
Net dividends from investments	508.3	-	-	-	508.3
Other operating income (expenses) from investing activities	(36.6)	-	-	(26.0)	(62.5)
Gains (losses) on disposals, impairments and reversals of non-current assets from investing activities	-	-	-	128.6	128.6
Financial income (expenses) from investing activities	2.1	-	-	141.1	143.2
Profit (loss) before tax from investing activities	**388.0**	**-**	**-**	**280.3**	**668.3**
Turnover	-	4,354.5	-	683.4	5,037.9
Raw materials and consumables	-	(1,488.0)	-	(241.5)	(1,729.5)
Employee expenses	-	(947.3)	2.8	(218.6)	(1,163.1)
Depreciation/amortisation of property, plant, equipment and intangible assets	-	(357.0)	(4.3)	(71.3)	(432.6)
Other operating income (expenses) from operating activities	-	(1,281.3)	(38.1)	(93.9)	(1,413.3)
Gains (losses) on disposals, impairments and reversals of non-current assets from operating activities	-	(51.4)	-	0.3	(51.1)
Financial income (expenses) from operating activities	-	(44.7)	-	(37.9)	(82.6)
Profit (loss) before tax from consolidated operating activities	**-**	**184.8**	**(39.6)**	**20.5**	**165.7**
Income taxes	(0.1)	(65.5)	9.2	(8.8)	**(65.1)**
Consolidated profit (loss) for the year	**387.9**	**119.4**	**(30.4)**	**292.1**	**768.9**
Attributable to the group	387.9	65.9	(19.6)	270.5	**704.7**

Information by segment on other items of profit or loss is mentioned below:

In EUR million	Holding	Imerys	Webhelp	Sienna Capital	Total
Share of profit (loss) of associates and joint ventures	(85.8)	(5.5)	-	34.3	(57.0)
Depreciation/amortisation of property, plant, equipment and intangible assets	(0.4)	(357.0)	(4.3)	(71.3)	(433.1)
Impairment of non-current assets	-	(38.3)	-	(6.7)	(45.0)

For the period ended as of December 31, 2018

In EUR million	Holding	Imerys	Sienna Capital	Total
Share of profit (loss) of associates	(0.5)	-	26.1	25.6
Net dividends from investments	350.4	-	-	350.4
Other operating income (expenses) from investing activities	(27.3)	-	(11.8)	(39.1)
Gains (losses) on disposals, impairments and reversals of non-current assets from investing activities	(0.8)	-	5.0	4.2
Financial income (expenses) from investing activities	17.9	-	(6.1)	11.8
Profit (loss) before tax from investing activities - continued operations	**339.7**	**-**	**13.2**	**352.9**
Turnover	-	4,590.0	611.3	5,201.3
Raw materials and consumables	-	(1,503.2)	(212.5)	(1,715.7)
Employee expenses	-	(997.7)	(203.8)	(1,201.5)
Depreciation/amortisation of property, plant, equipment and intangible assets	-	(267.2)	(46.1)	(313.3)
Other operating income (expenses) from operating activities	-	(1,696.4)	(105.6)	(1,802.0)
Gains (losses) on disposals, impairments and reversals of non-current assets from operating activities	-	(214.7)	(0.5)	(215.2)
Financial income (expenses) from operating activities	-	(60.4)	(35.3)	(95.7)
Profit (loss) before tax from consolidated operating activities - continued operations	**-**	**(149.6)**	**7.5**	**(142.1)**
Income taxes	(0.3)	(89.0)	(5.4)	**(94.7)**
Profit (loss) from continued activities	**339.4**	**(238.6)**	**15.3**	**116.1**
Profit (loss) from consolidated operating activities - discontinued operations	**-**	**788.0**	**-**	**788.0**
Consolidated profit (loss) for the year	**339.4**	**549.4**	**15.3**	**904.1**
Attributable to the group	339.4	302.3	17.2	**658.9**

Information by segment on other items of profit or loss is mentioned below:

In EUR million	Holding	Imerys	Sienna Capital	Total
Share of profit (loss) of associates and joint ventures	(0.5)	(5.9)	30.5	24.1
Depreciation/amortisation of property, plant, equipment and intangible assets	0.9	(272.7)	(46.1)	(317.9)
Impairment of non-current assets	-	(224.0)	(1.1)	(225.1)

The geographical split of the turnover is presented in note 8.

1.2. Segment information - consolidated balance sheet

Consolidated balance sheet as of December 31, 2019

In EUR million	Holding	Imerys	Webhelp	Sienna Capital	Total
Non-current assets	**16,281.6**	**5,129.0**	**2,557.8**	**2,291.3**	**26,259.6**
Intangible assets	0.0	281.8	92.6	253.0	627.4
Goodwill	-	2,153.1	2,165.0	301.0	4,619.1
Property, plant and equipment	12.7	2,380.2	251.7	143.0	2,787.6
Investments	16,268.4	105.3	-	1,588.4	17,962.1
Investments in associates	*144.8*	*105.3*	-	*195.6*	*445.7*
Other equity investments	*16,123.7*	-	-	*1,392.8*	*17,516.4*
Other non-current assets	0.5	88.0	17.7	2.6	108.8
Deferred tax assets	-	120.6	30.8	3.3	154.7
Current assets	**1,891.9**	**2,345.7**	**509.3**	**137.0**	**4,883.9**
Inventories	-	812.6	0.9	32.6	846.1
Trade receivables	0.1	623.9	276.9	58.3	959.3
Trading financial assets	1,400.1	9.4	-	6.4	1,415.9
Cash and cash equivalents	416.2	660.4	121.8	22.9	1,221.3
Other current assets	75.4	239.4	109.8	16.8	441.4
Total assets	**18,173.4**	**7,474.7**	**3,067.1**	**2,428.3**	**31,143.5**
Non-current liabilities	**1,881.4**	**2,834.9**	**1,818.5**	**451.9**	**6,986.7**
Financial liabilities	1,828.8	1,883.6	1,296.4	363.5	5,372.2
Provisions	0.5	446.0	0.4	6.7	453.6
Pensions and post-employment benefits	9.4	375.7	8.1	6.9	400.1
Other non-current liabilities	42.7	22.7	491.4	0.4	557.2
Deferred tax liabilities	-	106.9	22.2	74.5	203.6
Current liabilities	**815.1**	**1,477.8**	**406.2**	**118.3**	**2,817.4**
Financial liabilities	739.8	475.7	60.3	39.8	1,315.6
Trade payables	2.9	542.6	87.5	34.2	667.1
Provisions	-	21.0	7.5	1.1	29.6
Tax liabilities	6.6	83.2	1.0	5.0	95.8
Other current liabilities	65.8	355.3	249.9	38.1	709.2
Total liabilities	**2,696.5**	**4,312.7**	**2,224.7**	**570.2**	**9,804.1**

All the assets and liabilities are allocated to the various segments.

Capital expenditure (property, plant and equipment and intangible assets) by segment is shown in the following table:

In EUR million	Holding	Imerys	Webhelp	Sienna Capital	Total
Capital expenditure	0.4	291.6	-	110.8	402.7

Consolidated balance sheet as of December 31, 2018

In EUR million	Holding	Imerys	Sienna Capital	Total
Non-current assets	**13,563.4**	**4,908.3**	**2,057.6**	**20,529.3**
Intangible assets	-	277.6	279.1	556.7
Goodwill	-	2,143.3	549.5	2,692.8
Property, plant and equipment	1.8	2,165.8	169.1	2,336.7
Investments	13,561.6	115.3	1,040.9	14,717.8
Investments in associates	*232.5*	*112.8*	*343.9*	*689.2*
Available-for-sale investments	*13,329.1*	*2.5*	*697.0*	*14,028.6*
Other non-current assets	-	93.9	13.5	107.4
Deferred tax assets	-	112.4	5.5	117.9
Current assets	**425.4**	**2,685.6**	**249.9**	**3,360.9**
Inventories	-	867.0	34.9	901.9
Trade receivables	0.4	656.6	82.7	739.7
Trading financial assets	275.1	6.6	59.7	341.4
Cash and cash equivalents	119.9	848.9	44.8	1,013.6
Other current assets	30.0	306.5	27.8	364.3
Total assets	**13,988.8**	**7,593.9**	**2,307.5**	**23,890.2**
Non-current liabilities	**1,071.4**	**3,095.5**	**665.7**	**4,832.6**
Financial liabilities	1,061.0	1,995.9	566.9	3,623.8
Provisions	1.0	666.2	9.6	676.8
Pensions and post-employment benefits	6.2	290.0	5.2	301.4
Other non-current liabilities	3.2	18.1	10.9	32.2
Deferred tax liabilities	-	125.3	73.1	198.4
Current liabilities	**46.4**	**1,244.8**	**136.8**	**1,428.0**
Financial liabilities	-	180.1	25.5	205.6
Trade payables	2.7	557.3	37.8	597.8
Provisions	-	23.7	2.4	26.1
Tax liabilities	7.0	115.1	6.9	129.0
Other current liabilities	36.7	368.6	64.2	469.5
Total liabilities	**1,117.8**	**4,340.3**	**802.5**	**6,260.6**

All the assets and liabilities are allocated to the various segments.

Capital expenditure (property, plant and equipment and intangible assets) by segment is shown in the following table:

In EUR million	Holding	Imerys	Sienna Capital	Total
Capital expenditure	0.2	310.3	80.1	390.6

The breakdown of the group's non-current assets by geographic region is as follows:

In EUR million	2019	2018
Non-current assets (1)		
Belgium	268.7	207.6
Other European countries	5,634.9	3,565.7
North America	1,145.2	997.4
Other	985.2	815.5
Total	**8,034.0**	**5,586.2**

(1) Intangible assets, property, plant and equipment and goodwill

2. Associates

2.1. Share of profit (loss)

Dividends received from equity-accounted entities have been eliminated and replaced by GBL's share of their profit or loss.

Dividends received

In EUR million	2019	2018
Parques Reunidos	**4.2**	4.2
Other (Imerys)	**6.2**	5.5
Total	**10.4**	**9.7**

Profit or loss of associates (GBL's share)

In EUR million	2019	2018
Piolin II / Parques Reunidos	**(85.8)**	(0.5)
Backed	**4.3**	6.3
ECP I, II & IV	**(1.6)**	(2.2)
Kartesia	**31.1**	21.5
Mérieux Participations 2	**2.7**	0.5
Share of profit or loss of associates – investing activities	**(49.3)**	**25.6**
I.P.E.	**(1.0)**	4.4
Other	**(6.7)**	(5.9)
Associates related to consolidated operating activities (shown under "Other operating income (expenses)")	**(7.7)**	**(1.5)**
Total	**(57.0)**	**24.1**

Piolin II / Parques Reunidos

The net result (GBL's share) of Piolin II / Parques Reunidos amounts to EUR - 86 million for the 12 months period starting on January 1, 2019 and ending on December 31, 2019 (EUR - 1 million in 2018). This result mainly includes impairment losses on several leisure parks.

Backed

Backed contributed to GBL's result for EUR 4 million (EUR 6 million in the prior year). This result mainly includes gains on the revaluation to fair value of the share portfolio.

ECP I, II & IV

The contribution of ECP I, II & IV to the net result of GBL amounts to EUR - 2 million in 2019 (EUR - 2 million in 2018). In 2019, this result mainly includes an impairment on one investment held by one of these funds for EUR - 5 million (GBL's share).

Kartesia

The contribution of Kartesia includes, on the on hand, interests on loans of EUR 17 million, GBL's share (EUR 23 million, GBL's share, in 2018), and, on the other hand, gains on the revaluation to fair value of the loan portfolio of EUR 8 million, GBL's share (EUR 0 million, GBL's share, in 2018), after deduction of incurred expenses of EUR - 4 million, GBL's share (EUR - 5 million, GBL's share, in 2018).

Mérieux Participations 2

The contribution of Mérieux Participations 2 mainly includes gains on the revaluation to fair value of the share portfolio.

2.2. Value of investments (equity method)

In EUR million	Piolin II / Parques Reunidos	Backed	ECP I, II & IV	Kartesia	Mérieux Participations 2	I.P.E.	Other	Total
	Investing activities					Operating activities		
As of December 31, 2017	**238.0**	**8.4**	**11.5**	**149.3**	**40.3**	**42.1**	**115.6**	**605.2**
Investment/(Divestment)	-	11.8	-	37.4	11.8	-	-	61.0
Profit (loss) for the year	(0.5)	6.3	(2.2)	21.5	0.5	4.4	(5.9)	24.1
Distribution	(4.2)	-	-	-	-	-	(5.5)	(9.7)
Other	(0.8)	-	-	0.8	-	-	8.6	8.6
As of December 31, 2018	**232.5**	**26.5**	**9.3**	**209.0**	**52.6**	**46.5**	**112.8**	**689.2**
Investment/(Divestment)	1.5	16.2	40.2	(18.6)	(0.1)	-	3.0	42.3
Profit (loss) for the year	(85.8)	4.3	(1.6)	31.1	2.7	(1.0)	(6.7)	(57.0)
Distribution	(4.2)	-	-	-	-	-	(6.2)	(10.4)
Transfer to other equity investments	-	-	-	(220.9)	-	-	-	(220.9)
Other	0.8	-	-	(0.6)	-	(5.6)	8.1	2.8
As of December 31, 2019	**144.8**	**46.9**	**48.0**	**-**	**55.2**	**39.8**	**111.0**	**445.7**
Of which: Holding	144.8	-	-	-	-	-	-	144.8
Imerys	-	-	-	-	-	-	105.3	105.3
Webhelp	-	-	-	-	-	-	-	-
Sienna Capital	-	46.9	48.0	-	55.2	39.8	5.7	195.6

Piolin Bidco, S.A.U., a subsidiary wholly owned by Piolin II S.à r.l. announced, on April 26, 2019, its intention to launch a voluntary takeover bid paid in cash for the shares of Parques Reunidos alongside EQT AB and Corporación Financiera Alba. On July 24, 2019, the CNMV (Comisión Nacional del Mercado de Valores) approved the bid which begun on July 26, 2019 and successfully closed on September 6, 2019. In accordance with their irrevocable undertaking if the bid was successful, GBL and Alba have contributed their Parques Reunidos shares to the bid. The delisting of Parques Reunidos is effective since the fourth quarter of 2019. Upon completion of the bid, GBL indirectly held 23.34% of Parques Reunidos through its ownership of 27.00% in Piolin Bidco, S.A.U. through Piolin II S.à r.l. which owned 86.44% of the shares of Parques Reunidos.

As of December 31, 2019, GBL held 23.10% in Piolin Bidco, S.A.U. which owned 99.55% of the shares of Parques Reunidos, i.e. an indirect ownership of 23.00% in Parques Reunidos by GBL.

Following the sale of Kartesia Management S.A. during the fourth quarter of 2019, the entities Kartesia Credit Opportunities III S.C.A. and Kartesia Credit Opportunities IV S.C.S. were deconsolidated as of December 31, 2019 and accounted for as other equity investments.

The other equity-accounted entities are not listed.

2.3. Other information on investments in equity-accounted entities

Aggregated financial information of the main equity-accounted entities

The tables below present a summary of the financial information regarding Kartesia Credit Opportunities III S.C.A., Kartesia Credit Opportunities IV S.C.S. and Piolin II S.à r.l. (Parques Reunidos group and subsidiaries), significant associate entities in 2019 and the other smaller associate entities. This summary represents the amounts included in the companies' financial statements prepared in accordance with IFRS.

In EUR million	Kartesia Credit Opportunities III S.C.A.	Kartesia Credit Opportunities IV S.C.S.	Piolin II (Parques Reunidos group and subsidiaries)	Other associated companies	Total
As of December 31, 2019					
Non-current assets	-	-	2,867.2	801.4	3,668.5
Current assets	-	-	103.1	156.0	259.1
Non-current liabilities	-	-	2,184.4	211.0	2,395.4
Current liabilities	-	-	155.6	227.3	382.8
Non-controlling interests	-	-	3.5	0.8	4.3
Shareholder's equity (group's share)	**-**	**-**	**626.7**	**518.3**	**1,145.0**
Ownership interest in capital	n.r.	n.r.	23.1%	n.r.	n.r.
Share in equity	-	-	144.8	296.4	441.2
Goodwill	-	-	-	4.5	4.5
Carrying amount as of December 31, 2019	**-**	**-**	**144.8**	**300.9**	**445.7**
Turnover	-	-	697.7	269.2	966.9
Profit (loss) from continuing operations	32.4	124.1	(373.8)	(14.4)	(231.7)
Net result of the year (including non-controlling interests)	**32.4**	**124.1**	**(373.8)**	**(14.4)**	**(231.7)**
Net result of the year (group's share)	**32.4**	**124.1**	**(361.5)**	**(14.5)**	**(219.5)**
Other comprehensive income (loss)	**-**	**-**	**5.2**	**-**	**5.2**
Total comprehensive income (loss) for the year	**32.4**	**124.1**	**(368.6)**	**(14.4)**	**(226.5)**
Dividends received during the period	-	-	4.2	6.2	10.4
Share of the group in the profit (loss) for the year	**9.6**	**21.4**	**(85.8)**	**(2.2)**	**(57.0)**
As of December 31, 2018					
Non-current assets	399.2	585.1	2,214.7	594.2	3,793.2
Current assets	113.6	34.0	106.4	147.5	401.5
Non-current liabilities	64.1	172.1	1,112.6	203.7	1,552.5
Current liabilities	2.0	4.1	110.9	83.1	200.1
Non-controlling interests	-	-	0.6	0.6	1.2
Shareholder's equity (group's share)	**446.7**	**442.9**	**1,097.0**	**454.3**	**2,440.9**
Ownership interest in capital	29.6%	17.2%	21.2%	n.r.	n.r.
Share in equity	132.2	76.2	232.5	243.8	684.7
Goodwill	-	-	-	4.5	4.5
Carrying amount as of December 31, 2018	**132.2**	**76.2**	**232.5**	**248.3**	**689.2**
Turnover	-	-	591.2	454.3	1,045.5
Profit (loss) from continuing operations	57.3	25.1	(2.4)	79.5	159.5
Net result of the year (including non-controlling interests)	**57.3**	**25.1**	**(2.4)**	**79.5**	**159.5**
Net result of the year (group's share)	**57.3**	**25.1**	**(2.4)**	**79.9**	**159.9**
Other comprehensive income (loss)	**-**	**-**	**6.9**	**-**	**6.9**
Total comprehensive income (loss) for the year	**57.3**	**25.1**	**4.5**	**79.9**	**166.8**
Dividends received during the period	-	-	4.2	5.5	9.7
Share of the group in the profit (loss) for the year	**17.0**	**4.3**	**(0.5)**	**3.3**	**24.1**

3. LafargeHolcim, SGS, Pernod Ricard and other equity investments

3.1. Net dividends

In EUR million	2019	2018
LafargeHolcim	**110.7**	97.1
SGS	**87.2**	82.2
Pernod Ricard	**62.1**	47.0
adidas	**42.8**	34.7
Total	**36.4**	35.0
Umicore	**34.3**	30.2
GEA	**13.1**	10.0
Ontex	**6.7**	9.9
Reimbursements of withholding taxes	**107.4**	-
Other	**7.7**	4.3
Total	**508.3**	**350.4**

In 2019, GBL recorded EUR 508 million in dividends (EUR 350 million in 2018).

This increase mainly comes, on the one hand, from the increase in dividend from LafargeHolcim resulting from the capture of the discount offered on dividend received in shares and a currency impact, and on the other hand, the increase in unit dividends from Pernod Ricard, adidas and SGS. Moreover, the net dividends include reimbursements by the French tax authorities of withholding taxes which had been applied to Total and ENGIE dividends received between 2013 and 2016 (EUR 107 million).

3.2. Fair value and changes

The investments in listed companies are valued on the basis of the share price at the reporting date. Changes in the fair value of investments are recognised in the revaluation reserves (see note 3.3.).

Shares in "Funds", namely Sagard, Sagard II and Sagard 3, PrimeStone, BDT Capital Partners Fund II, Kartesia, KKR Sigma Co-Invest II, Mérieux Participations I, Marcho Partners, Ergon opseo Long Term Value Fund, Matador Coinvestment, StreetTeam Software and Carlyle International Energy Partners II are revalued at their fair value, determined by the managers of the funds based on their investment portfolio. Changes in the fair value of investments are recognised in profit or loss (see note 7).

In EUR million	December 31, 2018	Acquisitions	Disposals/ Reimbursements	Change in fair value	Other	December 31, 2019	Of which: Holding	Imerys	Webhelp	Sienna Capital
Investments with changes in fair value through equity	**13,329.1**	**25.8**	**(681.9)**	**3,442.4**	**8.2**	**16,123.7**	**16,123.7**	**-**	**-**	**-**
adidas	2,862.7	-	(165.8)	1,254.4	-	3,951.3	3,951.3	-	-	-
Pernod Ricard	2,850.6	-	-	320.3	-	3,170.9	3,170.9	-	-	-
SGS	2,484.7	-	-	609.8	-	3,094.5	3,094.5	-	-	-
LafargeHolcim	2,050.9	-	(392.7)	650.0	-	2,308.2	2,308.2	-	-	-
Umicore	1,519.9	25.6	-	378.2	(1.5)	1,922.3	1,922.3	-	-	-
Total	748.5	0.1	-	39.3	9.6	797.6	797.6	-	-	-
GEA	345.5	-	-	107.2	-	452.7	452.7	-	-	-
Ontex	294.5	-	-	14.0	-	308.5	308.5	-	-	-
Other	171.8	-	(123.4)	69.3	-	117.7	117.7	-	-	-
Investments with changes in fair value through profit or loss	**699.5**	**360.0**	**(16.1)**	**152.9**	**196.5**	**1,392.8**	**-**	**-**	**-**	**1,392.8**
Funds	686.6	359.6	(7.4)	146.5	205.3	1,390.5	-	-	-	1,390.5
Other	12.9	0.4	(8.6)	6.4	(8.8)	2.3	-	-	-	2.3
Fair value	**14,028.6**	**385.8**	**(698.0)**	**3,595.3**	**204.6**	**17,516.4**	**16,123.7**	**-**	**-**	**1,392.8**

							Of which:		
In EUR million	December 31, 2017	Acquisitions	Disposals/ Reimbursements	Change in fair value	Other	December 31, 2018	Holding	Imerys	Sienna Capital
Investments with changes in fair value through equity	**14,280.9**	**656.4**	**(498.6)**	**(1,110.2)**	**0.6**	**13,329.1**	13,329.1	-	-
adidas	2,623.3	-	-	239.4	-	2,862.7	2,862.7	-	-
Pernod Ricard	2,624.9	-	-	225.8	-	2,850.6	2,850.6	-	-
SGS	2,751.1	-	-	(266.4)	-	2,484.7	2,484.7	-	-
LafargeHolcim	2,692.5	-	-	(641.6)	-	2,050.9	2,050.9	-	-
Umicore	1,503.3	214.4	-	(197.9)	-	1,519.9	1,519.9	-	-
Total	746.0	-	-	1.9	0.6	748.5	748.5	-	-
GEA	327.6	228.5	-	(210.5)	-	345.5	345.5	-	-
Ontex	453.7	-	-	(159.2)	-	294.5	294.5	-	-
Burberry	557.1	-	(498.6)	(58.5)	-	-	-	-	-
Other	1.4	213.6	-	(43.2)	-	171.8	171.8	-	-
Investments with changes in fair value through profit or loss	**504.2**	**275.8**	**(101.8)**	**33.6**	**(12.3)**	**699.5**	-	2.5	697.0
Funds	491.3	263.8	(100.8)	33.4	(1.1)	686.6	-	-	686.6
Other	12.9	12.0	(1.0)	0.2	(11.2)	12.9	-	2.5	10.4
Fair value	**14,785.1**	**932.2**	**(600.4)**	**(1,076.6)**	**(11.7)**	**14,028.6**	**13,329.1**	**2.5**	**697.0**

3.3. Revaluation reserves

These include the changes in the fair value of other equity investments whose changes in fair value is recorded through equity. Upon the disposal of shares in adidas and LafargeHolcim, the cumulated revaluation reserves of EUR 333 million and EUR 107 million respectively were reclassified to consolidated reserves.

In EUR million	adidas	Pernod Ricard	SGS	Lafarge-Holcim	Umicore	Total	GEA	Ontex	Burberry	Other	Total
As of December 31, 2017	**1,360.1**	**1,802.0**	**571.2**	**569.0**	**845.3**	**370.8**	**8.8**	**(0.7)**	**58.5**	**(3.0)**	**5,582.0**
Change resulting from the change in fair value	239.4	225.8	(266.4)	(641.6)	(197.9)	1.9	(210.5)	(159.2)	8.6	(43.2)	(1,043.1)
Transfers to consolidated reserves in case of disposal	-	-	-	-	-	-	-	-	(67.1)	-	(67.1)
As of December 31, 2018	**1,599.5**	**2,027.8**	**304.8**	**(72.6)**	**647.4**	**372.7**	**(201.7)**	**(159.9)**	**-**	**(46.2)**	**4,471.8**
Change resulting from the change in fair value	1,587.5	320.3	609.8	757.4	378.2	39.3	107.2	14.0	-	62.2	3,875.9
Transfers to consolidated reserves in case of disposal	(333.2)	-	-	(107.3)	-	-	-	-	-	7.0	(433.4)
As of December 31, 2019	**2,853.9**	**2,348.0**	**914.6**	**577.3**	**1,025.6**	**411.9**	**(94.5)**	**(145.9)**	**-**	**23.5**	**7,914.4**

4. Gains on disposals of subsidiaries - investing activities

In EUR million	2019	2018
opseo	97.6	-
Looping	38.1	-
Other	(0.0)	5.5
Gains on disposals of subsidiaries - investing activities	**135.7**	**5.5**

In 2019, this caption mainly includes the net capital gains on the sales by ECP III of opseo (EUR 98 million) and Looping (EUR 38 million).

5. Other operating income (expenses) and employee expenses

5.1. Other operating income (expenses)

In EUR million	2019	2018
Miscellaneous goods and services	(37.4)	(25.2)
Employee expenses	(24.4)	(16.3)
Depreciation and amortisation	(0.5)	0.9
Other operating expenses	(1.0)	(0.8)
Other operating income	0.7	2.3
Other operating income (expenses) - investing activities	**(62.5)**	**(39.1)**
Transport costs	(522.9)	(602.1)
Subcontracting costs	(159.3)	(142.6)
Operating leases	(38.0)	(104.1)
Fees	(134.3)	(119.1)
Various taxes	(43.1)	(42.8)
Other operating expenses	(584.4)	(876.1)
Other operating income	76.5	86.3
Share of profit (loss) of associates belonging to consolidated operating activities	(7.7)	(1.5)
Other operating income (expenses) - operating activities	**(1,413.3)**	**(1,802.0)**

Other operating expenses related to operating activities mainly consist of Imerys' maintenance and repair expenses (EUR 123 million and EUR 132 million in 2019 and 2018 respectively), restructuring expenses (EUR 146 million in 2019 and EUR 434 million in 2018) and research and development costs (EUR 54 million and EUR 58 million in 2019 and 2018 respectively).

The costs related to the Webhelp transaction amount to EUR 24 million and are included under the heading "Other operating expenses".

5.2. Employee expenses

In EUR million	2019	2018
Remuneration	(13.2)	(11.1)
Social security contributions	(2.3)	(2.0)
Costs related to stock options	(5.8)	0.7
Contributions to pension plans	(2.7)	(2.2)
Other	(0.5)	(1.7)
Total employee expenses - investing activities	**(24.4)**	**(16.3)**

The details of the remuneration of GBL's directors are shown in note 31. The stock option plans are detailed in note 26.

In EUR million	2019	2018
Remuneration	(942.5)	(974.8)
Social security contributions	(168.9)	(169.8)
Costs related to stock options	(7.2)	(14.6)
Contributions to pension plans	(41.6)	(32.4)
Other	(2.9)	(9.9)
Total employee expenses - consolidated operating activities	**(1,163.1)**	**(1,201.5)**

6. Gains (losses) on disposals, impairments and reversals of non-current assets related to operating activities

In EUR million	2019	2018
Impairment on intangible assets and goodwill	**(0.1)**	(23.8)
Impairment on property, plant and equipment, net of reversals	**(38.2)**	(201.0)
Reversal of impairment/(impairment) on other non-current assets	**0.2**	0.2
Capital gain/(loss) realised on disposals of investments and activities	**(13.0)**	9.4
Total	**(51.1)**	**(215.2)**

The impairments on intangible assets, goodwill and property, plant and equipment are detailed in the notes 9, 10 and 11 respectively.

7. Financial income (expenses)

In EUR million	2019	2018
Interest income on cash and cash equivalents, non-current assets and other	**19.7**	(0.2)
Interest expenses on financial liabilities	**(15.7)**	(17.4)
Gains (losses) on trading securities and derivatives	**(19.6)**	9.3
Change in the fair value of other equity investments recognised at fair value through profit or loss	**152.9**	33.6
Other financial income	**11.7**	-
Other financial expenses	**(5.8)**	(13.5)
Financial income (expenses) - investing activities	**143.2**	**11.8**
Interest income on cash and cash equivalents and non-current assets	**6.2**	5.8
Interest expenses on financial liabilities	**(94.7)**	(83.0)
Gains (losses) on trading securities and derivatives	**(3.1)**	4.6
Other financial income	**57.8**	32.2
Other financial expenses	**(48.8)**	(55.3)
Financial income (expenses) - operating activities	**(82.6)**	**(95.7)**

Financial income (expenses) from investing activities totalled EUR 143 million (compared to EUR 12 million in 2018). They mainly consist of (i) the changes in fair value of other equity investiments recognised at fair value in profit or loss for EUR 153 million (EUR 34 million in 2018) and (ii) the default interest on the withholding taxes which had been unduly applied to ENGIE and Total dividends for EUR 19 millions (EUR 0 million in 2018). These impacts are partially compensated by (i) the interest charges on GBL's indebtness, notably institutional bonds for EUR - 17 million (EUR - 12 million in 2018), and (ii) a EUR - 32 million expense related to the mark to market of the derivative component associated to the exchangeable bonds into LafargeHolcim shares.

Financial income (expenses) from consolidated operating activities essentially result from interest expenses on Imerys' debt of EUR 57 million (EUR 47 million in 2018).

8. Turnover

The table below presents the split the of the revenue into sales of goods, services provided and other:

In EUR million	2019	2018
Sales of goods	**4,283.9**	4,437.7
Services provided	**752.5**	762.2
Other	**1.5**	1.4
Total	**5,037.9**	**5,201.3**

The split by cash generating unit is presented below:

In EUR million	2019	2018
Performance Materials (Imerys)	**2,381.3**	2,520.4
High Temperature Materials & Solutions (Imerys)	**1,975.2**	2,070.2
Holdings (Imerys)	**(2.0)**	(0.6)
Imerys	**4,354.5**	4,590.0
svt (Sienna Capital)	**169.4**	145.0
Keesing (Sienna Capital)	**156.1**	147.8
opseo (Sienna Capital)	**107.4**	117.4
Looping (Sienna Capital)	**98.1**	84.2
Sausalitos (Sienna Capital)	**55.4**	48.8
Vanreusel (Sienna Capital)	**49.2**	23.2
Indo (Sienna Capital)	**47.8**	19.3
Benito (Sienna Capital)	**-**	25.6
Sienna Capital	**683.4**	611.3
Total	**5,037.9**	**5,201.3**

The breakdown of the group's turnover by geographic region is as follows:

In EUR million	2019	2018
Turnover		
Belgium	**140.2**	119.3
Other European countries	**2,511.1**	2,572.7
Americas	**1,266.2**	1,382.0
Asia	**957.7**	953.1
Other	**162.7**	174.2
Total	**5,037.9**	**5,201.3**

The following table presents a different breakdown of revenue by the time at which goods or services are transferred to customers, distinguishing between goods and services transferred to customers at a given point in time and services transferred to customers over time:

In EUR million	2019	2018
Goods and services transferred to customers at a specific time	**4,285.4**	4,445.4
Services progressively transferred to customers	**752.5**	755.9
Total	**5,037.9**	**5,201.3**

At Imerys' level, main contributor to the turnover, the breakdown of revenue by geographical location of its operations and geographical location of its customers is as follows:

In EUR million	2019	2018
Turnover breakdown by geographic areas		
Europe	**2,244.8**	2,364.8
Asia-Oceania	**748.0**	733.8
North America	**1,162.2**	1,284.1
Other	**199.5**	207.3
Total	**4,354.5**	**4,590.0**

In EUR million	2019	2018
Turnover breakdown by geographic areas of the clients		
Europe	**1,984.4**	2,093.4
Asia-Oceania	**976.3**	974.5
North America	**1,083.9**	1,187.3
Other	**309.9**	334.8
Total	**4,354.5**	**4,590.0**

9. Intangible assets

In EUR million	Development costs	Software	Mining rights	Patents, licences and concessions	Trademarks	Other	Total
Gross carrying amount							
As of December 31, 2017	7.0	149.9	1.4	269.1	89.5	180.2	**697.1**
Investments	2.8	6.1	-	14.3	5.5	36.5	**65.2**
Changes in group structure/Business combinations	3.2	(0.4)	-	92.1	-	1.7	**96.6**
Transfers between categories	0.4	5.8	1.4	(19.3)	-	(5.4)	**(17.1)**
Disposals and retirements	-	(4.3)	-	(0.1)	-	(1.3)	**(5.7)**
Foreign currency translation adjustments	-	1.2	-	0.4	-	3.2	**4.8**
Other	(0.2)	(4.3)	-	(6.6)	(2.8)	-	**(13.9)**
As of December 31, 2018	13.2	154.0	2.8	349.9	92.2	214.9	**827.0**
Investments	-	3.6	0.6	7.1	4.6	23.6	**39.4**
Changes in group structure/Business combinations	3.8	-	-	143.4	0.8	151.5	**299.5**
Transfers between categories	0.1	12.8	(0.1)	4.2	-	(15.3)	**1.7**
Disposals and retirements	(0.0)	(1.7)	-	-	-	(41.7)	**(43.4)**
Foreign currency translation adjustments	0.1	0.8	-	0.2	-	3.0	**4.1**
Other	4.4	(2.4)	0.3	(12.6)	(59.5)	(23.6)	**(93.4)**
As of December 31, 2019	**21.6**	**167.1**	**3.6**	**492.2**	**38.1**	**312.3**	**1,034.8**
Cumulated amortisation							
As of December 31, 2017	(4.3)	(88.0)	(0.5)	(45.4)	(6.3)	(69.5)	**(214.0)**
Amortisation	(0.8)	(12.3)	(0.1)	(8.5)	(2.1)	(17.8)	**(41.6)**
Impairment (losses)/reversals	-	0.1	-	-	-	(22.6)	**(22.5)**
Transfers between categories	(0.4)	(1.5)	-	0.4	-	(0.5)	**(2.0)**
Disposals and retirements	-	3.3	-	0.1	-	0.6	**4.0**
Foreign currency translation adjustments	-	(1.0)	-	(0.1)	-	(2.8)	**(3.9)**
Changes in group structure/Other	0.1	3.0	0.1	4.8	-	1.7	**9.7**
As of December 31, 2018	(5.4)	(96.4)	(0.5)	(48.7)	(8.4)	(110.9)	**(270.3)**
Amortisation	(0.4)	(16.2)	(0.2)	(18.7)	(2.1)	(19.4)	**(57.0)**
Impairment (losses)/reversals	-	-	-	-	-	(0.1)	**(0.1)**
Transfers between categories	-	(0.5)	-	(1.3)	-	1.0	**(0.8)**
Disposals and retirements	-	1.6	-	-	-	41.3	**42.9**
Foreign currency translation adjustments	(0.1)	(0.7)	-	(0.2)	-	(2.4)	**(3.4)**
Changes in group structure/Other	(2.5)	1.0	-	(30.4)	-	(86.8)	**(118.7)**
As of December 31, 2019	**(8.5)**	**(111.2)**	**(0.7)**	**(99.3)**	**(10.5)**	**(177.2)**	**(407.4)**
Net carrying amount							
As of December 31, 2017	2.7	61.9	0.9	223.7	83.2	110.7	**483.1**
As of December 31, 2018	7.8	57.6	2.3	301.2	83.8	104.0	**556.7**
As of December 31, 2019	**13.1**	**55.9**	**2.9**	**392.8**	**27.6**	**135.1**	**627.4**
Of which: Holding	-	0.0	-	-	-	-	**0.0**
Imerys	2.4	20.2	2.7	164.0	-	92.5	**281.8**
Webhelp	1.2	-	-	64.9	-	26.5	**92.6**
Sienna Capital	9.5	35.7	0.2	164.0	27.6	16.1	**253.0**

The impact of impairment losses net of reversals recognized by Imerys on its intangible assets is nihil in 2019 (EUR 23 million in 2018).

The headings “Trademarks” include an amount of EUR 46 million related to intangible assets with an indefinite useful life (EUR 62 million as of December 31, 2018).

The depreciation charges for the various periods are shown under “Other operating income (expenses) from investing activities” and “Depreciation/amortisation of property, plant, equipment and intangible assets - consolidated operating activities” in the consolidated statement of comprehensive income.

Research and development costs in 2019 amounted to EUR 54 million (EUR 58 million in 2018).

10. Goodwill

In EUR million	2019	2018
Gross carrying amount		
At 1 January	**2,771.2**	2,496.6
Changes in group structure/Business combinations	**2,208.1**	308.7
Foreign currency translation adjustments	**10.7**	(1.1)
Subsequent value adjustments	**(53.0)**	3.9
Disposals	**(240.3)**	(36.9)
At 31 December	**4,696.7**	**2,771.2**
Cumulated impairment losses		
At 1 January	**(78.4)**	**(98.0)**
Impairment losses	**-**	(1.3)
Foreign currency translation adjustments	**(0.5)**	(0.4)
Disposals	**1.3**	21.3
At 31 December	**(77.6)**	**(78.4)**
Net carrying amount at 31 December	**4,619.1**	**2,692.8**
Of which: Holding	**-**	-
Imerys	**2,153.1**	2,143.3
Webhelp	**2,165.0**	-
Sienna Capital	**301.0**	549.5

As of December 31, 2019, this caption was made up of EUR 2,153 million of goodwill generated by Imerys' various business lines, EUR 2,165 million of goodwill from the Webhelp group acquisition and EUR 301 million of goodwill on acquisitions by ECP III (EUR 2,143 million, EUR 0 million and EUR 550 million respectively as of December 31, 2018).

Definition of cash generating units (CGU)

GBL's management has retained the judgements made by Imerys and Sienna Capital in the definition of CGUs.

At Imerys, this constitutes a judgement when, at the level of the smallest possible grouping of assets, the following three criteria are met: a homogeneous production process for the mineral portfolio, transformation processes and applications; an active market with homogeneous macro-economic characteristics; and a level of operating power in terms of continuation, restructuring or discontinuation of mining, industrial and/or business activity. When a CGU satisfies these three criteria, their respective cash flows are deemed to be independent. CGUs are formed directly from the analysis structure monitored each month by Imerys' executive management as part of its business reporting. All Imerys group's assets, including right-of-use assets net of lease liabilities, mining assets and goodwill, are allocated to a CGU. CGUs are grouped together to form the reporting segments at Imerys group level, namely: Performance Materials and High Temperature Materials & Solutions.

At Sienna Capital level, the goodwill is allocated to each investment.

The goodwill generated on the Webhelp acquisition being provisional, no allocation by CGU was made this year.

In the table below, the carrying amount and the goodwill impairment loss are presented by CGU:

In EUR million	2019		2018	
	Net carrying amount	**Cumulated impairment losses**	**Net carrying amount**	**Cumulated impairment losses**
Webhelp	2,165.0	-	-	-
Performance Materials (Imerys)	1,167.3	(2.1)	1,166.1	(2.0)
High Temperature Materials & Solutions (Imerys)	985.0	(75.6)	976.4	(75.2)
Keesing (Sienna Capital)	105.3	-	96.0	-
svt (Sienna Capital)	88.8	-	87.4	-
Vanreusel (Sienna Capital)	51.9	-	82.9	-
Indo (Sienna Capital)	40.5	-	62.5	-
Sausalitos (Sienna Capital)	14.5	-	13.7	-
opseo (Sienna Capital)	-	-	108.6	(1.2)
Looping (Sienna Capital)	-	-	98.4	-
Holdings (Imerys)	0.8	-	0.8	-
Total	**4,619.1**	**(77.6)**	**2,692.8**	**(78.4)**

Impairment tests

In accordance with IAS 36, group companies conduct a yearly impairment test on all their CGUs to the extent that they report goodwill. The recoverable amount for a CGU or an individual asset is the highest of the fair value less the costs of sale or the value in use. In practice, fair value can only be reliably estimated for individual assets and therefore corresponds to recent transaction prices for sales of similar assets. The value in use is the most commonly used measurement basis for CGUs and individual assets.

For Imerys, this test did not require the recognition of any impairment in 2019 and 2018.

The projected cash flows used by Imerys to estimate the value in use are usually taken from their 2020 budget and the plan for the years 2021 to 2022. The key underlying assumption of these forecasts is the level of organic growth. To calculate the terminal growth rate, Imerys uses the Gordon and Shapiro perpetual growth model .

The discount rate used to calculate value in use is determined using the weighted average cost of capital of groups comparable to Imerys in the industrial minerals sector. This rate, set at 6.75% for 2019 (6.50% for 2018), is adjusted for a country-market risk premium, which depending on the CGU or individual assets tested ranged from 41 to + 145 basis points in 2019 (0 to + 170 basis points in 2018). In 2019, the average discount rate after income tax amounted to 7.50% (7.42% in 2018). The calculations net of income tax are the same as those that would be performed with cash flows and rates before income tax, as required by applicable standards.

For Sienna Capital, this test, computed on an annual basis, did not require the recognition of any impairment in 2019 and 2018.

The projected cash flows derive from the financial budgets made by managements of each respective investment, covering a period from three to five years. The prepared projections are extrapolated and cover a period of ten years. For the terminal value, Sienna Capital uses an average of the Gordon and Shapiro perpetual growth model and multiple valuation method.

The discount rate used to calculate the value in use is determined based on the weighted average cost of capital of groups comparable to each investment in their respective sector. This rate is adjusted by a country/market risk premium and a specific premium. The average discount rate after taxes was 10.00% in 2019 (9.84% in 2018).

No impairment test was performed on the Webhelp goodwill given that the acquisition was completed in the fourth quarter of 2019.

In the table below, the weighted average discount and perpetual growth rates used at Imerys to calculate the value in use are presented by CGU:

	2019		2018	
	Discount rate	Perpetual growth rate	Discount rate	Perpetual growth rate
Performance Materials (Imerys)	7.67%	2.05%	7.41%	2.05%
High Temperature Materials & Solutions (Imerys)	7.25%	1.99%	7.42%	2.03%
Average rate (Imerys)	**7.50%**	**2.02%**	**7.42%**	**2.02%**
Average rate (Sienna Capital)	**10.00%**	**1.17%**	**9.84%**	**2.00%**

Sensitivity to a change in the projected cash flows and discount rates

Out of all of the assumptions used, changes in the projected cash flows, the discount rate and the perpetual growth rate had the largest impact on the financial statements. The following table shows the impairment losses per CGU that would be accounted for in case of adverse changes compared to the retained assumptions in the financial statements as of December 31, 2019:

In EUR million	Adverse changes
Forecasted cash flows	**(5%)**
Impairment loss	(2.2)
Discount rates	**+ 100 pb**
Impairment loss	(3.9)
Perpetual growth rates	**(100 pb)**
Impairment loss	(1.5)

11. Property, plant and equipment

In EUR million	Land and buildings	Mineral reserves	Fittings, machinery, equipment and rolling stock	Right of use	Assets in progress	Other property, plant and equipment	Total
Gross carrying amount							
As of December 31, 2017	721.8	968.1	4,432.6	-	223.8	81.6	**6,427.9**
Investments	29.8	61.9	83.7	-	143.0	7.0	**325.4**
Changes in group structure/Business combinations	28.4	(53.7)	18.8	-	(6.1)	4.5	**(8.1)**
Disposals and retirements	(17.4)	(1.1)	(74.0)	-	(0.6)	(15.2)	**(108.3)**
Foreign currency translation adjustments	(1.9)	(2.3)	20.2	-	(1.8)	-	**14.2**
Other	(73.2)	(76.6)	(173.1)	-	(130.5)	3.8	**(449.6)**
As of December 31, 2018	687.5	896.3	4,308.2	-	227.8	81.7	**6,201.5**
Changes in accounting policies	(5.4)	-	(7.3)	408.9	-	(1.5)	**394.7**
Investments	8.5	61.9	48.7	59.0	164.7	20.4	**363.3**
Changes in group structure/Business combinations	40.7	0.5	82.3	141.2	5.2	162.1	**432.0**
Disposals and retirements	(18.9)	(4.0)	(250.6)	-	(6.8)	(0.9)	**(281.2)**
Foreign currency translation adjustments	5.8	14.2	59.8	5.9	3.8	0.1	**89.6**
Other	(38.6)	(21.8)	(24.6)	(87.9)	(144.5)	(86.8)	**(404.3)**
As of December 31, 2019	**679.6**	**947.1**	**4,216.5**	**527.1**	**250.3**	**175.1**	**6,795.6**
Cumulated depreciation							
As of December 31, 2017	(278.5)	(375.7)	(3,127.7)	-	(3.6)	(20.8)	**(3,806.3)**
Depreciation	(20.2)	(58.7)	(182.7)	-	(0.5)	(14.2)	**(276.3)**
Impairment (losses)/reversals	(34.4)	(6.0)	(131.4)	-	(29.2)	-	**(201.0)**
Disposals and retirements	8.9	0.1	69.8	-	-	6.3	**85.1**
Foreign currency translation adjustments	0.3	(0.6)	(18.0)	-	1.1	-	**(17.2)**
Changes in group structure/Other	44.6	48.2	256.5	-	1.9	(0.3)	**350.9**
As of December 31, 2018	(279.3)	(392.7)	(3,133.5)	-	(30.3)	(29.0)	**(3,864.8)**
Depreciation	(21.7)	(59.4)	(185.8)	(99.4)	(0.2)	(9.6)	**(376.1)**
Impairment (losses)/reversals	(0.3)	(14.6)	(15.9)	(6.5)	(0.7)	(0.2)	**(38.2)**
Disposals and retirements	16.6	6.7	246.9	-	6.1	0.3	**276.7**
Foreign currency translation adjustments	(2.6)	(7.0)	(44.6)	(2.9)	(1.1)	-	**(58.2)**
Changes in group structure/Other	(8.6)	22.8	64.8	37.3	0.6	(64.2)	**52.7**
As of December 31, 2019	**(295.8)**	**(444.2)**	**(3,068.1)**	**(71.5)**	**(25.6)**	**(102.7)**	**(4,007.9)**
Net carrying amount							
As of December 31, 2017	443.3	592.4	1,304.9	-	220.2	60.8	**2,621.6**
As of December 31, 2018	408.2	503.6	1,174.7	-	197.5	52.7	**2,336.7**
As of December 31, 2019	**383.8**	**502.9**	**1,148.4**	**455.5**	**224.7**	**72.4**	**2,787.6**
Of which: Holding	-	-	1.3	11.0	-	0.4	**12.7**
Imerys	325.6	502.9	1,090.5	245.2	216.0	-	**2,380.2**
Webhelp	27.6	-	22.1	127.4	4.9	69.7	**251.7**
Sienna Capital	30.6	-	34.5	71.9	3.8	2.2	**143.0**

The heading “Changes in accounting policies” include the impact from the application of IFRS 16 on January 1, 2019 (refer to “Accounting policies”).

In 2019, impairment losses amounting to EUR 38 million were recorded by Imerys on its property, plant and equipment (EUR 202 million in 2018). The impairment losses in 2018 mainly concerned the Oilfield Solutions division and the Namibian assets of the Graphite & Carbon division.

The depreciation charges for the various periods are shown under “Other operating income (expenses) from investing activities” and “Depreciation/amortisation of property, plant, equipment and intangible assets - consolidated operating activities” in the consolidated statement of comprehensive income.

Leases

The group negotiates leases to obtain from the lessee the right to use certain mining, industrial and logistics equipment, as well as immovable administrative, industrial and logistical property. As of December 31, 2019, the value of these rights, recognized in "Right-of-use assets", amounted to EUR 456 million (EUR 409 million as of January 1, 2019). The following table presents the change in the carrying amount of "right-of-use assets" by asset type:

In EUR million	Land and buildings	Mineral reserves	Fittings, machinery, equipment and rolling stock	Assets in progress	Other property, plant and equipment	Total
Gross carrying amount						
As of January 1, 2019	165.2	-	113.7	-	130.0	408.9
Investments	12.5	-	10.0	-	36.5	59.0
Changes in group structure/Business combinations	132.6	-	8.5	-	-	141.2
Disposals and retirements	-	-	-	-	-	-
Foreign currency translation adjustments	1.9	-	4.2	-	(0.2)	5.9
Other	(13.1)	-	(34.0)	-	(40.8)	(87.9)
As of December 31, 2019	299.1	-	102.5	-	125.5	527.1
Cumulated depreciation						
As of January 1, 2019	-	-	-	-	-	-
Depreciation	(38.6)	-	(47.4)	-	(13.4)	(99.4)
Impairment (losses)/reversals	(6.5)	-	-	-	-	(6.5)
Disposals and retirements	-	-	-	-	-	-
Foreign currency translation adjustments	(1.2)	-	(1.8)	-	0.1	(2.9)
Changes in group structure/Other	19.5	-	13.1	-	4.7	37.3
As of December 31, 2019	(26.8)	-	(36.2)	-	(8.6)	(71.5)
Net carrying amount						
As of December 31, 2019	**272.3**	**-**	**66.3**	**-**	**116.9**	**455.5**
Of which: Holding	11.0	-	-	-	-	11.0
Imerys	137.2	-	61.6	-	46.5	245.2
Webhelp	124.1	-	3.3	-	-	127.4
Sienna Capital	-	-	1.5	-	70.4	71.9

The right-of-use and lease liability model is applied to all leases, except leases with a term of 12 months or less, leases of low-value assets and variable lease payments and services, which are recognized in expenses (EUR 30 million as of December 31, 2019). As of December 31, 2019, "Lease liabilities" recognized against "Right-of-use assets" amounted to EUR 474 million (EUR 424 million as of January 1, 2019) and generated an interest expense of EUR 10 million recognized in financial income (expenses).

Cash payments made in 2019 totaled EUR 104 million, broken down as EUR 95 million for the principal and EUR 10 million in interest, respectively in financing and operating activities in the consolidated statement of cash flows. The group does not generate any material revenue from leasing the freehold assets it owns, nor from the sub-lease of assets leased.

12. Other non-current assets

In EUR million	2019	2018
Non-current financial assets	**102.2**	**94.9**
Derivative financial instruments - Hedging	7.7	19.4
Long-term advance payments, loans and deposits	54.6	39.4
Other	39.8	36.1
Non-current non-financial assets	**6.6**	**12.5**
Assets related to pension plans	6.6	6.6
Other	-	5.9
Total	**108.8**	**107.4**
Of which: Holding	0.5	-
Imerys	88.0	93.9
Webhelp	17.7	-
Sienna Capital	2.6	13.5

13. Income taxes

13.1. Analysis of income taxes

In EUR million	2019	2018
Current taxes	(98.4)	(112.1)
For the year in progress	*(109.9)*	*(131.4)*
For previous years	*11.6*	*19.3*
Deferred taxes	33.3	17.4
Total	**(65.1)**	**(94.7)**

13.2. Reconciliation of the income tax expense for the year

In EUR million	2019	2018
Profit (loss) before income taxes from continued activities	834.0	210.8
Share of profit (loss) of equity-accounted entities	57.0	(24.1)
Profit (loss) before income taxes and before share of profit (loss) of equity-accounted entities	891.0	186.7
Taxes at Belgian rate (29.58%)	**(263.6)**	**(55.2)**
Impact of different tax rates in foreign countries	0.9	(21.2)
Tax impact of non-taxable income	231.6	136.1
Tax impact of non-deductible expenses	(22.3)	(85.6)
Tax impact of changes in tax rates for subsidiaries	0.3	(3.9)
Other	(12.1)	(64.9)
Income tax (expense) for the year	**(65.1)**	**(94.7)**

The “Other” heading mainly consists of the non-recognition of deferred tax assets in relation to tax losses generated by some group companies over the financial year.

The effective tax rate in 2019 was - 7.31%, compared to - 50.73% in 2018. In 2019, this low rate primarily results from the non taxation of realized or unrealized capital gains on the disposal of participations and dividends received. In 2018, the effective tax rate was heavily impacted by the non-deductibility of impairment losses accounted for during that year.

13.3. Deferred tax by nature in the statement of financial position

	Deferred tax assets		Deferred tax liabilities	
In EUR million	2019	2018	2019	2018
Property, plant, equipment and intangible assets	128.6	81.9	(369.3)	(314.0)
Inventories, trade receivables, trade payables and provisions	98.1	105.7	(6.7)	(15.6)
Employee benefit obligations	56.6	46.3	-	-
Unused tax losses and credits	38.1	22.1	-	-
Other	56.0	43.4	(50.2)	(50.3)
Offsetting of assets/liabilities	(222.6)	(181.5)	222.6	181.5
Total	**154.7**	**117.9**	**(203.6)**	**(198.4)**
Of which: Holding	-	-	-	-
Imerys	120.6	112.4	(106.9)	(125.3)
Webhelp	30.8	-	(22.2)	-
Sienna Capital	3.3	5.5	(74.5)	(73.1)

For the Holding segment, tax losses relating to the “Notional Interest Deduction” (NID) claimed by the group in Belgium, amounted to EUR 21 million (EUR 382 million in 2018). Other tax losses carried forward for an unlimited time and tax credits amounted to EUR 1,032 million (EUR 1,000 million in 2018); for foreign subsidiaries, these items amounted to EUR 5,401 million (EUR 4,869 million in 2018).
Furthermore, regarding the other segments, tax losses carried forward for an unlimited time and tax credits amount to EUR 400 million for Imerys, EUR 33 million for Webhelp and EUR 102 million for ECP III and its operating subsidiaries (respectively EUR 251 million, EUR 0 million and EUR 99 million in 2018).

Moreover, deferred taxes on tax losses are only recognised insofar as the taxable profits are likely to be realised, allowing these losses to be used. As of December 31, 2019, a total of EUR 38 million was recognised as deferred tax assets on tax losses and tax credits (EUR 22 million in 2018).

No deferred tax liabilities are recognised in relation to the temporary tax differences between the carrying amount and the tax value of investment securities if the group is able to verify the date of the temporary difference’s reversal and it is likely that this difference will not be reversed in the foreseeable future. The group estimates that the deferred tax liabilities not recognised in this regard as of December 31, 2019 amount to EUR 18 million (EUR 16 million as of December 31, 2018).

Finally, the different taxes directly recorded under shareholders equity are shown in the following table:

In EUR million	2019	2018
Actuarial gains (losses)	**(56.4)**	18.7
Of which amounts before taxes	*(69.8)*	*24.9*
Of which deferred taxes	*13.4*	*(6.2)*
Foreign currency translation adjustements	**30.3**	(38.7)
Of which amounts before taxes	*32.4*	*(39.0)*
Of which deferred taxes	*(2.1)*	*0.3*
Cash flow hedge	**(5.5)**	(5.6)
Of which amounts before taxes	*(5.4)*	*(8.2)*
Of which deferred taxes	*(0.1)*	*2.6*
Revaluation reserves	**3,875.9**	(1,043.1)
Of which amounts before taxes	*3,875.9*	*(1,043.1)*
Of which deferred taxes	-	-

14. Inventories

In EUR million	2019	2018
Raw materials, consumables and parts	**382.9**	445.2
Work in progress	**133.7**	103.9
Finished goods and goods for resale	**375.6**	423.6
Other	**0.1**	0.2
Gross total (before writedowns)	**892.4**	**972.9**
Writedowns of inventory	**(46.2)**	(71.0)
Of which raw materials, consumables and parts	***(24.2)***	*(40.9)*
Of which work in progress	***(1.9)***	*(2.1)*
Of which finished goods and goods for resale	***(20.2)***	*(28.0)*
Total	**846.1**	**901.9**
Of which: Holding	**-**	-
Imerys	**812.6**	867.0
Webhelp	**0.9**	-
Sienna Capital	**32.6**	34.9

The amount of inventories recognized as an expense is EUR 24 million in 2019 (EUR 102 million in 2018).

15. Trade receivables

In EUR million	2019	2018
Trade receivables	**1,002.4**	773.8
Writedowns of doubtful receivables	**(43.1)**	(34.1)
Net total	**959.3**	**739.7**
Of which: Holding	**0.1**	0.4
Imerys	**623.9**	656.6
Webhelp	**276.9**	-
Sienna Capital	**58.3**	82.7

Trade receivables are mainly related to Imerys and Webhelp. Factoring agreements have been put in place by Imerys and Webhelp for an unlimited period for a maximum amount of EUR 186 million, including taxes. As of December 31, 2019, EUR 139 million in receivables were thus transferred and deconsolidated, the risks and benefits associated with these receivables, including default and late payment risks, having been transferred to the factor (EUR 9 million as of December 31, 2018).

The following table shows the change in writedowns over several years:

In EUR million	2019	2018
Writedowns of receivables at 1 January	**(34.1)**	**(34.0)**
Writedowns over the year	**(8.2)**	(8.3)
Utilisations	**-**	-
Reversals of writedowns	**6.6**	8.6
Foreign currency translation adjustments and other	**(7.3)**	(0.4)
Writedowns of receivables at 31 December	**(43.1)**	**(34.1)**

Trade receivables do not bear interest and generally have a 30 to 90-day maturity. These receivables are not covered by any material financing arrangement. At the reporting date, some of the trade receivables detailed below may be due without being impaired, for example when covered by a credit insurance contract or a guarantee.

In EUR million	2019	2018
Delay of no more than 1 month	183.1	131.0
Delay of 1 to 3 months	59.9	77.4
Delay of more than 3 months	45.4	22.9
Total trade receivables due and not written down	**288.4**	**231.3**
Trade receivables not due and trade receivables due and written down	670.9	508.4
Total trade receivables, net	**959.3**	**739.7**

16. Trading financial assets

In EUR million	2019	2018
Money market funds (SICAV)	1,402.3	322.6
Other trading assets	13.6	18.8
Total	**1,415.9**	**341.4**
Of which: Holding	1,400.1	275.1
Imerys	9.4	6.6
Webhelp	-	-
Sienna Capital	6.4	59.7

17. Cash, cash equivalents and financial liabilities

17.1. Cash and cash equivalents

In EUR million	2019	2018
Treasury bonds and treasury notes (corporate, sovereign)	20.1	20.0
Deposits (maturity < 3 months)	311.6	339.9
Current accounts	889.6	653.7
Total	**1,221.3**	**1,013.6**
Of which: Holding	416.2	119.9
Imerys	660.4	848.9
Webhelp	121.8	-
Sienna Capital	22.9	44.8

As of December 31, 2019 and 2018, cash was completely held in fixed-term deposits, treasury notes and current accounts with various financial institutions.

17.2. Financial liabilities

In EUR million	2019	2018
Non-current financial liabilities	**5,372.2**	**3,623.8**
Exchangeable bonds (GBL)	744.4	-
Institutional bonds (GBL)	992.9	991.5
Bonds (Imerys)	1,700.0	1,982.1
Bank borrowings (Webhelp)	1,210.0	-
Bank borrowings (Sienna Capital)	302.1	467.6
Lease liabilities	350.9	1.7
Other non-current financial liabilities	71.9	180.9
Current financial liabilities	**1,315.6**	**205.6**
Bank borrowings (GBL)	739.8	-
Bank borrowings (Imerys)	157.2	155.9
Bonds (Imerys)	223.7	-
Lease liabilities	122.8	7.9
Other current financial liabilities	72.1	41.8

Bonds exchangeable into LafargeHolcim shares (GBL)

On September 6, 2019, GBL has announced the completion of an offering by its fully-owned subsidiary Eliott Capital S.à r.l. (the “Issuer”) of EUR 750 million of bonds exchangeable into existing registered shares of LafargeHolcim Ltd (“LafargeHolcim”) guaranteed by GBL. This issuance initially related to approximately 13.2 million LafargeHolcim shares representing approximately 2.1% of its share capital. The bonds had, at their issuance, a maturity of 3 years and 4 months (December 30, 2022) except in case of an early redemption and do not bear interest. The bonds have been issued at an issue price of 101.0% of their principal amount and will be redeemed at their principal amount at maturity, corresponding to an annual yield to maturity of - 0.3%.

The Issuer will have the option to redeem all, but not only some, of the bonds, at any time on or after September 11, 2021 at their principal amount, provided that the value of the underlying shares per bond attributable to EUR 100,000 in principal amount of bonds shall have exceeded EUR 130,000 on each of not less than 20 trading days in any period of 30 consecutive trading days. The Issuer will have a share redemption option to deliver underlying shares and, as the case may be, an additional amount in cash upon its redemption of the bonds, both on the maturity date and upon early redemption.

Bondholders may request the exchange of their bonds for exchange property (being initially only LafargeHolcim shares) at any time from October 22, 2019 until 35 Brussels business days before the maturity date, subject to the option of the Issuer to satisfy exchange rights in cash, exchange property or a combination thereof.

The bonds are admitted to trading on the Open Market (Freiverkher) of the Frankfurt Stock Exchange. The carrying amount of these bonds (excluding the option) is EUR 744 million as of December 31, 2019. The option is assessed at fair value on the reporting date (EUR 41 million, shown under "Other current financial liabilities").

Bonds issued by GBL

On June 19, 2018, GBL has placed a EUR 500 million institutional bond, with a 7-year maturity and a coupon of 1.875%. This issuance is intended to cover the group's general corporate purposes and to lengthen the weighted average maturity of the gross debt. The carrying amount of this debt is EUR 495 million as of December 31, 2019.

During the first semester of 2017, GBL has issued an institutional bond of EUR 500 million, with a coupon of 1.375% and maturing on May 23, 2024. The carrying amount of this debt is EUR 497 million as of December 31, 2019.

Bonds (Imerys)

Imerys has issued listed and non-listed bonds. The bond issues as of December 31, 2019 are detailed below:

	Nominal value in currency	Nominal interest rate	Effective interest rate	Listed/Unlisted	Maturity	Fair value	Carrying amount
	In million					In EUR million	In EUR million
EUR	167.6	2.50%	2.60%	Listed	11-26-2020	170.8	167.7
EUR	55.9	2.50%	1.31%	Listed	11-26-2020	57.0	56.0
EUR	500.0	2.00%	2.13%	Listed	12-10-2024	536.3	504.4
EUR	300.0	0.88%	0.96%	Listed	03-31-2022	305.7	303.0
EUR	300.0	1.88%	1.92%	Listed	03-31-2028	318.2	305.9
EUR	600.0	1.50%	1.63%	Listed	01-15-2027	624.1	616.3
Total						**2,012.1**	**1,953.3**

The bond issues as of December 31, 2018 are detailed below:

	Nominal value in currency	Nominal interest rate	Effective interest rate	Listed/Unlisted	Maturity	Fair value	Carrying amount
	In million					In EUR million	In EUR million
JPY	7,000.0	3.40%	3.47%	Unlisted	09-16-2033	80.6	72.1
EUR	167.6	2.50%	2.60%	Listed	11-26-2020	174.7	168.7
EUR	55.9	2.50%	1.31%	Listed	11-26-2020	58.3	55.9
EUR	500.0	2.00%	2.13%	Listed	12-10-2024	513.8	496.1
EUR	300.0	0.88%	0.96%	Listed	03-31-2022	304.1	300.6
EUR	300.0	1.88%	1.92%	Listed	03-31-2028	296.4	302.3
EUR	600.0	1.50%	1.63%	Listed	01-15-2027	582.0	600.1
Total						**2,009.9**	**1,995.8**

Bank debts (Webhelp)

Those bank debts coming from Webhelp mainly include the following bank loans contracted on November 19, 2019:

	Nominal value in currency In million	Nominal interest rate	Effective interest rate	Listed/Unlisted	Maturity	Fair value In EUR million	Carrying amount In EUR million
GBP	125.0	5.51%	6.02%	Unlisted	11-18-2026	146.4	143.3
EUR	1,020.0	3.50%	3.91%	Unlisted	11-18-2026	1,020.0	998.4
EUR	63.5	3.25%	2.15%	Unlisted	05-18-2026	63.5	59.1
Total						**1,229.9**	**1,200.8**

Bank loans (Sienna Capital)

This caption includes the different bank loans of the operational subsidiaries of ECP III.

Bank debts (GBL)

In the first half of 2019, GBL entered into prepaid forward sales contracts for 15.9 million Total shares, maturing in January 2020, and collected EUR 771 million in cash. Following these transactions, and in accordance with IFRS 9, a debt valued at amortized cost was recognized for an initial amount of EUR 742 million. As of December 31, 2019, the carrying amount of this debt is EUR 740 million and the value of the derivative attached to these transactions, recorded under other current liabilities, amounts to EUR 34 million.

Bank debts (Imerys)

Those bank debts coming from Imerys include as of December 31, 2019, EUR 150 million of short-term borrowings and EUR 7 million of bank overdrafts (EUR 146 million and EUR 10 million respectively as of December 31, 2018).

Lease liabilities

These liabilities have strongly increased compared to the prior year following the application of IFRS 16, and mature in 2020 for a total of EUR 123 million, between 2021 and 2024 for EUR 257 million and EUR 94 million thereafter.

Other non-current financial liabilities

This item primarily includes the debts of ECP III's operating subsidiaries. These debts are contracted with non-controlling interests.

Undrawn credit lines

As of December 31, 2019, the group had undrawn credit lines with various financial institutions totalling EUR 3,606 million (EUR 3,528 million as of December 31, 2018). These credit facilities were available to GBL, Imerys, Webhelp and ECP III's operating subsidiaries in the amounts of EUR 2,150 million, EUR 1,260 million, EUR 148 million and EUR 48 million respectively (EUR 2,150 million, EUR 1,330 million, EUR 0 million and EUR 48 million respectively as of December 31, 2018).

With regards to GBL, all credit lines mature in 2024 and 2025. Confirmed credit lines do not have financial covenants, meaning that, under its credit contracts, GBL has no obligations in terms of compliance with financial ratios.

17.3. Change of financial liabilities

The table below mentions the reconciliation in 2019 and 2018 between the financial debts included in the consolidated balance sheet and the amounts from the consolidated statement of cash flows:

In EUR million	As of January 1, 2019	Cash flow variation	1st application of IFRS 16	Acquisitions/ sales of subsidiaries	Impact of exchange rates change	Other movements	As of December 31, 2019
Financial liabilities - Non-current liabilities	3,623.8	662.4	336.5	944.0	19.6	(214.0)	**5,372.2**
Financial liabilities - Current liabilities	205.6	689.6	87.9	51.5	(8.8)	289.5	**1,315.6**
Total	**3,829.4**	**1,352.0**	**424.5**	**995.5**	**10.8**	**75.5**	**6,687.9**

In EUR million	As of January 1, 2018	Cash flow variation	n.a.	Acquisitions/ sales of subsidiaries	Impact of exchange rates change	Other movements	As of December 31, 2018
Financial liabilities - Non-current liabilities	2,834.9	1,268.8	n.a.	(11.0)	23.0	(491.9)	**3,623.8**
Financial liabilities - Current liabilities	1,152.7	(978.7)	n.a.	(142.5)	(1.9)	176.0	**205.6**
Total	**3,987.6**	**290.1**	**n.a.**	**(153.5)**	**21.1**	**(315.9)**	**3,829.4**

The other movements in 2018 stemmed mainly from the non-cash impact related to the conversions of some of GBL convertible bonds whose settlement was carried out through share deliveries.

The change in cash shown in the table above is reconciled with the consolidated statement of cash flows as follows:

In EUR million	As of December 31, 2019	As of December 31, 2018
Cash flow variation	**1,352.0**	**290.1**
Of which: proceeds from financial liabilities	**1,598.9**	909.7
repayments of financial liabilities	**(246.9)**	(619.6)

18. Other current assets

In EUR million	2019	2018
Current financial assets	**88.0**	**26.4**
Dividends to be received	-	10.3
Derivative financial instruments held for trading	1.0	-
Derivative financial instruments - Hedging	13.4	7.3
Other	73.6	8.8
Non-current financial assets	**353.4**	**337.9**
Tax assets other than those related to income taxes	241.8	235.6
Deferred expenses	41.6	25.7
Other	70.0	76.6
Total	**441.4**	**364.3**
Of which: Holding	75.4	30.0
Imerys	239.4	306.5
Webhelp	109.8	-
Sienna Capital	16.8	27.8

19. Share capital and dividends

19.1. Shares issued and outstanding and treasury shares

	Number of issued shares	Of which treasury shares
As of December 31, 2017	161,358,287	(5,660,482)
Change	-	3,017,500
As of December 31, 2018	161,358,287	(2,642,982)
Change	-	(2,596,007)
As of December 31, 2019	**161,358,287**	**(5,238,989)**

Treasury shares

As of December 31, 2019, the group held 5,238,989 treasury shares, or 3.25% of the issued capital. Their acquisition cost is deducted from shareholders' equity; 173,710 of which are used to hedge the stock option plans granted between 2007 and 2012 (see note 26).

In 2019, GBL acquired and sold respectively 3,715,343 and 1,119,336 shares (1,087,582 shares and 4,105,082 shares, respectively, in 2018) for an overall net amount of EUR 222 million.

Information on acquisitions of treasury shares by GBL or its subsidiaries has been published since July 1, 2009 on the GBL website.

19.2. Dividends

On May 3, 2019, a dividend of EUR 3.07 per share (EUR 3.00 in 2018) was paid to shareholders.

The Board of Directors will propose a gross dividend of EUR 3.15 per share for the distribution relating to 2019, which will be payable on May 7, 2020. The General Shareholders Meeting of April 28, 2020 will vote on the proposed distribution, which is expected to amount to EUR 508 million based on the above-mentioned assumptions and the number of shares entitled to dividends (161,358,287 shares).

20. Provisions

In EUR million	Product guarantees	Environment	Legal, social and regulatory risks	Total
As of December 31, 2017	30.2	219.0	182.8	**432.0**
Additions	1.7	34.5	316.4	**352.6**
Uses	(2.1)	(6.9)	(20.0)	**(29.0)**
Reversals	(2.8)	(7.8)	(42.9)	**(53.5)**
Impact of discounting	-	3.9	0.1	**4.0**
Changes in group structure/Business combinations	(22.5)	7.8	5.2	**(9.5)**
Foreign currency translation adjustments	-	0.5	5.7	**6.2**
Other	-	-	0.1	**0.1**
As of December 31, 2018	4.5	251.0	447.4	**702.9**
Changes in accounting policies	-	0.2	(7.1)	**(6.9)**
Additions	1.8	32.9	29.2	**63.9**
Uses	(1.7)	(10.0)	(22.7)	**(34.4)**
Reversals	(0.8)	(5.3)	(32.7)	**(38.8)**
Impact of discounting	-	4.2	0.1	**4.3**
Changes in group structure/Business combinations	-	-	5.9	**5.9**
Foreign currency translation adjustments	(0.1)	5.8	6.1	**11.8**
Other	-	1.3	(226.7)	**(225.4)**
As of December 31, 2019	**3.8**	**280.1**	**199.5**	**483.4**
Of which current provisions	-	12.6	17.0	**29.6**
Of which non-current provisions	3.8	267.4	182.4	**453.6**

The group's provisions totalled EUR 483 million as of December 31, 2019 (EUR 703 million in 2018). They mainly relate to Imerys (EUR 467 million in 2019 and EUR 690 million in 2018).

The probability of settlement and the amount of the obligations are estimated by the group, that generally calls upon in-house company experts to approve the key assumptions, taking into account the anticipated effects, regulatory changes where applicable, and independent counsel regarding material disputes and claims. Independent counsel handles allegations of personal or financial damage implicating the civil liability of the group and potential breaches of contractual obligations or regulations on social, real estate and environmental issues. The provisions set aside for these risks are included in the EUR 200 million of provisions for legal, social and regulatory risks in the table of changes mentioned above. This includes in particular the balance of the provision set aside to resolve the litigation involving Imerys' talc operations in the US.

On February 13, 2019, the three North American talc subsidiaries decided to file for the protection, with immediate effect, of the special legal process of Chapter 11 under US law in order to permanently resolve the long-running talc-related litigation in the United States. Under Chapter 11, the group remains the legal owner of all the share capital of the three North American entities, but these assets are subject to the jurisdiction of the US Delaware federal courts, which will oversee the continuing operations of the entities concerned as well as the conclusion and execution of a business continuity plan that these entities have sought to negotiate with representatives of existing claimants currently involved in the ongoing litigation as well as any future claimants. The Chapter 11 process also suspends all ongoing and future litigation proceedings and prevents any further claims being brought against these entities relating to past and current talc operations in the US.

Given effective control of the three entities was transferred on February 13, 2019 to the court to repay creditors, the assets and liabilities held by the entities were removed from the scope of consolidation of the group's financial statements from this date forward, which led to an additional EUR 6 million being recognized. The negotiation between all those involved in the draft business continuity plan for these entities is ongoing. As is often the case in the Chapter 11 process, the North American talc entities have called upon the services of an investment banker to advise them in assessing their options before exiting Chapter 11, including the potential disposal of their business. In light of the latest developments in the Chapter 11 process and the ongoing negotiations at the date the group's 2019 financial results were approved, Imerys' Executive Management reviewed and reiterated its prior estimate of the risk related to the resolution of the Chapter 11 procedure and the forecast financial impact for the group. The balance of the provision recognized in the group's financial statements since December 31, 2018 was deemed to be sufficient to cover the best estimate of this risk, given the current situation and the valuation of the market potential of the talc business in North America.

Imerys' provisions to hedge product guarantees amounted to EUR 4 million and have a probable maturity ranging from 2020 to 2024.

The group (overwhelmingly Imerys) establishes provisions to hedge the environmental risks resulting from its industrial activity and provisions for the rehabilitation of mining sites at the end of their operating lifetimes. These provisions totalled EUR 280 million as of December 31, 2019 (EUR 251 million in 2018). The corresponding obligations are expected to mature between 2020 and 2024 for EUR 74 million, between 2025 and 2034 for EUR 91 million and as from 2035 for EUR 115 million.

21. Retirement benefits and other post-employment benefits

21.1. Defined contribution plans

In this type of retirement plan, whose future level is not guaranteed to the beneficiaries, the employer commits to pay regular contributions to the third parties (retirement funds, insurance companies or financial institutions) on a mandatory basis (statutory or regulatory provisions) or an optional basis (supplementary retirement plan voluntarily provided by the company). These plans are mostly granted to Imerys employees.

The amounts are paid during the year in which they are due. The total amount of contributions paid for defined contribution plans is EUR 33 million in 2019 (EUR 30 million in 2018).

21.2. Defined benefit plans

Characteristics of defined benefit plans

In this type of plan, the group guarantees to the beneficiaries the level of the benefit that will be paid in the future. The beneficiaries of these plans are employees who are acquiring entitlements in exchange for services rendered to the group (active beneficiaries), employees who are no longer acquiring entitlements in exchange for services rendered to the group and former employees outside the group (deferred beneficiaries), as well as former retired employees (retired beneficiaries).

The valuation of retirement benefit obligations and other employee benefits is carried out by independent actuaries. These plans may be financed by insurance companies (group insurance), retirement funds or independent entities. Two plans accounted for 74.8% of the group's total commitment as of December 31, 2019. These are the UK plan - the Imerys UK Pension Scheme (Imerys UK) and the US plan - the Imerys USA Retirement Growth Account Plan (Imerys USA).

The table below sets out their main characteristics:

	Imerys UK	Imerys USA
Eligibility		
Hiring limit date	12/31/2004	03/31/2010
Retirement age	65	65
Description of the benefits		
Terms of payment	Annuity (1)	Capital (2)
Revaluation based on the consumer price index	Yes	No
End date of cumulated rights	03/31/2015	12/31/2014
Regulatory framework		
Minimum employer funding obligation	Yes (3)	Yes (3)
Minimum beneficiary contribution obligation	Yes	No
Governance		
Trustees representing the employer	Yes	Yes
Trustees representing beneficiaries	Yes	No
Independent trustees	Yes	No
Responsibility of trustees		
Definition of the investment strategy	Yes	Yes
Negotiation of deficit refinancing with the employer	Yes	-
Administrative management of benefit payments	Yes	No

The duration of these two plans is 15 years of Imerys UK and 10 years for Imerys USA (respectively 14 years and 9 years as of December 31, 2018).

Management of risks associated with employees benefits

Description of risks

The main issue related to the financial management of employee benefits is the control of the funding ratio of obligations, i.e. the ratio between the value of plan assets and the value of the obligations. The funding ratio of obligations may be deteriorated by a decorrelation between a change in value (generally negative) of plan assets and a change in value (generally positive) of obligations. The value of plan assets may be reduced by deteriorating the fair value of investments. The value of obligations may rise for all plans after a drop in discount rates or benefits paid as life annuities, either due to an increase in the inflation rates used to remeasure the obligations of certain plans, or due to an increase in the life expectancy of beneficiaries.

Risk management

The strategy to control the obligation funding level consists firstly of optimising the value of the plan assets. Investment strategies are therefore devised to deliver a steady return while also taking advantage of opportunities with limited or moderate risks levels. The choice of investments is specific to each plan and factors in the duration of the plan as well as minimum funding regulatory constraints.

Since 2011, Imerys has pursued a specific strategy to control the funding ratio of obligations in the UK in particular, which defines plan asset investments to match the obligation. The strategy, known as Liability Driven Investment (LDI), controls the funding ratio of the obligation by pegging cash inflows to cash outflows over the duration of the obligation. In practice, it involves structuring the portfolio of plan assets so that the cash inflows generated by the return on investments match the cash outflows generated by the payment of benefits. It hedges the risk of an increase in the obligation due to a drop in discount rates (or an increase in inflation rates) by covering a portion of the value of the regularly revised obligation.

Funding of employee benefits

The group funds the majority of employee benefits with investments unavailable to third parties in trusts or insurance contracts legally separate from the group. These investments, classified as plan assets, stood at EUR 1,223 million as of December 31, 2019 (EUR 1,168 million as of December 31, 2018). Imerys also has reimbursement rights, in other words investments held directly by the group, which came to EUR 6 million as of December 31, 2019 (EUR 6 million as of December 31, 2018). The obligation funding ratio therefore stood at 75.4% as of December 31, 2019 (79.5% as of December 31, 2018).

(1) Annuity calculated based on number of years of service provided, annual salary on retirement and average of three last annual salaries
(2) Principal at a guaranteed interest rate (Cash Balance Plan)
(3) The employer is obliged to fund each unit of service provided at 100% on the basis of a funding evaluation

A provision of EUR 393 million was recognised as of December 31, 2019 for the funded and unfunded plan deficit (EUR 295 million as of December 31, 2018), as the following table shows:

In EUR million	2019	2018
Obligations funded by plan assets	(1,389.8)	(1,295.6)
Obligations funded by reimbursement rights	(29.9)	(25.8)
Fair value of plan assets	1,223.4	1,168.0
Fair value of reimbursement rights	6.0	5.7
Funding surplus (deficit)	**(190.3)**	**(147.7)**
Unfunded obligations	(203.1)	(147.1)
Assets/(provision)	**(393.5)**	**(294.8)**
Of which: Non-current liabilities	(400.1)	(301.4)
Non-current assets	6.6	6.6

Fair value of plan assets

The assets held by the group to fund employee benefits generated real interest of EUR 120 million in 2019 (EUR - 14 million in 2018), as presented in the table below. In accordance with current regulations, only a normative share of this return was credited to profit or loss in 2019, amounting to EUR 32 million (EUR 31 million in 2018), calculated based on the discount rate used on the obligations. The surplus real return above the normative return was credited to shareholders' equity in the amount of EUR 87 million in 2018 (EUR - 44 million in 2018).

In EUR million	2019	2018
Balance as of January 1	**1,168.0**	**1,252.2**
Employer's contributions	24.4	18.8
Participants' contributions	-	1.4
Benefits paid	(123.8)	(93.4)
Foreign currency translation adjustments	49.7	3.1
Real return on assets	119.5	(13.8)
Normative return (profit or loss)	*32.1*	*30.5*
Adjustment to the real return (shareholders' equity)	*87.4*	*(44.3)*
Changes in group structure/Business combinations	(14.0)	(0.2)
Other movements	(0.4)	(0.1)
Balance as of December 31	**1,223.4**	**1,168.0**

Distribution of plan assets

In %	2019	2018
Shares	10%	14%
Listed	*10%*	*14%*
Unlisted	-	-
Bonds	76%	77%
Listed	*76%*	*77%*
Unlisted	-	-
Real estate	1%	2%
Other	13%	7%
Total	**100%**	**100%**

Plan obligations – funded, unfunded and partially funded plans

In EUR million	2019	2018
Balance as of January 1	**1,468.5**	**1,579.3**
Current service costs for the period	14.9	19.8
Interest expense	38.3	36.8
Actuarial losses (gains) from:	157.2	(69.2)
changes to demographic assumptions	*0.8*	*(25.9)*
changes to financial assumptions	*139.5*	*(52.2)*
experience adjustments	*17.0*	*8.9*
Benefits paid	(139.9)	(102.3)
Changes in group structure/Business combinations	(9.4)	(6.8)
Foreign currency translation adjustments	53.6	6.4
Other movements	39.7	4.5
Balance as of December 31	**1,622.9**	**1,468.5**

Amounts relating to the plan recognised in comprehensive income

In EUR million	2019	2018
Current service costs for the period	14.9	19.8
Interest expense	38.3	36.8
Normative return on the assets of defined benefit plans	(32.1)	(30.5)
Other	(1.0)	(8.2)
Amounts recognised in profit or loss	20.1	17.9
Surplus real return on assets above their normative return	(87.4)	44.3
Actuarial losses (gains) from post-employment benefits due to:	157.2	(69.2)
changes to demographic assumptions	*0.8*	*(25.9)*
changes to financial assumptions	*139.5*	*(52.2)*
experience adjustments	*17.0*	*8.9*
Amounts recognised in shareholders' equity - (credit)/debit	69.8	(24.9)
Total	**89.9**	**(7.0)**

Changes in the statement of financial position

The change in the amounts recognised in the statement of financial position is explained in the following table:

In EUR million	2019	2018
Amounts recognised as of January 1	294.8	320.8
Net expense recognised in profit or loss	20.1	17.9
Contributions paid	(40.5)	(27.7)
Actuarial (gains)/losses and ceiling on assets recognised in shareholders' equity	69.8	(24.9)
Changes in group structure/Business combinations/Foreign currency translation adjustments and other	49.2	8.7
Amounts recognised as of December 31	**393.5**	**294.8**
Of which: Holding	9.4	6.2
Imerys	369.1	283.4
Webhelp	8.1	-
Sienna Capital	6.9	5.2

During the financial year 2019, a net debit amount of EUR 56 million related to actuarial gains and losses and the ceiling on recognised assets was charged directly to shareholders' equity, i.e. EUR 70 million gross less EUR 13 million in related taxes (a net credit amount of EUR 19 million as of December 31, 2018, i.e. EUR 25 million gross less EUR 6 million in related taxes).

Estimates

The actuarial assumptions used to value the defined benefit plans are presented below:

In %	2019	2018
Discount rate	0.9% - 2.8%	1.7% - 4.1%
Average salary increase rate	2.4% - 5.8%	0.2% - 5.8%
Inflation rate	1.8% - 2.2%	1.8% - 2.2%

More specifically for the two monetary zones where the largest commitments are located (the United Kingdom and the United States), the actuarial assumptions were as follows in 2019:

In %	United Kingdom	United States
Discount rate	1.9%	2.8%
Average salary increase rate	2.9%	0.0%
Inflation rate	2.2%	0.0%

Among these estimates, it is the discount rate that has most significant impact on the group's financial statements. The following table presents the impact of a reasonably estimated change in discount rates following a possible decrease (lower case) or increase (higher case) in the assumption applied to the financial statements as of December 31, 2019 (actual 2019). The impact of these changes is measured on three aggregates (obligation, net interest and current service cost) in the two monetary zones in which the most significant obligations have been undertaken (the United Kingdom and the United States). The reasonably estimated change in discount rates has been set at 50 basis points, based on the weighted average change in discount rates in the United Kingdom and the United States over the last five years.

In EUR million	Low Simulation	Central/Base scenario	High Simulation
United Kingdom			
Discount rate	1.4%	1.9%	2.4%
Obligation at the reporting date	1,040.7	965.9	900.5
Net interest in 2020 profit or loss (1)	(1.7)	(0.9)	0.4
Current service costs in 2020 profit or loss (2)	-	-	-
United States			
Discount rate	2.3%	2.8%	3.3%
Obligation at the reporting date	262.7	247.4	234.0
Net interest in 2020 profit or loss (1)	(3.0)	(2.9)	(2.7)
Current service costs in 2020 profit or loss (2)	(0.9)	(1.3)	(0.8)

At constant scope of consolidation and all other things being equal, the amount of the contributions to the various defined retirement benefit plans is estimated at EUR 22 million for 2020.

22. Other non-current liabilities

In EUR million	2019	2018
Non-current financial liabilities	**532.7**	**7.5**
Debt on minority shareholders	**474.6**	-
Derivative financial instruments held for trading	**56.1**	-
Derivative financial instruments – Hedging	**2.0**	0.4
Other	**0.0**	7.1
Non-current non-financial liabilities	**24.5**	**24.7**
Liabilities related to cash-settled share-based payments	**2.5**	3.2
Other	**22.0**	21.5
Total	**557.2**	**32.2**
Of which: Holding	**42.7**	3.2
Imerys	**22.7**	18.1
Webhelp	**491.4**	-
Sienna Capital	**0.4**	10.9

Webhelp's minority shareholders, i.e. the 2 founders and some of Webhelp's managers, hold put options in all of their shares towards GBL. Consequently, a debt on minority shareholders has been recognized on the balance sheet and is valued at its fair value. The liquidity windows and the exercise price of the options are different for founders and managers:

- the founders are entitled to exercise their options at a price equivalent to the fair value of their shares;
- the managers are entitled to the fair value of their shares but also to a retrocession/correction which will correspond to a certain percentage of the theoretical gain/loss realized by GBL on the investment. This percentage depends on the group's EBITDA at the time of the exercise of the option.

As of December 31, 2019, these put options held by all minority shareholders have been recognized in the balance sheet as debts on minority shareholders and valued at their fair value, i.e. EUR 475 million.

(1) Accretion of obligation, net of normative yield on assets
(2) Plan closed-frozen as of April 1, 2015

23. Other current liabilities

In EUR million	2019	2018
Current financial liabilities	**94.6**	**49.6**
GBL coupons to be paid	3.6	3.7
Derivative financial instruments held for trading	25.2	14.2
Derivative financial instruments – Hedging	43.9	9.7
Other	21.9	22.0
Current non-financial liabilities	**614.6**	**419.9**
Social security liabilities	169.2	196.4
Deferred income	16.7	15.7
Tax liabilities other than those related to income tax	125.0	38.9
Other	303.7	168.9
Total	**709.2**	**469.5**
Of which: Holding	65.8	36.7
Imerys	355.3	368.6
Webhelp	249.9	-
Sienna Capital	38.1	64.2

The other current liabilities mainly include the debt on fixed assets at Imerys' level for EUR 90 million.

24. Financial risks management and sensitivity analysis

Considering the specific nature of each of the entities consolidated in the group's financial statements and their widely differing activities (financial for GBL and industrial for Imerys), each entity manages risks independently.

The main financial risks of GBL are foreign exchange, stock market and interest rate risks.

Foreign exchange risk is defined as the risk whereby a cash flow labeled in foreign currency may be subject to a deterioration caused by an unfavorable change in its counterpart in functional currency. GBL is exposed to foreign exchange risk that can have an impact on the value of its portfolio through investments quoted in foreign currencies, as well as through dividend flows it receives. As of December 31, 2019, GBL was primarily exposed to CHF and GBP. A 10% appreciation / depreciation in the EUR versus its end-of-year rate for all currencies used by the group would have had an impact of EUR - 542 million and EUR 542 million on shareholder equity (EUR - 258 million and EUR 258 million respectively in 2018) and EUR 0 million and EUR 0 million on the annual income statement (EUR - 41 million and EUR 41 million respectively in 2018). These calculations only concern statements of financial position owned by GBL and does not take into account the impact of the appreciation/depreciation of these currencies on the market price of the underlying assets.

Stock exchange risk is defined as the risk whereby the portfolio of GBL (assets available for sale and trading assets) may be influenced by an unfavorable change of market prices. GBL is exposed, due to the very nature of its activities, to market fluctuations of its portfolio. The volatility of the financial markets, moreover, can have an impact on the share price of GBL. As of December 31, 2019, a 10% appreciation / depreciation in the market price of all portfolio investments in listed companies as well as on the derivative instruments (options, exchangeable and convertible bonds) would have an impact of EUR 1,610 million and EUR - 1,610 million on shareholder equity (EUR 1,333 million and EUR - 1,333 million respectively in 2018) and EUR - 3 million and EUR 3 million on the annual income statement (EUR 12 million and EUR - 12 million respectively in 2018).

Interest rate risk is defined as the risk whereby the interest flow related to financial liabilities, on the one hand, and gross cash, on the other hand, may be deteriorated by an unfavorable change of interest rates. Regarding financial liabilities, a modification of interest rates nevertheless has a limited impact on GBL's profit (loss) because the vast majority of its financial liabilities is issued at fixed interest rates. Regarding cash flow, GBL chose, despite negative interest rates imposed by the European Central Bank, to continue to privilege liquidity while limiting the counterpart risk. Cash is henceforth invested in short-term investments in order to remain mobilisable at any time for being able to contribute to the flexibility and the securing of the group in case of investment or materialisation of exogenous risks.

Imerys manages its foreign exchange and transaction risks, interest rate risks, risks related to energy prices, borrower's and market liquidity risk, and conversion of financial statements risk. Imerys is not taking any speculative positions. Derivative instruments are centrally negotiated by Imerys, which prohibits its entities from subscribing to derivative instruments directly outside the group.

With regards to currency risk, the transactions performed by Imerys's entities are accounted for, wherever possible, in the functional currency of the entity that carries out the transaction. A change in foreign exchange rates will have an impact on the underlying items of net financial debt, i.e. before foreign exchange rates derivatives as of December 31,2019. An increase or decrease by 10% of the EUR compared to foreign currencies would generate a change of EUR 22 million and EUR - 22 million on the net debt. When it is not possible to record a transaction in the functional currency of the entity, the transactional currency risk may be hedged on an individual basis using forwards, swaps or options. These instruments are used to hedge highly probable budget flows and qualify as cash flow hedges.

The interest rate risk is also limited at Imerys' level as most of its debt has fixed interest rates.

Energy price risk is the risk whereby the cash outflow due in relation to energy purchases may be subject to a deterioration by a rise in its market price. Imerys is exposed to the price risk of energy used in the production cycle of its activities, mainly natural gas, electricity and, to a lesser extent, coal. To manage energy price risk, Imerys sources its energy from a variety of geographical locations and sources. The group looks to pass on any energy price increases in the selling price of its products. Energy price risk is hedged using forward and option contracts, instruments that qualify as cash flow hedges.

Borrower's liquidity risk is the risk whereby Imerys would not be in a position to meet the repayment obligations of its financial liabilities. Market liquidity risk is the risk whereby a non-confirmed financial resource (commercial paper, bank facility and accrued interests, or other debt and facilities) would not be renewed. The debt schedule of most of Imerys' debt is presented in note 17.

Conversion of financial statements risk is a form of foreign exchange risk whereby the value in euros of the financial statements of a foreign operation may be subject to a deterioration due to an unfavorable change in the foreign exchange rate of the functional currency of that business. Imerys hedges part of its net investments in foreign operations by granting loans specifically allocated to financing the operations in the long term and by controlling the proportion of its financial debt stated in foreign currencies. The exchange rate differences generated by the loans and borrowings qualified as hedges of net investments in foreign operations are recognized in equity so as to neutralize, to a certain extent, the translation gains or losses on hedged net investments.

More detailed information on Imerys' derivative financial instruments can be found in the company's registration document, which can be consulted on the website **www.imerys.com**.

Webhelp manages at its own level its rate and exchange rate risks. Webhelp is not taking any speculative positions. Interest rate risk mainly concerns its variable rate bank debt, which was subscribed as part of of GBL's majority investment in November 2019.

To hedge against the risk of changes in interest rates, Webhelp has subscribed to derivative instruments covering 40% of its debt denominated in EUR beyond a Euribor at 1% and 60% of its debt in GBP in the event of a rise in the Libor above 1.5%. These instruments have a maturity of January and July 2021 respectively. In terms of sensitivity:

- a 1% increase in Euribor generates an interest charge increase of around EUR 12 million per year; and
- a 1% increase in the Libor generates an increase in the financial expense of approximately EUR 2 million, excluding currency effects.

With regard to currency risk, transactions carried out by Webhelp are subscribed, as much as possible, in the same functional currency as the entity undertaking the transaction. The main exceptions to this principle relate to call center activities carried out from offshore centers, for which the billing currencies to end customers are different from those in which costs are incurred (in the offshore contact center). To cover this transactional currency risk, Webhelp uses hedging contracts via forward currency purchase and sale contracts.

Borrower's liquidity risk is the risk whereby Webhelp would not be able to meet the repayment schedules of its financial liabilities. Webhelp's cash flow forecasts between the drawdown date and the repayment date of these debts must allow the group to honor its repayments at maturity.

25. Derivative financial instruments

25.1. Fair values of short-term and long-term derivative financial instruments

The fair values of the derivative financial instruments held as of December 31, 2019 and 2018 are shown in the following table:

In EUR million	2019	2018
Assets	**22.1**	**26.7**
Of which non-current assets	***7.7***	*19.4*
Of which current assets	***14.4***	7.3
Composed of:		
Forwards, futures and currency swaps – Derivative instruments held for trading	**1.0**	-
Forwards, futures and currency swaps – Hedging	**19.2**	8.2
Interest rate swaps (IRS) – Hedging	**-**	16.4
Futures and commodities options – Hedging	**1.9**	2.1
Liabilities	**(127.2)**	**(24.3)**
Of which non-current liabilities	***(58.1)***	(0.4)
Of which current liabilities	***(69.1)***	(23.9)
Composed of:		
Forwards, futures and currency swaps – Derivative instruments held for trading	**(2.0)**	0.9
Forwards, futures and currency swaps – Hedging	**(3.5)**	(5.4)
Forwards on shares - Hedging	**(34.2)**	-
Interest rate swaps (IRS) – Hedging	**-**	(0.1)
Futures and commodities options – Hedging	**(8.3)**	(4.6)
Call and put options on shares – derivative instruments held for trading	**(79.2)**	(15.1)
Net position	**(105.1)**	**2.4**
Forwards, futures and currency swaps	**14.7**	3.7
Forwards on shares	**(34.2)**	-
Interest rate swaps (IRS)	**-**	16.3
Futures and commodities options	**(6.4)**	(2.5)
Call and put options on shares	**(79.2)**	(15.1)

The following table shows the maturity of the cash flow hedge derivatives for the reporting periods ended December 31, 2019 and 2018:

In EUR million	Total	Within the year	2 to 5 years	Over 5 years
Forwards, futures and currency swaps	**15.7**	13.7	2.0	-
Forwards on shares	**(34.2)**	(34.2)	-	-
Futures and commodities options	**(6.4)**	(6.4)	-	-
Total as of December 31, 2019	**(24.9)**	**(26.9)**	**2.0**	**-**
Forwards, futures and currency swaps	**2.8**	0.2	2.6	-
Interest rate swaps (IRS)	**16.3**	(0.1)	16.4	-
Futures and commodities options	**(2.5)**	(2.5)	-	-
Total as of December 31, 2018	**16.6**	**(2.4)**	**19.0**	**-**

25.2. Change in net financial position

In EUR million	2019	2018
As of January 1 – net derivatives position	**2.4**	(1.2)
Increase (decrease) recognised in profit or loss	**(37.9)**	11.8
Increase (decrease) recognised in shareholders' equity	**(5.4)**	(8.2)
Changes in group structure/Business combinations/Other	**(64.2)**	-
As of December 31 – net derivatives position	**(105.1)**	**2.4**

25.3. Notional underlying amounts of derivative financial instruments

In EUR million	2019	2018
Assets	**847.3**	**1,266.7**
Composed of:		
Forwards, futures and currency swaps	**801.3**	1,061.2
Interest rate swaps (IRS)	**-**	184.0
Futures and commodities options	**46.0**	21.5
Liabilities	**3,430.9**	**1,929.5**
Composed of:		
Forwards, futures and currency swaps	**1,057.0**	1,437.2
Interest rate swaps (IRS)	**573.8**	184.0
Forwards on shares	**771.3**	-
Futures and commodities options	**46.0**	21.5
Call and put options on shares	**982.8**	286.8

25.4. Maturity of notional underlying amounts of derivative financial instruments

In EUR million	Total	Within the year	2 to 5 years	Over 5 years
Forwards, futures and currency swaps	**1,858.3**	1,759.5	98.8	-
Interest rate swaps (IRS)	**573.9**	26.3	547.6	-
Forwards on shares	**771.3**	771.3	-	-
Futures and commodities options	**92.0**	92.0	-	-
Call and put options on shares	**982.7**	203.7	779.0	-
Total as of December 31, 2019	**4,278.2**	**2,852.8**	**1,425.4**	**-**
Forwards, futures and currency swaps	**2,498.4**	2,498.4	-	-
Interest rate swaps (IRS)	**368.0**	-	368.0	-
Futures and commodities options	**43.0**	43.0	-	-
Call and put options on shares	**286.8**	286.8	-	-
Total as of December 31, 2018	**3,196.2**	**2,828.2**	**368.0**	**-**

26. Stock options

GBL

Cash-settled plans

GBL issued since 2013 several incentive plans concerning the shares of a sub-subsidiaries of the group. These options were granted to the staff and the Executive Management of GBL. These options give the right to the beneficiary to acquire a share for an exercise price, corresponding with the value of the underlying share at the moment of the granting of the options. These options can be exercised during a period of time. The options will be settled in cash or in shares. These plans are treated as cash-settled plans. The characteristics of these plans are included in the table below:

	FINPAR IV S.A.	FINPAR III S.A.	FINPAR II S.A.	FINPAR S.A.	URDAC S.A.	LTI TWO S.A.	LTI ONE S.A.
Characteristics							
Issue date	May 10, 2019	May 7, 2018	May 8, 2017	May 3, 2016	May 5, 2015	April 29, 2014	April 29, 2013
Number of options on issuing	303,380	337,146	348,424	308,099	257,206	223,256	254,000
Exercise price (in EUR)	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Vesting date	May 10, 2022	May 7, 2021	May 8, 2020	May 3, 2019	May 5, 2018	April 29, 2017	April 29, 2016
Expiry date	May 9, 2029	May 6, 2028	May 7, 2027	May 2, 2026	May 4, 2025	April 28, 2024	April 28, 2023
Valuation assumptions							
Valuation method	Intrinsic value	Intrinsic value	Intrinsic value	Intrinsic value	Monte Carlo	Monte Carlo	Monte Carlo
Implicit volatility of the underlyings	n.r.	n.r.	n.r.	n.r.	16.25% - 18.08%	15.93% - 29.74%	14.06% - 22.25%
Fair value per unit (in EUR)	3.77	0.72	1.43	27.85	17.58	33.07	30.92
Debt accounted for (in EUR million)	0.4	0.2	0.5	0.4	0.6	0.1	0.0

The table of changes is shown below:

	2019 Number	2019 Exercise price (in EUR)	2018 Number	2018 Exercise price (en EUR)
As of January 1	**1,100,587**	**10.00**	**948,140**	**10.00**
Exercised by:				
Executive Management	***(157,600)***	***10.00***	*(85,120)*	*10.00*
Employees	***(204,194)***	***10.00***	*(99,579)*	*10.00*
Granted to:				
Executive Management	***86,400***	***10.00***	*154,800*	*10.00*
Employees	***216,980***	***10.00***	*182,346*	*10.00*
As of December 31	**1,042,173**	**10.00**	**1,100,587**	**10.00**
Plan LTI One	**1,000**	**10.00**	1,000	10.00
Plan LTI Two	**3,249**	**10.00**	3,249	10.00
Plan URDAC	**34,082**	**10.00**	102,669	10.00
Plan FINPAR	**14,892**	**10.00**	308,099	10.00
Plan FINPAR II	**348,424**	**10.00**	348,424	10.00
Plan FINPAR III	**337,146**	**10.00**	337,146	10.00
Plan FINPAR IV	**303,380**	**10.00**	-	-

In 2019, the total cost for the group with respect to the stock option plans was recorded in operating expenses and amounted to EUR 6 million (EUR - 1 million in 2018), of which EUR 2 million for the Executive Management (EUR 0 million in 2018). At the end of 2019, 40.74% of the options were vested, but only 5.11% were exercisable.

Equity-settled plans

GBL has issued six incentive plans from 2007 to 2012 based on GBL shares for its Executive Management and staff. These plans are treated as equity-settled plans. The characteristics of the plans outstanding as of December 31, 2019 are shown in the following table:

GBL plan	2012	2011	2010	2009	2008	2007
Characteristics						
Number of options on issuing	116,943	187,093	154,306	238,244	153,984	110,258
Initial exercise price (in EUR)	50.68	65.04	65.82	51.95	77.40	91.90
Vesting date	January 1, 2016	January 1, 2015	January 1, 2014	January 1, 2013	January 1, 2012	January 1, 2011
Expiry date	April 26, 2022	April 14, 2021	April 15, 2020	April 16, 2019	April 9, 2018 April 9, 2023	May 24, 2017 May 24, 2022
Black & Scholes valuation assumptions (according to an independent expert) when the plans are launched						
Expected volatility	21.4%	34.5%	32.7%	34.4%	25.6%	24.0%
Expected dividend growth	2.5%	5.0%	5.0%	5.0%	8.0%	5.0%
Risk-free rate	1.9%	3.6%	3.0%	3.6%	4.9%	4.8%
Fair value per unit (in EUR)	6.82	15.80	14.13	11.31	21.82	29.25

The table of changes is shown below:

	2019 Number	2019 Exercise price (in EUR)	2018 Number	2018 Exercise price (en EUR)
As of January 1	**257,590**	**75.61**	288,013	75.61
Exercised by:				
Executive Management	**-**	**-**	-	-
Employees	***(83,880)***	***59.25***	*(30,423)*	*61.28*
As of December 31	**173,710**	**83.51**	257,590	77.30
2007 plan	**106,719**	**91.90**	110,002	91.90
2008 plan	**31,776**	**77.40**	43,075	77.40
2009 plan	**-**	**51.95**	7,688	51.95
2010 plan	**2,372**	**65.82**	36,883	65.82
2011 plan	**29,156**	**65.04**	42,077	65.04
2012 plan	**3,687**	**50.68**	17,865	50.68

Imerys

Imerys has put in place an incentive plan for the group's executives and some of the managers and employees that entails the granting of options on Imerys shares. Each option entitles the holder to subscribe shares at a predetermined fixed price. The right to exercise the options is generally acquired (i.e. the options vest) three years after the date of the granting and the options have a maximum life of ten years.

Changes in options granted are shown in the following table:

	Number	Exercise price (in EUR)
As of December 31, 2017	406,037	47.06
Granted during the period	-	-
Cancelled during the period	(2,634)	54.19
Exercised during the period	(117,290)	48.86
As of December 31, 2018	**286,113**	**46.26**
Exercisable as of December 31, 2018	286,113	
As of December 31, 2018	286,113	47.06
Granted during the period	-	-
Cancelled during the period	(38,170)	42.49
Exercised during the period	(14,763)	34.54
As of December 31, 2019	**233,180**	**38.52**
Exercisable as of December 31, 2019	233,180	

The number of options on Imerys shares is as follows:

Plan	Maturity	Exercise price (in EUR)	2019 Number	2018 Number
August 2009	2019	34.54	**-**	29,263
April 2010	2020	46.06	**69,400**	77,400
April 2011	2021	53.05	**81,057**	88,392
April 2012	2022	43.62	**82,723**	91,058
Total			**233,180**	**286,113**

In addition, Imerys grants stock option plans, which, if exercised, result in the subscription of shares newly issued for this as well as free shares acquired in the market. In 2019, Imerys granted 427,500 free performance bonus shares (295,200 in 2018). As of December 31, 2019, the total employee expenses recognised in the Imerys group's financial statements with respect to stock option and bonus share plans for the year amounted to EUR 10 million (EUR 14 million in 2018).

Webhelp

Finally, Webhelp granted in 2019 and in previous years stock subscription options for Courcelles Lux S.C.A. In total, 4,655,261 options were granted to staff members and management. The characteristics of these plans are listed in the following table:

Plan	Maturity	Exercise price (in EUR)	2019 Number
May 2017	2020	0.68 - 1.70	**1,945,922**
Feburary 2018	2020	0.68 - 1.70	**924,577**
December 2018	2020	0.68 - 1.70	**683,289**
April 2019	2021	1.70	**16,471**
June 2019	2021	0.23 - 1.74	**1,085,002**
Total			**4,655,261**

27. Earnings per share

27.1. Earnings per share (group's share)

In EUR million	2019	2018
Basic		
Consolidated profit or loss for the period (including the discontinued operations)	**704.7**	658.9
Consolidated profit or loss for the period (excluding the discontinued operations)	**704.7**	233.3
Diluted		
Consolidated profit or loss for the period (including the discontinued operations)	**704.7**	652.5
Consolidated profit or loss for the period (excluding the discontinued operations)	**704.7**	226.9

27.2. Number of shares

	2019	2018
Issued shares at beginning of year	**161,358,287**	161,358,287
Treasury shares at beginning of year	**(2,642,982)**	(5,660,482)
Weighted changes during the period	**(1,579,707)**	1,981,283
Weighted average number of shares used to determine basic earnings per share	**157,135,598**	157,679,088
Impact of financial instruments with a diluting effect:		
Stock options (Note 26)	**173,710**	104,513
Weighted average number of shares used to determine diluted earnings per share	**157,309,308**	157,783,601

27.3. Summary of earnings per share

In EUR million	2019	2018
Basic	**4.48**	**4.18**
Continued activities	**4.48**	1.48
Discontinued activities	**-**	2.70
Diluted	**4.48**	**4.14**
Continued activities	**4.48**	1.44
Discontinued activities	**-**	2.70

28. Financial instruments

Fair value

To reflect the importance of inputs used when measuring at fair value, the group classifies these valuations according to a hierarchy composed of the following levels:

- level 1: listed prices (non-adjusted) on active markets for identical assets or liabilities;
- level 2: inputs, other than the listed prices included in level 1, that are observable for the asset or liability concerned, either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- level 3: inputs related to the asset or liability that are not based on observable market data (non-observable inputs).

Analysis of financial instruments by category – consolidated balance sheet

The tables below show a comparison of the book value and the fair value of the financial instruments as of December 31, 2019 and as of December 31, 2018, as well as the fair value hierarchy.

The category, according to IFRS 9, uses the following abbreviations:

- FATOCI: Financial Assets measured at fair value through Other Comprehensive Income
- FATPL: Financial Assets measured at fair value through Profit or Loss
- FLTPL: Financial Liabilities measured at fair value through Profit or Loss
- FAAC: Financial Assets measured at Amortised Cost
- FLAC: Financial Liabilities measured at Amortised Cost
- HeAc: Hedge Accounting

In EUR million	Category according to IFRS 9	Carrying amount	Fair value	Hierarchy of fair values
As of December 31, 2019				
Financial assets				
Non-current assets				
Other equity investments				
Equity investments measured at fair value and with changes recognised in equity	FATOCI	16,123.7	16,123.7	Level 1
Equity investments measured at fair value and with changes recognised in profit or loss	FATPL	1,392.8	1,392.8	Level 3
Other non-current assets				
Derivative instruments - hedging	HeAc	7.7	7.7	Level 2
Other financial assets	FAAC	94.5	94.5	-
Current assets				
Trade receivables	FAAC	959.3	959.3	-
Trading financial assets	FATPL	1,415.9	1,415.9	Level 1
Cash and cash equivalents	FAAC	1,221.3	1,221.3	-
Other current assets				
Derivative instruments - hedging	HeAc	13.4	13.4	Level 2
Derivative instruments - other	FATPL	1.0	1.0	Level 2
Other financial assets	FAAC	73.6	73.6	-
Financial liabilities				
Non-current liabilities				
Financial liabilities	FLAC	5,372.2	5,559.4	-
Other non current liabilities				
Derivative instruments - hedging	HeAc	2.0	2.0	Level 2
Derivative instruments - other	FLTPL	56.1	56.1	Level 2
Other non current liabilities	FLTPL	474.6	474.6	Level 3
Current liabilities				
Financial liabilities				
Other financial liabilities	FLAC	1,315.6	1,315.6	-
Trade payables	FLAC	667.1	667.1	-
Other current liabilities				
Derivative instruments - hedging	HeAc	43.9	43.9	Level 2
Derivative instruments - other	FLTPL	25.2	25.2	Level 2
Other current liabilities	FLAC	25.5	25.5	-

In EUR million	Category according to IFRS 9	Carrying amount	Fair value	Hierarchy of fair values
As of December 31, 2018				
Financial assets				
Non-current assets				
Other equity investments				
Equity investments measured at fair value and with changes recognised in equity	FATOCI	13,329.1	13,329.1	Level 1
Equity investments measured at fair value and with changes recognised in profit or loss	FATPL	699.5	699.5	Level 3
Other non-current assets				
Derivative instruments - hedging	HeAc	19.4	19.4	Level 2
Other financial assets	FAAC	75.5	75.5	-
Current assets				
Trade receivables	FAAC	739.7	739.7	-
Trading financial assets	FATPL	341.4	341.4	Level 1
Cash and cash equivalents	FAAC	1,013.6	1,013.6	-
Other current assets				
Derivative instruments - hedging	HeAc	7.3	7.3	Level 2
Other financial assets	FAAC	19.1	19.1	-
Financial liabilities				
Non-current liabilities				
Financial liabilities				
Derivative instruments - hedging	HeAc	16.2	16.2	Level 2
Derivative instruments - other	FLTPL	(0.1)	(0.1)	Level 2
Other financial liabilities	FLAC	3,607.7	3,640.7	-
Other non current liabilities				
Derivative instruments - hedging	HeAc	0.4	0.4	Level 2
Other non current liabilities	FLAC	7.1	7.1	Level 2
Current liabilities				
Financial liabilities				
Derivative instruments	FLTPL	0.4	0.4	Level 2
Other financial liabilities	FLAC	205.2	205.2	-
Trade payables	FLAC	597.8	597.8	-
Other current liabilities				
Derivative instruments - hedging	HeAc	9.7	9.7	Level 2
Derivative instruments - other	FLTPL	14.2	14.2	Level 2
Other current liabilities	FLAC	25.7	25.7	-

There were no significant transfers between the different levels during 2019 and 2018.

Measurement techniques

The group's financial instruments very largely belong to classification levels 1 and 2. The financial assets measured at level 3 fair value are not significant compared to the other asset classes.

The techniques used to measure the fair value of level 2 financial instruments are as follows:

Exchangeable or convertible bonds

The exchangeable or convertible bonds issued by the group are considered to be hybrid instruments, i.e. instruments including a bond component and an embedded derivative. At the date of issue, the fair value of the bond component is estimated based on the prevailing market interest rate for similar non-exchangeable or non-convertible bonds, taking into account the risk associated with GBL (credit spread). At each reporting date, the value of the bond component is recalculated, taking into account the change in the risk-free rate and GBL's credit spread, and the difference in relation to the price of the exchangeable or convertible bond observed on the Luxembourg Stock Exchange's Euro MTF market is taken as the new value of the derivative component. The change in this value in relation to the previous reporting date is recognised in profit or loss.

Derivative instruments not associated with exchangeable or convertible bonds

The fair value of derivative instruments not associated with exchangeable or convertible bonds is taken from a model that uses observable data, in other words the quotes on the reporting date provided by third-parties operating on the financial markets. These valuations are adjusted for the counterparties' credit risk and the credit risk specific to Imerys or GBL. Accordingly, if the market value of the derivative is positive (derivative asset), its fair value incorporates the likelihood of the counterparty defaulting (Credit Value Adjustment or CVA). If the derivative's market value is negative (derivative liability), its fair value factors in the likelihood of Imerys or GBL defaulting (Debit Value Adjustment or DVA).

These adjustments are measured based on the spreads of the bonds in circulation on the secondary market, as issued by Imerys, GBL and their counterparts.

Financial liabilities valued at level 3 are linked to debts on minority interests of the Webhelp group (EUR 475 million as of December 31, 2019 and EUR 0 million at December 31, 2018). The valuation model used to measure the fair value is based on selected assumptions such as the expected future cash flows, the discount rate and the EBITDA level of the Webhelp group on exercise date of the options. The fair value as of December 31, 2019 is based on the price paid by minority shareholders, which corresponds to the best estimate of the debt as of December 31, 2019.

Analysis of financial instruments by category – consolidated income statement

The tables below present the income and expenses before income taxes recognized in the income statement by categories of financial instruments. These tables analyze the product and expense lines containing financial instruments according to categories presented in columns. These distinguish, on the one hand, the categories applied by default to any item excluding hedge accounting and, on the other hand, the categories applied to any item falling within the scope of hedge accounting.

The IFRS 9 categories of amortized cost and fair value through profit or loss apply to the majority of non-hedge accounting items. Hedge accounting items are classified according to their fair value or cash flow hedging qualifications, distinguishing the values of hedged items and hedging instruments in columns and the types of risks hedged in rows.

In addition, in order to ensure reconciliation between IFRS 9 classes and financial statements, this table includes a column containing the following non-IFRS 9 items: share-based payments (IFRS 2), mining assets (IFRS 6), inventories (IAS 2), income tax assets and liabilities (IAS 12), property, plant and equipment (IAS 16), finance lease liabilities (IFRS 16 in 2019 and IAS 17 in 2018), defined benefit and short-term employee benefits assets and liabilities (IAS 19) , grants (IAS 20), provisions (IAS 37), intangible assets and prepaid expenses (IAS 38), stripping assets (IFRIC 20) and duties and taxes (IFRIC 21). The logic of classification of financial instruments in assets and liabilities is applied in transversally to their changes in income statement. For example, revenue is included in the amortized cost category, as its counterparties in trade receivables or cash and cash equivalents fall under this category on the asset side.

2019

	Non-hedge accounting			Hedge accounting				
	IFRS 9 Categories			Fair Value		Cash flows		
In EUR million	Amortised cost	Fair value through profit or loss	Out of IFRS 9 scope	Hedged item	Hedging instrument	Hedged item	Hedging instrument	Total
Share of profit (loss) of associates	-	-	(49.3)	-	-	-	-	(49.3)
Net dividends from investments	508.3	-	-	-	-	-	-	508.3
Other operating income (expenses) from investing activities	(61.5)	-	(1.1)	-	-	-	-	(62.5)
Gains (losses) on disposals, impairments and reversals of non-current assets from investing activities	(7.0)	-	135.7	-	-	-	-	128.6
Financial income (expenses) from investing activities	24.4	118.8	-	-	-	-	-	143.2
Of which: Financial income	*48.0*	*164.6*	-	-	-	-	-	*212.6*
Financial expenses	*(23.6)*	*(45.7)*	-	-	-	-	-	*(69.3)*
Profit (loss) from investing activities - continued activities	**464.2**	**118.8**	**85.3**	**-**	**-**	**-**	**-**	**668.3**
Turnover	4,633.1	-	-	-	-	407.9	(3.1)	5,037.9
Raw materials and consumables	(1,573.8)	-	(2.3)	-	-	(147.8)	(5.6)	(1,729.5)
Employee expenses	(1,171.9)	-	8.8	-	-	-	-	(1,163.1)
Depreciation of tangible and intangible assets	-	-	(432.6)	-	-	-	-	(432.6)
Other operating income (expenses) from operating activities	(1,413.3)	-	-	-	-	-	-	(1,413.3)
Gains (losses) on disposals, impairments and reversals of non-current assets from operating activities	-	-	(51.1)	-	-	-	-	(51.1)
Financial income (expenses) from operating activities	(68.7)	(2.9)	(11.0)	16.2	(16.2)	-	-	(82.6)
Of which: Financial income	*26.6*	*0.2*	*31.1*	*16.2*	-	-	-	*74.1*
Financial expenses	*(95.3)*	*(3.1)*	*(42.1)*	-	*(16.2)*	-	-	*(156.7)*
Profit (loss) from consolidated operating activities - continued activities	**405.4**	**(2.9)**	**(488.2)**	**16.2**	**(16.2)**	**260.1**	**(8.7)**	**165.7**

2018

In EUR million	Non-hedge accounting: IFRS 9 Categories: Amortised cost	Non-hedge accounting: IFRS 9 Categories: Fair value through profit or loss	Non-hedge accounting: Out of IFRS 9 scope	Hedge accounting: Fair Value: Hedged item	Hedge accounting: Fair Value: Hedging instrument	Hedge accounting: Cash flows: Hedged item	Hedge accounting: Cash flows: Hedging instrument	Total (1)
Share of profit (loss) of associates	-	-	25.6	-	-	-	-	25.6
Net dividends from investments	350.4	-	-	-	-	-	-	350.4
Other operating income (expenses) from investing activities	(43.3)	-	4.2	-	-	-	-	(39.1)
Gains (losses) on disposals, impairments and reversals of non-current assets from investing activities	(1.3)	-	5.5	-	-	-	-	4.2
Financial income (expenses) from investing activities	(20.6)	32.4	-	-	-	-	-	11.8
Of which: Financial income	*11.8*	*83.5*	-	-	-	-	-	*95.3*
Financial expenses	*(32.4)*	*(51.1)*	-	-	-	-	-	*(83.5)*
Profit (loss) from investing activities - continued activities	**285.2**	**32.4**	**35.3**	**-**	**-**	**-**	**-**	**352.9**
Turnover	4,757.2	-	-	-	-	450.7	(6.6)	5,201.3
Raw materials and consumables	(1,710.0)	-	129.0	-	-	(144.1)	9.4	(1,715.7)
Employee expenses	(1,206.7)	-	5.2	-	-	-	-	(1,201.5)
Depreciation of tangible and intangible assets	-	-	(313.3)	-	-	-	-	(313.3)
Other operating income (expenses) from operating activities	(1,800.5)	-	(1.5)	-	-	-	-	(1,802.0)
Gains (losses) on disposals, impairments and reversals of non-current assets from operating activities	-	-	(215.2)	-	-	-	-	(215.2)
Financial income (expenses) from operating activities	(88.2)	5.8	(13.3)	(1.3)	1.3	-	-	(95.7)
Of which: Financial income	*5.7*	*6.1*	*32.8*	-	*1.3*	-	-	*45.9*
Financial expenses	*(93.9)*	*(0.3)*	*(46.1)*	*(1.3)*	-	-	-	*(141.6)*
Profit (loss) from consolidated operating activities - continued activities	**(48.2)**	**5.8**	**(409.1)**	**(1.3)**	**1.3**	**306.6**	**2.8**	**(142.1)**

(1) The breakdown between hedged items and non-hedged items for the captions «Turnover» and «Raw materials and consumables» has been adjusted compared to the information presented in the 2018 Annual Report, without, however, affecting their overall total.

Accounts

29. Subsidiaries in which GBL holds significant non-controlling interests

The tables below present concise financial information about each of the subsidiaries in which GBL holds significant non-controlling interests, without taking intragroup eliminations into account.

In EUR million	Imerys	Webhelp	Subsidiaries that are not individually material	2019
Ownership percentage held by non-controlling interests	46.1%	35.6%		
Voting rights held by non-controlling interests	33.4%	35.6%		
Non-current assets	5,129.0	2,557.8		
Current assets	2,345.7	509.3		
Non-current liabilities	2,834.9	1,818.5		
Current liabilities	1,477.8	406.2		
Non-controlling interests	48.3	5.1		
Equity (group's share)	3,113.7	837.3		
Non-controlling interests (including those of the subsidiary)	**1,469.2**	**5.1**	**106.9**	**1,581.2**
Turnover	4,354.5	-		
Net result of the period attributable to the shareholders of GBL (group's share)	65.9	(19.6)		
Net result of the period attributable to the non-controlling interests	**53.5**	**(10.8)**	**21.5**	**64.2**
Net result of the period (including non-controlling interests)	119.4	(30.4)		
Other comprehensive income attributable to the shareholders of GBL (group's share)	(14.4)	-		
Other comprehensive income attributable to the non-controlling interests	**(10.6)**	**-**	**(0.2)**	**(10.8)**
Total of other comprehensive income (including non-controlling interests)	(25.0)	-		
Total comprehensive income attributable to the shareholders of GBL (group's share)	51.5	(19.6)		
Total comprehensive income attributable to the non-controlling interests	**42.9**	**(10.8)**	**21.3**	**53.4**
Total comprehensive income (including non-controlling interests)	94.4	(30.4)		
Dividends paid to the non-controlling interests	80.0	-		
Net cash flows from operating activities	512.4	(26.4)		
Net cash flows from investing activities	(330.8)	147.9		
Net cash flows from financing activities	(372.4)	-		
Impact of exchange differences on funds held and impact of changes in scope of consolidation	2.3	-		
Increase/decrease of cash and cash equivalents	(188.5)	121.5		

Due to the existence of put options contracts that the founders and managers of Webhelp, minority shareholders, in all of their shares towards GBL, the non-controlling interests recorded on the acquisition of Webhelp have been reclassified as debts on minority shareholders (see note 22).

In EUR million	Imerys	Subsidiaries that are not individually material	2018
Ownership percentage held by non-controlling interests	46.1%		
Voting rights held by non-controlling interests	32.3%		
Non-current assets	4,908.3		
Current assets	2,685.6		
Non-current liabilities	3,095.5		
Current liabilities	1,244.8		
Non-controlling interests (including those of the subsidiary)	36.4		
Equity (group's share)	3,217.2		
Non-controlling interests (including those of the subsidiary)	**1,515.6**	195.3	**1,710.9**
Turnover	4,590.0		
Net result of the period attributable to the shareholders of GBL (group's share)	302.3		
Net result of the period attributable to the non-controlling interests	**247.1**	(1.9)	**245.2**
Net result of the period (including non-controlling interests)	549.4		
Other comprehensive income attributable to the shareholders of GBL (group's share)	(13.2)		
Other comprehensive income attributable to the non-controlling interests	**(11.3)**	-	**(11.3)**
Total of other comprehensive income (including non-controlling interests)	(24.5)		
Total comprehensive income attributable to the shareholders of GBL (group's share)	289.1		
Total comprehensive income attributable to the non-controlling interests	**235.8**	(1.9)	**233.9**
Total comprehensive income (including non-controlling interests)	524.9		
Dividends paid to the non-controlling interests	(79.1)		
Net cash flows from operating activities	598.2		
Net cash flows from investing activities	395.9		
Net cash flows from financing activities	(520.5)		
Impact of exchange differences on funds held and impact of changes in scope of consolidation	(6.7)		
Increase/decrease of cash and cash equivalents	466.9		

30. Contingent assets and liabilities, rights and commitments

In relation to GBL

Investment/subscription commitments

Following GBL's Sienna Capital commitment, the uncalled subscribed capital totalled EUR 466 million as of December 31, 2019 (EUR 528 million at end 2018).

Foreign dividends/double international taxation

The group has taken certain measures in order to preserve its interests in matters of double taxation on its foreign dividends.

Rhodia dispute

At the start of 2004, non-controlling shareholders of Rhodia initiated proceedings against GBL and two of its Directors in the Paris Commercial Court, calling into question their responsibility as Directors of Rhodia. At the same time, criminal legal proceedings were initiated against persons unknown.

On January 27, 2006, the Court of Paris decided to suspend the civil proceedings until a decision is made in the criminal legal proceedings. Since then, very little headway has been made with this dispute: it is still adjourned pending the outcome of the criminal proceedings.

GBL's consolidated subsidiaries

Operating lease commitments

Operating lease commitments correspond to future lease payment commitments as part of lease contracts for real estate, equipment, rail cars, trucks and vehicles in which the group is a lessee. As of January 1, 2019, the majority of the contracts corresponding to these commitments has been included in the scope of IFRS 16. As of this date, only commitments for future rent payments excluded from the lease liability, i.e. EUR 11 million, remain off the balance sheet.

Other commitments given and received

These commitments given and received solely concern Imerys, Webhelp and Sienna Capital.

Other commitments given primarily relate to:

- site rehabilitation, in the amount of EUR 50 million (EUR 58 million in 2018);
- operating activities, i.e. firm purchase commitments given by Imerys within the framework of contracts for the purchase of goods, services, energy or transport (EUR 130 million compared with EUR 241 million in 2018);
- cash, i.e. corresponding to letters of credit and guarantees, mortgages and pledges obtained by Imerys and Webhelp from financial institutions to guarantee operating cash flow needs for their clients (EUR 82 million compared with EUR 146 million in 2018); and
- other obligations (EUR 165 million compared with EUR 127 million in 2018).

Commitments received totalled EUR 168 million as of December 31, 2019 (EUR 144 million at as of December 31, 2018).

31. Transactions with related parties

External related parties to GBL

GBL's related parties are the Canadian group Power Corporation of Canada and the Belgian group Frère. These groups are for GBL the ultimate group heads. Through their joint venture Parjointco, they exercise joint control over the Swiss group Pargesa Holding S.A. which controls GBL. Pargesa Holding S.A. is as such a related party of GBL. There is no contract between GBL and Pargesa Holding S.A.

As of December 31, 2019 and 2018, no transaction with Pargesa Holding S.A. were recognised on the balance sheet.

Directors' remunerations

The remunerations paid to the directors are shown in the table below:

In EUR million	2019	2018
Remunerations, charges and short-term benefits	3.3	4.0
Post-employment benefits	0.7	1.0
Costs related to cash-settled share-based payments	1.9	-
Insurances	0.1	0.1
Total	**6.0**	**5.1**

32. Events after the reporting period

SGS

On February 4, 2020, GBL participated for an amount of EUR 374 million to the private placement of SGS shares carried out by the von Finck family at a price of CHF 2,425 per share. GBL's ownership increased from 16.75% of SGS' capital at year-end 2019 to 18.93% following this investment and was valued at EUR 3,242 million as of March 6, 2020.

Sienna Capital

In March 2020, Sienna Capital has committed EUR 150 million to Sagard's new fund, Sagard 4.

In March 2020, Sagard 2 has finalized the disposal of Ceva Santé Animale (« Ceva ») from which it was a shareholder since 2010. With EUR 1.2 billion of sales in 2019, Ceva has become in a few years one of the worldwide leaders in animal health, benefiting from a sustained organic growth and an ambitious build-up strategy. Sienna Capital has reinvested in the group through Sagard 3 and Sagard 4 which keep a significant participation in the new transaction.

33. Statutory Auditor's fees

GBL's consolidated and statutory financial statements for the last two years have been audited and approved without qualifications by the Statutory Auditor Deloitte. The full text of the reports relating to the audits of the financial statements mentioned above is available in the corresponding Annual Report.

In accordance with article 134 of the Company Code, which became article 3:65 of the Code on companies and associations on January 1, 2020, the fees for the services provided by the Statutory Auditor Deloitte and its network were as follows:

In EUR	2019	2018
Audit assignment	**5,213,848**	4,201,500
of which GBL	***76,500***	*75,000*
Other attest assignments	**89,370**	334,650
Other assignments not related to the audit assignment	**395,278**	354,350
Total	**5,698,496**	**4,890,500**
Of which: Holding	413,869	360,700
Imerys	3,743,149	3,988,600
Webhelp	1,114,630	-
Sienna Capital	426,848	541,200

Statutory Auditor's report

Deloitte.

Groupe Bruxelles Lambert SA/NV

Statutory auditor's report to the shareholders' meeting for the year ended 31 December 2019 - Consolidated financial statements

The original text of this report is in Dutch / French

Groupe Bruxelles Lambert SA/NV | 31 December 2019

Statutory auditor's report to the shareholders' meeting of Groupe Bruxelles Lambert SA/NV for the year ended 31 December 2019 - Consolidated financial statements

In the context of the statutory audit of the consolidated financial statements of Groupe Bruxelles Lambert SA/NV ("the company") and its subsidiaries (jointly "the group"), we hereby submit our statutory audit report. This report includes our report on the consolidated financial statements and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 23 April 2019, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration") issued upon recommendation of the audit committee. Our mandate will expire on the date of the shareholders' meeting deliberating on the financial statements for the year ending 31 December 2021. We have performed the statutory audit of the consolidated financial statements of Groupe Bruxelles Lambert SA/NV for 28 consecutive periods.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the group, which comprise the consolidated statement balance sheet as at 31 December 2019, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flow for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated statement of financial position shows total assets of 31 143,5 million EUR and the consolidated income statement shows a profit for the year then ended of 768,9 million EUR.

In our opinion, the consolidated financial statements give a true and fair view of the group's net equity and financial position as of 31 December 2019 and of its consolidated results and its consolidated cash flow for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the consolidated financial statements" section of our report. We have complied with all ethical requirements relevant to the statutory audit of consolidated financial statements in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
Acquisition of Webhelp Group	
GBL acquired a 64.7% interest in the Webhelp Group on 19 November 2019 for 867 million EUR. GBL analyzed the accounting treatment for this new acquisition, and in particular (i) the integration into the consolidated accounts and (ii) the accounting of minority debts relating to the options issued on Webhelp shares. Taking into account a 64.7% holding interest and the shareholder agreements, GBL has concluded that it has exclusive control over the Webhelp Group and therefore integrates it globally into the consolidated accounts under the IFRS 10 "Consolidated Financial Statements". Options issued on Webhelp shares that give minority shareholders the right to sell all of their Webhelp shares under certain conditions have been recognized in GBL's consolidated accounts as minority debts at their fair value. As part of our audit, we identified the acquisition of the Webhelp Group as a key audit matter primarily for the following reasons: • The materiality of the transaction; • The complexity of transaction-related contracts; • The level of estimate required for the valuation of minority debts. Information about the Webhelp consolidation is included in the section "Consolidation Perimeter, Associated Companies and Perimeter Movements". Information on minority debts is included in note 22 of the financial statements.	The following procedures were carried out: • We reviewed the shareholder agreement and the different contracts (mainly options issued on Webhelp securities); • With the assistance of our specialists, we reviewed the positions taken regarding the accounting treatment of agreements, on the basis of IFRS 10 "Consolidated Financial Statements"; • We also analyzed the accounting treatment of agreements for options issued on Webhelp shares, primarily on the basis of IAS 32/IFRS 9 'Financial Instruments', IAS 19 'Personal Benefits' and IFRS 2 'Share-based Payment'; • We audited the valuation of the minority debts as of December 31, 2019. The above procedures provided sufficient evidence to address the key audit matter relating to the acquisition of the Webhelp Group.

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Key audit matters	How our audit addressed the key audit matters
The classification and accounting treatment of the different investment lines (holding activities)	
Groupe Bruxelles Lambert holds a stake of 17.99% in Umicore, a 16.75% stake in SGS and furthermore a 19.98% stake in Ontex. In accordance with IFRS 9, Management considers these investments as other equity investments. As indicated in the accounting policies (section accounting policy changes, errors and changes in estimates / judgments) summarizing the accounting principles of the company, GBL analyzed the accounting treatment to be reserved for these three investments and in particular the classification as (i) investments in associated companies (IAS 28), or as (ii) other equity investments (IFRS 9). Taking into account an ownership of less than 20% of each of the investments and the fact that: • The representation of GBL on the Board of Directors is not sufficient to demonstrate the existence of a notable influence. In addition, the representation in the Board of Directors is limited to the duration of directors' terms and does not result from a contractual or legal right, but from a resolution of the general meeting of shareholders; • The other criteria are generally considered to prove that there is no significant influence. GBL has concluded that there is no significant influence demonstrated and, accordingly, these three investments are accounted as other equity investments. As part of our audit, we have identified the classification of the investments in Umicore, SGS and Ontex as a key audit matter and this mainly for the following reasons: • The proximity of the ownership rate to the threshold of 20%; • The significant importance of these investments; • The important level of judgment in the analysis of significant influence indicators, as defined by IAS 28.	We reviewed the management's arguments and the facts supporting the classification of the investments in Umicore, SGS and Ontex as other equity investments. Based on this information, we have been able to address the key audit matter related to the accounting treatment of the investments in Umicore, SGS and Ontex.

Key audit matters	How our audit addressed the key audit matters
Assessment of the financial impacts relating to the talc litigation (Notes 20 and 32)	
Certain Group subsidiaries, which mine talc in North America, are among the defendents in claims on the possible risks relating to the use of talc in certain products. Most of these disputes concern sales realized prior to Imerys' acquisition of these companies in 2011. In Q4 2018, the relevant entities were faced with these disputes in growing number and intensity. As of 31 December 2018, a provision was recorded, corresponding to the most reasonable estimate made by Imerys Management of the amount needed to extinguish the historical liabilities of the subsidiaries involved in this situation and the expected impacts for the Imerys Group. In February 2019, the North American entities exposed to these disputes filed for Chapter 11 bankruptcy protection. Under this procedure, the Imerys Group remains legal owner of the relevant entities. However, the analysis of their placement under the legal control of the Court of the State of Delaware (United) requested to negotiate a business reorganization plan resulted in their exit from the Imerys Group's consolidation scope as from 13 February 2019, as the latter lost the previous control it exercised over them. The ongoing negotiations for the reorganization of these entities with all the relevant parties are ongoing. Based on the available information, Imerys' management reassessed with the help of independent experts the estimated risk relating to the resolution of the aforementioned Chapter 11 proceedings and its potential impact for the Group. The assessment of a provision depends on Imerys management's judgment of the probability of a negative outcome for the Group and the possibility of making a reliable estimate of the resulting obligation and all the related costs, where necessary. Management also exercised its judgment in determining the provision amount to be recorded. Considering the material financial impacts for the Imerys Group and the decisive nature of the judgments and estimates made by Imerys Management to assess the potential liability, we considered the assessment of the provision set aside for the risk relating to the resolution of the Chapter 11 proceedings to be a key audit matter.	The Imerys auditors have assessed the reasonableness of the residual provision recorded in the balance sheet, based on: • The internal analysis prepared by Imerys management presenting the potential results of the proceedings, using various possible scenarios; • Extracts from the minutes of the Imerys's various Audit Committee and Board of Directors' meetings, featuring the exchanges relating to this talc dispute in the US and the Chapter 11 proceedings. The Imerys auditors obtained confirmation from the external legal advisors representing the Company in connection with the Chapter 11 proceedings of its North American subsidiaries that the provision reflected a reasonable estimate of the net financial impact for the Group arising from the potential resolution of these proceedings. We assessed the disclosure in the notes to the consolidated financial statements with regard to IAS 37 'Provisions, contingent liabilities and contingent assets' and the limits set out in paragraph 92 insofar as the supply of information fully or partly imposed by paragraphs 84 to 89 may cause serious damage to the entity.

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Key audit matters	How our audit addressed the key audit matters
Impairment of assets (Note 10)	
The carrying value of non-current assets on the balance sheet of Imerys amounts to 4,815.2 million EUR as of 31 December 2019 and includes goodwill for an amount of 2,153.1 million EUR. Such goodwill is allocated to CGUs. An impairment test is carried out every 12 months at the end of the period in all CGUs, including goodwill. During the year, Management reviews any indicators of impairment for CGUs or non-current individual assets. As soon as facts indicating that a CGU or an individual non-current asset may be impaired, Management performs an impairment test at an interim date. An impairment test consists in comparing the carrying value of the CGUs tested, including the goodwill which is allocated to them, or an individual non-current asset in the scope of IAS 36 with its recoverable amount, corresponding to the highest amount between its value in use, estimated based on discounted future cash flows and its fair value less cost to sell. We considered the impairment of non-current assets (including goodwill) to be a key audit matter for the following reasons: • The amount of goodwill is material in the consolidated financial statements; • The definition of the CGUs and determination of indications of impairment represent major judgments exercised by management; • The determination of the parameters used to implement impairment tests require management to make significant estimates, such as the levels of expected organic growth underlying the projected cash flows and perpetual growth and discount rates, which, by nature, depend on the economic environment; • The Imerys Group reviewed its profit outlook downwards on 22 October 2019.	The Imerys auditors held meetings with Management to identify possible indications of impairment loss. They analyzed the consistency with IAS 36 'Impairment of assets' of the method used by Management to determine the recoverable amount of each CGU and, where necessary, each individual non-current asset falling within the scope of the standard, presenting an indication of impairment. The Imerys auditors have also, with the assistance of their valuation experts, carried out a critical review of the implementation terms of this methodology and analyzed in particular: • The reasonableness of the cash flow projections relating to each CGU compared to the economic and financial context in which they operate; • The consistency of these cash flow projections with the most recent Management estimates that were presented to the Board of Directors as part of the budget process; • The consistency of the growth rate adopted for the projected cash flows with market analysis and the consensus of the main players; • The calculation of the discount rates applied to future cash flows; • The consistency of the CGU definition with the new Imerys organization and IAS 36. The Imerys auditors have also: • Verified the sensitivity calculations performed by Management, in particular, for forecast cash flows, discount rates and perpetual growth rates, in order to determine the amount from which an impairment loss should be recognized; • Verified arithmetical calculations.

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Key audit matters	How our audit addressed the key audit matters
Valuation of the provisions for mining sites restoration and dismantling (Note 20)	
Imerys is subject to different regulatory requirements relating to the restoration and dismantling, at the end of their operations, of the mining and industrial sites that the Imerys group operates. Provisions have been recognized on the balance sheet for this purpose, for an amount of 265.1 million EUR as of 31 December 2019 (153.2 million EUR for mining site restoration and 111.9 million EUR for industrial site dismantling). The calculation of these provisions requires Imerys Management to make assumptions to estimate the useful life of the mining sites and industrial sites as well as to determine the costs related to these requirements and the implementation timetable with regard to the specificities of each site, the period considered and local regulatory requirements. The determination of the discount rates for forecast costs is also an important assumption. Imerys Management relies on in-house experts to determine the main assumptions, by taking into account the expected impacts, where applicable, of regulatory changes. The valuation of provisions for restoration of mining sites and dismantling are therefore considered to be a key audit matter.	The Imerys auditors familiarized themselves with the procedures set up by Imerys Management to determine these provisions and have performed certain specific tests on a sampling of operating entities. As part of their tests: • The Imerys auditors have examined the competence and objectivity of the in-house experts contacted by the Imerys Imerys group; • The Imerys auditors have assessed the pertinence of the method adopted and analyzed the reasonableness of the cost estimates with respect to applicable legal or contractual requirements; • The Imerys auditors have analyzed the method for determining discount rates and reconciled the component parameters with market data. For the other entities, the Imerys auditors have analyzed the changes in provisions to identify any possible inconsistencies with respect to their understanding of the relevant mining site restoration or dismantling programs.

Responsibilities of the board of directors for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the group or to cease operations, or has no other realistic alternative but to do so.

Responsibilities of the statutory auditor for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of consolidated financial statements in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and we communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes any public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statementsand other matters disclosed in the annual report on the consolidated financial statements.

Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements, as well as to report on these matters.

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Aspects regarding the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements

In our opinion, after performing the specific procedures on the directors' report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are also responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the consolidated financial statements is free of material misstatement, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such material misstatement.

The non-financial information as required by article 3:32, § 2 of the Companies Code, has been disclosed in a separate report that is part of section "Environmental, social and governance (ESG) responsibility" of the annual report. This statement on non-financial information includes all the information required by article 3:32, § 2 of the Companies Code and is in accordance with the consolidated financial statements for the financial year then ended. The non-financial information has been established by the company in accordance with the internationally recognised frameworks. In accordance with article 3:75, § 1, 6° of the Companies Code we do not express any opinion on the question whether this non-financial information has been established in accordance with the internationally recognised frameworks mentioned in the directors' report on the consolidated financial statements.

Statements regarding independence

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the group during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the consolidated financial statements.

Other statements

- This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) No 537/2014.

Zaventem, 16 March 2020

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL
Represented by Corine Magnin

Deloitte.

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Coöperatieve vennootschap met beperkte aansprakelijkheid/Société coopérative à responsabilité limitée
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Condensed statutory financial statements as of December 31

In accordance with article 105 of the Company Code, which became article 3:17 of the Code on companies and associations on January 1, 2020, the non-consolidated accounts are presented hereafter in a summary version of the annual accounts, which does not include all the attachments required by law, nor the Statutory Auditor's report. The complete version of the annual accounts, to be deposited with the National Bank of Belgium, will be available on request from the company's registered office; they are also available on the website (www.gbl.be). The capital structure (as mentioned in the appendix of these accounts) is detailed on page 200.

The Statutory Auditor's report on the annual accounts was unqualified.

Condensed statutory balance sheet as of December 31 (after appropriation)

Assets

In EUR million	2019	2018
Start-up costs	**3.2**	**3.8**
Fixed assets	**13,282.5**	**14,128.1**
Tangible assets	1.0	1.5
Financial assets	13,281.5	14,126.6
Current assets	**3,110.4**	**1,563.9**
Amounts receivable after more than one year	-	-
Amounts receivable within one year	1,528.1	1,447.3
Short-term investments	1,227.9	31.3
Cash at the bank and in hand	354.2	85.0
Deferred charges and accrued income	0.2	0.3
Total assets	**16,396.1**	**15,695.8**

Liabilities

In EUR million	2019	2018
Capital and reserves	**14,608.3**	**12,656.9**
Capital	653.1	653.1
Share premium account	3,519.6	3,519.6
Reserves	318.8	318.8
Profit carried forward	10,116.7	8,165.4
Provisions and deferred taxation	**15.5**	**9.3**
Provisions for liabilities and charges	15.5	9.3
Creditors	**1,772.3**	**3,029.6**
Amounts payable after more than one year	996.2	995.4
Amounts payable within one year	755.7	2,011.8
Accrued charges and deferred income	20.4	22.4
Total liabilities	**16,396.1**	**15,695.8**

Income statement as of December 31

In EUR million	2019	2018
Sales and services	**3.4**	**4.7**
Turnover	2.8	2.6
Other operating income	0.5	2.0
Non recurrent operating income	-	0.0
Operating charges	**32.6**	**25.6**
Miscellaneous goods and services	19.6	17.7
Remuneration, social security and pensions	12.6	14.7
Depreciation on and amounts written off start-up costs, intangible and tangible assets	1.0	0.9
Amounts written off inventories, contracts in progress and trade debtors	-	-
Provisions for liabilities and charges	(1.1)	(7.8)
Other operating expenses	0.1	0.1
Non recurrent operating expenses	0.3	-
Loss of operating activities	**(29.2)**	**(20.9)**
Financial income	**2,713.4**	**3,457.4**
Recurring financial income	1,243.4	216.1
Income from financial assets	*1,221.9*	*195.7*
Income from current assets	*6.7*	*8.8*
Other financial income	*14.9*	*11.7*
Non-recurring financial income	1,470.0	3,241.3
Financial expenses	**224.6**	**1,804.4**
Recurring financial expenses	30.8	39.1
Debt expenses	*18.2*	*16.0*
Amounts written off current assets	*(4.9)*	*8.7*
Other financial expenses	*17.4*	*14.4*
Non-recurring financial expenses	193.8	1,765.3
Profit (loss) for the year before income taxes	**2,459.6**	**1,632.1**
Income taxes on result	**-**	**0.0**
Taxes	-	0.0
Adjustment of taxes and release of tax provisions	-	-
Profit for the year	**2,459.6**	**1,632.1**

Dividend policy

The profit appropriation policy proposed by the Board of Directors aims at maintaining a balance between an attractive dividend yield for shareholders and growth in GBL's share price. The dividend payout level is supported by the cash earnings.

Appropriation of profit

Taking into account the profit carried forward of EUR 8,165,389,643.09 and the profit for the year of EUR 2,459,617,044.04, the amount available for appropriation is EUR 10,625,006,687.13. The Board of Directors will propose the following appropriation to the General Meeting on April 28, 2020:

In EUR	
Dividend on 161,358,287 shares	508,278,604.05
To be carried forward	10,116,728,083.08

Appropriation of profit by Groupe Bruxelles Lambert (non-consolidated accounts)

In EUR million	2019	2018
Profit available for appropriation	**10,625.0**	**8,660.8**
Profit for the year available for appropriation	2,459.6	1,632.1
Profit carried forward from the previous year	8,165.4	7,028.6
Profit to be carried forward	**10,116.7**	**8,165.4**
Profit to be carried forward	10,116.7	8,165.4
Profit to be distributed	**508.3**	**495.4**
Dividends	508.3	495.4

Dividend per share

In EUR	2019		2018	
	Gross	Net [(1)]	Gross	Net [(1)]
Share	3.15	2.205	3.07	2.149

(1) Dividend excluding a 30.00% withholding tax

Consolidated figures IFRS over 10 years

In EUR million	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Balance sheet										
Non-current assets	**26,259.6**	20,529.3	21,098.5	17,945.3	17,124.1	15,707.4	15,730.9	14,488.0	15,778.2	14,723.1
Current assets	**4,883.9**	3,360.9	2,960.1	3,927.5	3,281.5	3,977.4	3,226.8	2,933.8	2,361.2	818.7
Total assets	**31,143.5**	**23,890.2**	**24,058.6**	**21,872.8**	**20,405.6**	**19,684.8**	**18,957.7**	**17,421.8**	**18,139.4**	**15,541.8**
Shareholders' equity – Group's share	**19,758.2**	15,918.7	16,505.0	14,867.0	13,245.6	13,172.7	12,665.2	12,391.1	12,658.3	14,740.6
Non-controlling interests	**1,581.2**	1,710.9	1,431.4	1,507.2	1,297.9	1,111.5	1,025.6	1,000.6	972.3	9.5
Non-current liabilities	**6,986.7**	4,832.6	3,773.9	3,226.5	4,379.6	4,236.9	4,266.9	2,996.7	3,076.6	685.0
Current liabilities	**2,817.4**	1,428.0	2,348.3	2,272.1	1,482.5	1,163.7	1,000.0	1,033.4	1,432.2	106.7
Total liabilities and shareholders' equity	**31,143.5**	**23,890.2**	**24,058.6**	**21,872.8**	**20,405.6**	**19,684.8**	**18,957.7**	**17,421.8**	**18,139.4**	**15,541.8**
Income statement										
Share of profit (loss) of associates	**(49.3)**	25.6	23.9	24.2	(82.8)	72.5	135.8	69.5	135.9	262.2
Net dividends from investments	**508.3**	350.4	340.7	338.4	323.5	316.5	368.0	436.4	500.3	450.7
Other operating income (expenses) from investing activities	**(62.5)**	(39.1)	(59.4)	(48.2)	(52.4)	(37.2)	(37.7)	(27.9)	(34.4)	(27.9)
Gains (losses) on disposals, impairments and reversals of non-current assets from investing activities	**128.6**	4.2	245.7	(968.0)	749.8	495.8	192.2	(323.9)	(604.8)	(18.8)
Financial income (expenses) from investing activities	**143.2**	11.8	(17.4)	37.5	52.4	(123.6)	(169.5)	(46.6)	(43.8)	(24.4)
Profit (loss) before tax from investing activities - continued operations	**668.3**	**352.9**	**533.5**	**(616.1)**	**990.5**	**724.0**	**488.8**	**107.5**	**(46.8)**	**641.8**
Turnover	**5,037.9**	5,201.3	4,626.3	4,531.7	4,392.4	3,918.8	3,904.5	4,077.8	2,951.0	-
Raw materials and consumables	**(1,729.5)**	(1,715.7)	(1,434.0)	(1,434.2)	(1,416.1)	(1,283.6)	(1,355.7)	(1,463.2)	(1,039.3)	-
Employee expenses	**(1,163.1)**	(1,201.5)	(1,064.7)	(982.2)	(948.9)	(806.2)	(807.1)	(839.3)	(573.6)	-
Depreciation/amortisation of property, plant, equipment and intangible assets	**(432.6)**	(313.3)	(280.6)	(261.8)	(256.0)	(233.2)	(229.6)	(236.4)	(167.7)	-
Other operating income (expenses) from operating activities	**(1,413.3)**	(1,802.0)	(1,331.6)	(1,299.5)	(1,302.5)	(1,166.3)	(1,111.3)	(1,073.9)	(818.7)	(4.3)
Gains (losses) on disposals, impairments and reversals of non-current assets from operating activities	**(51.1)**	(215.2)	(6.6)	(25.2)	(268.9)	11.9	-	-	-	-
Financial income (expenses) from operating activities	**(82.6)**	(95.7)	(97.1)	(73.9)	(69.2)	(51.0)	(60.0)	(78.0)	(54.7)	-
Profit (loss) before tax from consolidated operating activities - continued operations	**165.7**	**(142.1)**	**411.7**	**454.9**	**130.8**	**390.4**	**340.8**	**387.0**	**302.0**	**(4.3)**
Income taxes	**(65.1)**	(94.7)	(121.4)	(149.7)	(65.4)	(121.3)	(104.9)	(119.0)	(88.5)	0.9
Profit (loss) from continued activities	**768.9**	**116.1**	**823.8**	**(310.9)**	**1,055.9**	**993.1**	**724.7**	**375.5**	**166.7**	**638.4**
Profit (loss) from consolidated operating activities - discontinued operations	**-**	**788.0**	**67.3**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Non-controlling interests	**64.2**	(245.2)	(185.7)	(146.8)	(29.5)	(117.8)	(104.1)	(119.9)	(90.6)	2.4
Consolidated profit (loss) for the year – Group's share	**704.7**	**658.9**	**705.4**	**(457.7)**	**1,026.4**	**875.3**	**620.6**	**255.6**	**71.1**	**640.8**
Gross dividend (in EUR)	**3.15**	3.07	3.00	2.93	2.86	2.79	2.72	2.65	2.60	2.54
Coupon number for dividend	**22**	21	20	19	18	17	16	15	14	13
Adjusted net assets per share (in EUR)	**126.11**	100.35	117.06	105.31	94.13	94.58	92.45	82.10	71.65	88.77
Share price (in EUR)	**93.96**	76.08	89.99	79.72	78.83	70.75	66.73	60.14	51.51	62.93
Number of shares in issue	**161,358,287**	161,358,287	161,358,287	161,358,287	161,358,287	161,358,287	161,358,287	161,358,287	161,358,287	161,358,287
Number of treasury shares	**5,238,989**	2,642,982	5,660,482	5,924,416	6,079,926	6,147,123	6,308,090	6,134,514	6,099,444	6,099,444

Corporate Governance

Corporate Governance Statement

Groupe Bruxelles Lambert ("GBL" or the "Company") ensures its compliance with all regulations on corporate governance. In this context, it complies in particular with the provisions of the 2020 Belgian Corporate Governance Code (the "2020 Code").

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 conveys the various legal developments in the field of corporate governance, including the 2020 Code. The document 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 December 31, 2019 and the period between this financial year and the Board of Directors' meeting on March 11, 2020. It also lists the Company's deviations from certain provisions of the 2020 Code and explains the reasons behind them. It also includes the remuneration policy and the remuneration report. Lastly, it reflects the principal characteristics of the Company's internal control and risk management systems.

1. Board of Directors

1.1. Composition as of December 31, 2019

	Current terms of office	Participation in Board Committees
Chairman of the Board of Directors		
Paul Desmarais, Jr.	2019-2023	Member of the Standing Committee
Vice-Chairman, Director		
Baron Frère (Gérald)	2019-2023	Chairman of the Standing Committee
CEO		
Ian Gallienne	2016-2020	Member of the Standing Committee
Directors		
Victor Delloye	2017-2021	Member of the Standing Committee
Paul Desmarais III	2018-2022	Member of the Standing Committee
Baron Cedric Frère	2019-2023	Member of the Standing Committee
Ségolène Gallienne	2019-2023	Member of the Standing Committee
Claude Généreux	2019-2021	Member of the Standing Committee
Gérard Lamarche	2019-2023	Member of the Standing Committee
Xavier Le Clef	2019-2023	Member of the Standing Committee, of the Audit Committee and of the Nomination, Remuneration and Governance Committee
Jocelyn Lefebvre	2017-2021	Member of the Standing Committee and of the Audit Committee
Thierry de Rudder	2016-2020	Member of the Standing Committee
Amaury de Seze	2017-2021	Vice-Chairman of the Standing Committee and Chairman of the Nomination, Remuneration and Governance Committee
Independent Directors		
Countess Antoinette d'Aspremont Lynden	2019-2023	Chairwoman of the Audit Committee
Laurence Danon Arnaud	2017-2021	Member of the Nomination, Remuneration and Governance Committee
Marie Polet	2019-2023	Member of the Audit Committee and of the Nomination, Remuneration and Governance Committee
Agnès Touraine	2018-2021	Member of the Nomination, Remuneration and Governance Committee
Martine Verluyten	2017-2021	Member of the Audit Committee
Honorary Chairman		
Baron Frère (Albert) †		
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		

1.1.1. Composition of the Board of Directors

The composition of GBL's Board of Directors reflects the Company's controlling shareholder structure. Specifically, GBL is controlled by Pargesa Holding S.A. (through its wholly-owned subsidiary Pargesa Netherlands B.V.). Pargesa Holding S.A., a company under Swiss law, is itself controlled by Parjointco N.V., a company under Dutch law 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 December 16, 2012 and will expire in 2029 if not renewed.

As of December 31, 2019, out of a total of eighteen members, GBL's board included ten representatives proposed by the controlling shareholder, Pargesa Holding S.A. The shareholding structure explains the composition of the Board of Directors. It departs from the 2020 Code, which recommends a Board composition such that no individual Director or group of Directors are able to dominate decision-making.

This situation with respect to control also justifies the presence, on December 31, 2019, 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, Remuneration and Governance Committee (two members out of five).

It is also in this context that GBL has developed a diversity policy for its Board of Directors in accordance with the Law of September 3, 2017 on the disclosure of non-financial information and diversity information by certain companies and groups (for more details, see ESG section on pages 60 to 79 of this annual report). The Company also ensures the presence and contribution of independent Directors of a sufficient number 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, in accordance with the Law of July 28, 2011, which aims to guarantee the presence of women on the Boards of Directors of listed companies. GBL's Board of Directors has five independent Directors and six female Directors out of a total of eighteen members.

1.1.2. Changes in the governance in 2019

On December 10, 2018, the Company announced governance changes which took effect at the end of the General Shareholders' Meeting on April 23, 2019:

- Paul Desmarais, Jr. became Chairman of the Board of Directors and thus succeeded Gérald Frère, who was appointed Vice-Chairman of the Board and Chairman of the Standing Committee, replacing Thierry de Rudder;
- Amaury de Seze became Vice-Chairman of the Standing Committee, whilst remaining Chairman of the Nomination, Remuneration and Governance Committee.

In addition, Arnaud Vial informed the Chairman of the Company's Board of Directors that he wished to step down from his role as a Director at the end of the 2019 General Shareholders' Meeting for health reasons. The Company was very sad to learn of his death on November 24, 2019.

1.1.3. Appointment proposed to the 2020 Ordinary General Shareholders' Meeting

The directorships of Ian Gallienne and Thierry de Rudder expire at the end of the Ordinary General Shareholders' Meeting on April 28, 2020. Since Thierry de Rudder is not seeking the renewal of his term of office, the Ordinary General Shareholders' Meeting is requested to renew the term of office of Ian Gallienne as Director for a four-year term, i.e. until the end of the 2024 General Shareholders' Meeting called to approve the accounts for the 2023 financial year.

1.2. Information on the Directors (1)

1.2.1. Main activity and other offices held by the members of the Board of Directors

The full list of offices held by the members of the Board of Directors during the last five years can be found on page 202 of this report. The list of offices held in listed companies during the 2019 financial year is given in point 1.2.4.

Paul Desmarais, Jr.
Chairman of the Board of Directors

Born on July 3, 1954 in Sudbury, Ontario, Canada, of Canadian nationality.

Paul Desmarais, Jr. obtained a Bachelor's degree in Business from McGill University in Montreal and an MBA from INSEAD in Fontainebleau.

He joined Power Corporation of Canada in 1981 and took up the position of Vice-President the following year. In 1984, he guided the creation of Power Financial Corporation in order to consolidate Power's major financial holdings, as well as those of Pargesa Holding S.A., under a single corporate entity. Paul Desmarais, Jr. served as Vice-Chairman of Power Financial from 1984 to 1986, as Chairman and Chief Operating Officer from 1986 to 1989, as Executive Vice-Chairman of the Board from 1989 to 1990, as Executive Chairman of the Board from 1990 to 2005, as Chairman of the Executive Committee from 2006 to 2008, and has been Executive Co-Chairman of the Board since 2008. He also served as Vice-Chairman of the Board of Power Corporation from 1991 to 1996. He was named Chairman of the Board and Co-Chief Executive Officer of Power Corporation in 1996.

He has been a Director of Groupe Bruxelles Lambert since 1990.

Number of GBL shares held as of December 31, 2019: 0

Contact address
Power Corporation of Canada
751, square Victoria
Montreal, Quebec H2Y 2J3 (Canada)

Gérald Frère
Vice-Chairman of the Board of Directors

Born on May 17, 1951 in Charleroi, Belgium, of Belgian nationality.

After studying in Switzerland, Gérald Frère joined the family company, Frère-Bourgeois group (Belgium), where he took up the position of CEO. He was also Chairman of the Board of Directors of Loverval Finance S.A. until December 28, 2017. He was also a Regent of the National Bank of Belgium until May 2018.

He was appointed to the Board of Directors of Groupe Bruxelles Lambert in 1982. In 1993 he was named CEO and Chairman of the Standing Committee, duties he held until he retired at the end of 2011. He has chaired the Standing Committee since April 23, 2019.

Number of GBL shares held as of December 31, 2019: 301,292

Contact address
Groupe Bruxelles Lambert
24, avenue Marnix
1000 Brussels (Belgium)

Ian Gallienne
CEO

Born on January 23, 1971 in Boulogne-Billancourt, France, with dual French and Belgian nationality.

Ian Gallienne holds an MBA from INSEAD in Fontainebleau.

He began his career in Spain in 1992, as co-founder of a commercial company. From 1995 to 1997 he was a director of a consulting firm specialised in turning around businesses in difficulty in France. From 1998 to 2005 he was Manager at the private equity funds Rhône Capital LLC in New York and London. In 2005 he created the private equity fund Ergon Capital in Brussels, and was its CEO until 2012.

In 2012 he became CEO of Groupe Bruxelles Lambert, of which he had been a Director since 2009. He has been handling operational management of the Company on his own since the 2019 Ordinary General Shareholders' Meeting.

Number of GBL shares held as of December 31, 2019: 20,000

Contact address
Groupe Bruxelles Lambert
24, avenue Marnix
1000 Brussels (Belgium)

(1) As communicated individually to the Company by each member of the Board of Directors

Antoinette d'Aspremont Lynden
Director

Born on October 24, 1949 in London, United Kingdom, of Belgian nationality.

Antoinette d'Aspremont Lynden holds a Master of Science degree from the School of Engineering of Stanford University in California and a PhD in Applied Economics from the Université Catholique de Louvain (UCL). She began her career in the area of quantitative methods consulting in Palo Alto, California. Between 1973 and 1990, she held several positions at Banque Bruxelles Lambert in Brussels. She then spent twenty years as a professor of management at Université Charles-de-Gaulle Lille 3. She is also a visiting professor of Accounting and Financial Analysis at the Political Science Institute (Sciences Po) in Lille. She is also active in the non-profit sector as Treasurer of St Michael and St Gudula's Cathedral in Brussels, a Member of the Organising Authority of the Maredsous Private School (Belgium) and Director of the Royal Trust (Belgium).

She has been a Director of Groupe Bruxelles Lambert since 2011.

Number of GBL shares held as of December 31, 2019: 0

Contact address
23, avenue du Général de Gaulle
1050 Brussels (Belgium)

Laurence Danon Arnaud
Director

Born on January 6, 1956 in Bordeaux (Gironde), France, of French nationality.

Laurence Danon Arnaud is a former student of the Ecole Normale Supérieure Paris (1977), qualified in physical sciences (1980) and an Engineer of the Corps des Mines (1981-1984).

After five years at the Ministry of Industry and at the Hydrocarbons Directorate, Laurence Danon Arnaud joined ELF group in 1989. She held various positions in the Chemistry branch of the TOTAL FINA ELF group, including in particular, between 1996 and 2001, that of CEO of BOSTIK, the global number two in adhesives.

In 2001 she was appointed CEO of Printemps and member of the Executive Board of PPR (KERING). After the repositioning of Printemps and the successful sale in 2007, she joined the world of finance, from 2007 to 2013 as Chairwoman of the Management Board of Edmond de Rothschild Corporate Finance and from 2013 as Chairwoman of the merchant bank Leonardo & Co. Following the sale of the latter to NATIXIS in 2015, she devoted herself to her family office, PRIMEROSE SAS.

Laurence Danon Arnaud has been a Director of Gecina since 2017, as well as a Director of Amundi since 2015 and of TF1 since 2010. She has been a member of other Boards of Directors: Diageo (2006-2015), Plastic Omnium (2003-2010), Experian Plc. (2007-2010), Rhodia (2008-2011) and of the Supervisory Board of BPCE (2009-2013).

Since 2015 Laurence Danon Arnaud has also been a Member of the Académie Française des Technologies.

She has been a Director of Groupe Bruxelles Lambert since 2017.

Number of GBL shares held as of December 31, 2019: 100

Contact address
30, boulevard Victor Hugo
92200 Neuilly-sur-Seine (France)

Victor Delloye
Director

Born on September 27, 1953 in Huy, Belgium, of Belgian nationality.

Victor Delloye has a Bachelor's degree in law from the Université Catholique de Louvain (UCL) and a Master's degree in Taxation from the ICHEC Brussels Management School.

He joined the Frère-Bourgeois group in 1987 and is Director and General Secretary of Frère-Bourgeois and Executive Director of its subsidiary, Compagnie Nationale à Portefeuille (CNP). He is also Vice-Chairman of the Association Belge des Sociétés Cotées ASBL.

He has been a Director of Groupe Bruxelles Lambert since 1999.

Number of GBL shares held as of December 31, 2019: 0

Contact address
Frère-Bourgeois
12, rue de la Blanche Borne
6280 Loverval (Belgium)

Paul Desmarais III
Director

Born on June 8, 1982 in Montreal, Quebec, Canada, of Canadian nationality.

Paul Desmarais III obtained a Bachelor's degree in Economics from Harvard University and holds an MBA from INSEAD in Fontainebleau.

He began his career in 2004 at Goldman Sachs in the United States. In 2010 he took up a role at Imerys in France as a project manager, and in 2012 joined Great-West Lifeco (Canada) as Assistant Vice-President of Risk Management. In May 2014, he was appointed Vice-Chairman of Power Corporation of Canada and Power Financial Corporation.

He has been a Director of Groupe Bruxelles Lambert since 2014.

Number of GBL shares held as of December 31, 2019: 0

Contact address
Power Corporation of Canada
751, square Victoria
Montreal, Quebec H2Y 2J3 (Canada)

Cedric Frère
Director

Born on April 13, 1984 in Charleroi, Belgium, with dual Belgian and French nationality.

Cedric Frère joined in 2010 Compagnie Nationale à Portefeuille in Belgium (Frère-Bourgeois group), of which he is a Director.

He began his career in 2007 in the banking sector, where he held several positions, notably in Paris, London and Brussels.

He holds a Bachelor of Arts in Business Economics from Vesalius College in Brussels, Vrije Universiteit Brussel (VUB).

He is also a CEO of Frère-Bourgeois S.A. and Financière de la Sambre S.A., as well as Director of various companies including Compagnie Nationale à Portefeuille S.A., Pargesa Holding S.A. and Caffitaly System S.p.A. He is the Chairman of the Board of Directors of Société Civile du Château Cheval Blanc and Cheval Blanc Finance SAS.

He has been a Director of Groupe Bruxelles Lambert since 2015.

Number of GBL shares held as of December 31, 2019: 0

Contact address
Frère-Bourgeois
12, rue de la Blanche Borne
6280 Loverval (Belgium)

Ségolène Gallienne
Director

Born on June 7, 1977 in Uccle, Belgium, of Belgian nationality.

Ségolène Gallienne holds a Bachelor of Arts in Business Economics from Vesalius College in Brussels, Vrije Universiteit Brussel (VUB). Previous positions include Head of Public Relations at Belgacom (which became Proximus) and Head of Communications at Dior Fine Jewellery. She is currently a Director of various French and international companies (including Christian Dior S.E., Société Civile du Château Cheval Blanc, Frère-Bourgeois and Pargesa Holding S.A.) and Chairwoman of the Board of Directors of Diane S.A., a company specialised in the trading of works of art.

She has been a Director of Groupe Bruxelles Lambert since 2015.

Number of GBL shares held as of December 31, 2019: 0

Contact address
Frère-Bourgeois
12, rue de la Blanche Borne
6280 Loverval (Belgium)

Claude Généreux
Director

Born on April 10, 1962 in Montreal, Canada, of Canadian nationality.

Claude Généreux has a Bachelor's degree in Engineering from McGill University and in Political Economy from Oxford University (Rhodes Scholar).

Since 2015 he has been Executive Vice-Chairman of Power Corporation of Canada and Power Financial. He sits on the Boards of Directors of Great-West Lifeco, IGM Financial and of a number of subsidiaries. He is also a Senior Partner Emeritus of McKinsey & Company, a global leader in management consulting. During his 28-year career at McKinsey, he served major companies operating in the financial services, energy and resources sectors, and took up various global leadership roles (energy sector, global recruitment, evaluation and partner elections).

Claude Généreux helped to launch the McKinsey office in Montreal in 1991 and also worked at its offices in Paris, Toronto and Stockholm. He sits on the Boards of McGill University (Vice-Chairman of the Board of Governors), the Jeanne Sauvé and Michaëlle Jean Foundations, as well as on the Boards of the Canadian Rhodes Scholars Foundation and Loran Scholars Foundation.

He has been a Director of Groupe Bruxelles Lambert since 2019.

Number of GBL shares held as of December 31, 2019: 0

Contact address
Power Corporation of Canada
751, square Victoria
Montreal, Quebec H2Y 2J3 (Canada)

Gérard Lamarche
Director

Born on July 15, 1961 in Huy, Belgium, of Belgian nationality.

Gérard Lamarche graduated in Economics from the University of Louvain-La-Neuve and the INSEAD Management Institute (Advanced Management Program for Suez Group Executives). He also trained at the Wharton International Forum in 1998-1999 (Global Leadership Series).

He began his career at Deloitte Haskins & Sells in Belgium in 1983 and in the Netherlands in 1987. In 1988, Gérard Lamarche joined Société Générale de Belgique as Investment Manager and was Controller from 1989 to 1991, before becoming an advisor on strategic operations from 1992 to 1995.

He joined Compagnie Financière de Suez as Advisor to the Chairman and Secretary to the Executive Committee (1995-1997) before being appointed Deputy Director in charge of Planning, Control and Accounting.

In 2000, Gérard Lamarche pursued his career in the industrial sector by joining NALCO (a US subsidiary of the Suez group, a world leader in industrial waste water treatment) as CEO. In January 2003 he was appointed CFO of the Suez group.

He has been Chairman of Multifin since 2019.

He has been a Director of Groupe Bruxelles Lambert since 2011. He was its Co-CEO between 2012 and 2019.

Number of GBL shares held as of December 31, 2019: 5,800

Contact address
Groupe Bruxelles Lambert
24, avenue Marnix
1000 Brussels (Belgium)

Xavier Le Clef
Director

Born on August 4, 1976 in Wilrijk, Belgium, of Belgian nationality

Xavier Le Clef has a Master degree in Business Economics from the Solvay Brussels School of Economics & Management (ULB) and holds an MBA from the Vlerick Business School.

He began his career at the consulting firm Arthur D. Little, and in 2006 joined Compagnie Nationale à Portefeuille (CNP), where he was responsible for monitoring various industrial matters. He became its CEO in 2015. In the same year, he was appointed Director of Frère-Bourgeois, of which he has been CEO since 2018. He is the Chairman, Director and/or committee member of several companies in the CNP group's portfolio (Caffitaly System, APG/SGA, …).

He has been a Director of Groupe Bruxelles Lambert since 2019.

Number of GBL shares held as of December 31, 2019: 0

Contact address
Frère-Bourgeois
12, rue de la Blanche Borne
6280 Loverval (Belgium)

Jocelyn Lefebvre
Director

Born on December 22, 1957 in Quebec, Canada, with dual Canadian and French nationality.

Jocelyn Lefebvre holds a degree from the Ecole des Hautes Etudes Commerciales de Montréal and is also a member of the Quebec Order of Chartered Accountants.

He began his career in 1980 at Arthur Andersen, first in Montreal then in Brussels. In 1986 he joined the Canadian industrial group M.I.L. Inc., where he was successively Deputy to the Chairman, Vice-President of Administration and of Special Projects, and then of Corporate Affairs while also holding the position of Chairman of Vickers Inc., one of its main subsidiaries, until 1991. In 1992 Jocelyn Lefebvre joined the Power Corporation of Canada group, where he has held various positions in Europe. In this context, he sat on the Boards of Directors of group companies (Imerys, Parfinance, RTL, Suez-Tractebel, Kartesia, AFE, Orior Food). Today he is Chairman of Sagard Private Equity and is also Managing Director of Parjointco N.V. and of Power Financial Europe B.V.

He has been a Director of Groupe Bruxelles Lambert since 2017.

Number of GBL shares held as of December 31, 2019: 0

Contact address
Power Corporation of Canada
751, square Victoria
Montreal, Quebec H2Y 2J3 (Canada)

Marie Polet
Director

Born on December 5, 1954 in Eupen, Belgium, of Belgian nationality.

After obtaining a Bachelor's degree in Economics, Marie Polet joined British American Tobacco plc. (BAT), the world's second-largest tobacco company.

She worked in marketing before being promoted to Corporate Management positions. She was a CEO of British American Tobacco Belgium until July 2008. She also spent a lot of time abroad for the BAT group, in the US, Germany and the Netherlands, before being appointed Head of Marketing for Europe in London. After she successfully oversaw the merger between BAT and STC (cigars) in Belgium, the multinational tasked her with managing the takeover of the tobacco market leader in Scandinavia. She was as such made General Manager Denmark, working in Copenhagen until January 2010. She was then promoted to Group Head of Strategy & Planning at the group's head office in London. From October 1st, 2011 to January 16, 2015 she served as President & CEO of Imperial Tobacco Canada, which has its head office in Montreal. Until January 2019 she was Group Director of Strategy, Planning and Insights in London.

She has been a Director of Groupe Bruxelles Lambert since 2015.

Number of GBL shares held as of December 31, 2019: 0

Contact address
Groupe Bruxelles Lambert
24, avenue Marnix
1000 Brussels (Belgium)

Thierry de Rudder
Director

Born on September 3, 1949 in Paris, France, with dual Belgian and French nationality.

Thierry de Rudder obtained a degree in Mathematics from the University of Geneva and the Université Libre de Bruxelles. He holds an MBA from the Wharton School in Philadelphia.

He began his career in the United States and joined Citibank in 1975, where he held various positions in New York and then in Europe.

He joined the Group in 1986 and held the position of CEO until December 2011. He then took office as Vice-Chairman of the Board of Directors and Chairman of the Company's Standing Committee up until the 2019 General Meeting.

Number of GBL shares held as of December 31, 2019: 80,000

Contact address
Groupe Bruxelles Lambert
24, avenue Marnix
1000 Brussels (Belgium)

Amaury de Seze
Director

Born on May 7, 1946, of French nationality.

Amaury de Seze holds a degree from the Centre de Perfectionnement dans l'Administration des Affaires and from the Stanford Graduate School of Business.

His career began at Bull General Electric. From 1978 to 1993 he worked for the Volvo group as Chairman of Volvo Europe and Member of the group's Executive Committee. In 1993, he joined the Paribas group as a Member of the Executive Board in charge of industrial affairs. He is currently Vice-Chairman of the Board of of Power Financial Corporation and is a former Chairman of PAI Partners.

He has been a Director of Groupe Bruxelles Lambert since 1994.

Number of GBL shares held as of December 31, 2019: 100

Contact address
Groupe Bruxelles Lambert
24, avenue Marnix
1000 Brussels (Belgium)

Agnès Touraine
Director

Born on February 18, 1955 in Neuilly-sur-Seine, France, of French nationality.

Agnès Touraine has a law degree from the Political Science Institute (SciencesPo) in Paris and holds an MBA from Columbia University.

She is Chairwoman of the Institut Français des Administrateurs (French Institute of Directors, IFA) and founding President of Act III Consultants, a consulting firm dedicated to digital transformation. She was previously CEO of Vivendi Universal Publishing, after spending ten years with the group Lagardère and five years at McKinsey. She sits on the Boards of Directors of Proximus (formerly Belgacom) and Rexel, as well as on the Supervisory Board of Tarkett. She was previously a Director of Cable&Wireless plc., Neopost and Darty plc. She also sits on the Board of Directors of various non-profit organisations such as IDATE (Institute of Audiovisual Media and Telecommunications in Europe) and the French American Foundation.

She has been a Director of Groupe Bruxelles Lambert since 2018.

Number of GBL shares held as of December 31, 2019: 100

Contact address
5, rue Budé
75004 Paris (France)

Martine Verluyten
Director

Born on April 14, 1951 in Leuven, Belgium, of Belgian nationality.

Martine Verluyten has a degree in applied economics from the KU Leuven. She started her career at the audit firm Peat, Marwick, Mitchell, which later became KPMG. After being promoted to senior auditor she joined the Californian company Raychem, which specialises in heat-shrinkable polymeric products, where she held a number of financial positions in Belgium and the United States.

In 2000 she joined Mobistar, Belgium's second-largest mobile network operator, and quickly became CFO. She ended her career as CFO at Umicore (2006-2011).

Martine Verluyten is currently a non-executive Director on the Board of STMicroelectronics N.V. and was Director of Thomas Cook Group plc until January 18, 2020. She chairs the Audit Committee of STMicroelectronics N.V.

She has been a Director of Groupe Bruxelles Lambert since 2013.

Number of GBL shares held as of December 31, 2019: 3,430

Contact address
Groupe Bruxelles Lambert
24, avenue Marnix
1000 Brussels (Belgium)

1.2.2. Appointment of Directors

Directors are appointed on the basis of procedures and selection criteria which are described in the Charter in Chapter III, point A. 2. and comply with the 2020 Code, as well as the Company's Diversity and Inclusion Policy (see page 62 of this annual report). The Nomination, Remuneration and Governance Committee is responsible for the process of selecting Directors.

1.2.3. Professional development

New Directors receive appropriate information enabling them to quickly begin contributing to the work of the Board of Directors. If the Director sits on a Board Committee as well, the information transmitted also includes a description of the Committee's duties, and all other information related to its tasks. The new Director may also hold discussions with the CEO to obtain any information which is useful or required in order to carry out their duties. One or more meetings, where applicable, are arranged with the Head of Investments, the CFO and the General Secretary to ensure that the new Director receives adequate training.

Throughout their term of office, Directors update their skills and develop their knowledge of the Company in order to carry out their responsibilities as members of the Board of Directors and the Committees.

1.2.4. Offices held by Directors in listed companies

The following table shows the offices held in listed companies by each of the Directors as of December 31, 2019, both in Belgium and abroad.

Two figures are indicated for the number of offices: the first figure represents the total number of offices held; the second smaller or equal figure is obtained by consolidating all the offices held within the same group as its representative within the various companies in which it owns a shareholding.

The specific nature of a holding company is to own shares, whose performance must be monitored by the company's managers. In this context, Directors may legitimately hold more than five offices as their main professional activity, which explains why the Charter deviates from the provisions of the 2020 Code in this respect.

	Number of offices	Name of the listed company
Paul Desmarais, Jr.	8/1	Power Corporation of Canada (CDN) Power Financial Corporation (CDN) Great-West Lifeco Inc. (CDN) IGM Financial Inc. (CDN) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B) LafargeHolcim (CH) SGS S.A. (CH)
Gérald Frère	3/2	Power Financial Corporation (CDN) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)
Ian Gallienne	5/1	Groupe Bruxelles Lambert (B) adidas AG (D) Imerys (F) Pernod Ricard (F) SGS S.A. (CH)
Antoinette d'Aspremont Lynden	2/2	BNP Paribas Fortis (B) Groupe Bruxelles Lambert (B)
Laurence Danon Arnaud	4/4	Amundi (F) Gecina (F) Groupe Bruxelles Lambert (B) TF1 (F)
Victor Delloye	2/1	Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)
Paul Desmarais III	3/1	Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B) Imerys (F)
Cedric Frère	2/1	Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)
Ségolène Gallienne	3/2	Christian Dior S.E. (F) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)
Claude Généreux	5/1	Power Corporation of Canada (CDN) Power Financial Corporation (CDN) Great-Westlifeco Inc. (CDN) IGM Financial (CDN) Groupe Bruxelles Lambert (B)
Gérard Lamarche	3/1	Groupe Bruxelles Lambert (B) SGS S.A. (CH) Umicore (B)
Xavier Le Clef	2/1	Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)
Jocelyn Lefebvre	2/1	Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)
Marie Polet	1/1	Groupe Bruxelles Lambert (B)
Thierry de Rudder	1/1	Groupe Bruxelles Lambert (B)
Amaury de Seze	2/1	Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)
Agnès Touraine	4/4	Groupe Bruxelles Lambert (B) Proximus (B) Rexel (B) Tarkett S.A. (F)
Martine Verluyten	3/3	Groupe Bruxelles Lambert (B) STMicroelectronics N.V. (NL) Thomas Cook Group plc. (UK)

1.2.5. Family ties between members of the Board of Directors

- Gérald Frère is the brother-in-law of Thierry de Rudder and Ian Gallienne.
- Gérald Frère is the father of Cedric Frère and the brother of Ségolène Gallienne.
- Ian Gallienne is married to Ségolène Gallienne.
- Thierry de Rudder is the uncle of Cedric Frère.
- Paul Desmarais, Jr. is the father of Paul Desmarais III.

1.2.6. Management expertise and experience of the members of the Board of Directors

Among the criteria laid down for the selection of Directors is their expertise and experience in management and finance as provided for in GBL's Diversity and Inclusion Policy.

The activity exercised and offices held by each of the Directors reflect their individual expertise and experience.

1.2.7. No convictions for fraud and incrimination and/or public sanction

For the last five years, there have been no convictions for fraud, incrimination and/or public sanctions issued against any of the Directors by statutory or regulatory authorities.

Likewise, for the last five years, no Director has been prohibited by a court from being a member of a management, executive or supervisory body or from being involved in the management or conduct of an issuer's activities.

1.2.8. Bankruptcy, receivership or liquidation of companies concerning a Director as an executive for the last five years

No Directors have been the subject of any bankruptcy, receivership or liquidation in the last five years.

1.2.9. Potential conflicts of interest between members of the Board of Directors

The following theoretical potential conflicts of interest have been identified:

- Gérald Frère is First Vice-Chairman of Pargesa Holding S.A., Director of Power Financial Corporation, Chairman of the Board of Directors of Frère-Bourgeois and holds various directorships within the Frère-Bourgeois group;
- Cedric Frère is a Director of Pargesa Holding S.A. and holds various executive directorships within the Frère-Bourgeois group;
- Ségolène Gallienne is a Director of Pargesa Holding S.A and holds various directorships within the Frère-Bourgeois group;
- Xavier Le Clef is the CEO of Frère-Bourgeois, a Director of Pargesa Holding S.A. and of other companies within the Frère-Bourgeois group;
- Victor Delloye is a Director of Pargesa Holding S.A. and also holds various executive directorships within the Frère-Bourgeois group;
- Paul Desmarais, Jr., Paul Desmarais III and Jocelyn Lefebvre are Directors of Pargesa Holding S.A. and hold various directorships within the Power Corporation of Canada group;
- Amaury de Seze is a Director of Pargesa Holding S.A., Vice-Chairman of the Board of Power Financial Corporation, and a Director of Compagnie Nationale à Portefeuille S.A;
- Claude Généreux holds various offices within the Power Corporation of Canada group;

1.2.10. Arrangements or agreements concluded with the main shareholders

The Company has not concluded with its main shareholders any arrangements or agreements by virtue of which the Directors would have been selected as members of the Board of Directors.

1.2.11. Restriction on the transfer of GBL shares

To the Company's knowledge, there are no restrictions on the disposal by a Director of the GBL shares that they own, except for the stipulations regarding lock-up periods and closed periods.

1.3. Delegation of the day-to-day management

1.3.1. Composition

As of December 31, 2019, day-to-day management is conducted by Ian Gallienne, the CEO.

At the end of 2018, the Company announced that Gérard Lamarche had decided not to apply to renew his tenure as Co-CEO: he therefore ceased to hold this office at the end of the Ordinary General Shareholders' Meeting on April 23, 2019, but remained a Director of GBL.

At its meeting on March 11, 2020, the Board of Directors decided, subject to renewal of his office as Director at the Meeting on April 28, 2020, to once again delegate day-to-day management to Ian Gallienne. Therefore, following the end of this Meeting, Ian Gallienne will continue to handle day-to-day management of the Company in his position as its CEO.

1.3.2. Remit of the CEO

Ian Gallienne is responsible for the day-to-day management of the group. He enjoys a large degree of autonomy: his powers are not limited to implementation of the Board of Directors' decisions but also include all measures necessary to ensure that the Company and its subsidiaries (held 100% directly or indirectly by GBL) operate normally and to successfully implement the Company's strategy (see Charter, Chapter III, points B. 1. and 2.)

It is in this context that GBL has developed a Diversity and Inclusion Policy in accordance with the Law of September 3, 2017 on the disclosure of non-financial information and diversity information by certain companies and groups (see ESG section on pages 60 to 79 of this annual report).

1.3.3. Evaluation of the CEO

On an annual basis, the Board evaluates the performance of the CEO and the achievement of the Company's strategic objectives in relation to the agreed measures and targets, after consulting the Nomination, Remuneration and Governance Committee. Furthermore, the non-executive Directors meet annually, in the absence of the CEO, to review the interaction between the non-executive Directors and the CEO. The meeting on the 2019 financial year was held on October 31, 2019 (for more details, see "Effectiveness and assessment of the Board" on page 188 of this annual report).

1.4. Powers and functioning of the Board of Directors

The powers and functioning of the Board of Directors are described in the Charter in Chapter III, points A. 4.1. and 4.2.

1.5. Board meetings held in 2019 and Directors' attendance

The Board of Directors met eight times in 2019, with a weighted average attendance rate by Directors for all meetings of 92.36%. Some members participated in a number of the meetings by telephone.

Directors' individual attendance rates for these meetings were as follows:

Directors	Attendance rate
Paul Desmarais, Jr.	75.00%
Gérald Frère	100.00%
Ian Gallienne	100.00%
Antoinette d'Aspremont Lynden	100.00%
Laurence Danon Arnaud	100.00%
Victor Delloye	100.00%
Paul Desmarais III	75.00%
Cedric Frère	100.00%
Ségolène Gallienne	75.00%
Claude Généreux (1)	83.33%
Gérard Lamarche	100.00%
Xavier Le Clef (1)	100.00%
Jocelyn Lefebvre	100.00%
Marie Polet	100.00%
Thierry de Rudder	100.00%
Gilles Samyn (2)	50.00%
Amaury de Seze	100.00%
Agnès Touraine	100.00%
Martine Verluyten	62.50%
Arnaud Vial (2)	100.00%
Total	**92.36%** (3)

(1) From the General Shareholders' Meeting of April 23, 2019 onwards. Attendance rate calculated based on meetings during directorship
(2) Up to the General Shareholders' Meeting of April 23, 2019. Attendance rate calculated based on meetings during directorship
(3) Attendance rate calculated based on the weighted attendance of all members during their directorship

The Board meetings in March and July traditionally have on their agenda the approval of the consolidated financial statements and accounts for the periods ended December 31 and June 30. The May and November meetings focus on the quarterly results. The projected year-end results are examined at each of these meetings. The investment portfolio is generally included on the agenda of all meetings. Throughout the year, the Board focused its work on monitoring the strategy involving various investment and divestment projects. The Board Meeting of March 14, 2019 drew up the agenda for the Ordinary General Shareholders' Meeting and reviewed and validated the Company ESG policy. On the recommendation of the Nomination, Remuneration and Governance Committee, the same Board Meeting adopted the principle and the conditions for the long-term variable remuneration to be granted to the CEO in 2019. The Board meeting on July 2, 2019 approved the investment in the Webhelp group; the Board meeting on July 31, 2019 approved the principle of an issue by GBL of a bond exchangeable for LafargeHolcim shares.

1.6. Effectiveness and assessment of the Board

In accordance with its internal rules and regulations (see Charter, Chapter III, point A. 4.2.6.), the Board of Directors assesses its own performance every three years based on an individual questionnaire. This questionnaire concerns the size, composition and collective performance of the Board of Directors, as well as the actual contribution of each Director and the Board of Directors' interaction with the CEO. Beyond this assessment procedure, the non-executive Directors meet annually, in the absence of the CEO, to review the interaction between the non-executive Directors and the CEO. The scope of this assessment extends to the Audit Committee and to the Nomination, Remuneration and Governance Committee.

The first assessment of the Board of Directors was conducted in 2007. The latest assessment of the functioning of the Board of Directors and the interaction between the Board and the CEO began in the second quarter of 2019. The results were reported to the Board at its meeting on October 31, 2019 and were satisfactory. A new assessment will take place in 2022.

The meeting of the non-executive Directors covering the 2019 financial year was held on October 31, 2019 in the absence of the CEO.

The following issues were raised:

- the quality of the relationship between the CEO and the Board of Directors;
- the information provided by the CEO;
- the assessment of the CEO by the Board of Directors;
- the delimitation of tasks between the CEO and the Board of Directors;
- the possibility for Directors to meet the CEO outside of Board meetings.

Each of these matters was deemed generally satisfactory.

When the term of office of each Director expires, the Board of Directors evaluates their participation in meetings of the Board or the Board Committees, their level of engagement and constructive involvement in debates and decision-making, in accordance with a pre-established and transparent procedure.

2. Board Committees

The Board of Directors is assisted by the Standing Committee, the Nomination, Remuneration and Governance Committee* and the Audit Committee, which carry out their activities under its responsibility. The internal rules and regulations for each of these Committees can be found in Appendix 1 to the Charter.

* Formerly known as the Nomination and Remuneration Committee

2.1. Standing Committee

2.1.1. Composition

On December 31, 2019, the Standing Committee had thirteen members, ten of whom were representatives of the controlling shareholder. The Committee is chaired by Gérald Frère.

The end of the term of office of the Committee's members corresponds to that of their term of office as Director.

Members of the Standing Committee	Current terms of office	Attendance rate
Gérald Frère, Chairman	2019-2023	100.00%
Amaury de Seze, Vice-Chairman	2017-2021	100.00%
Victor Delloye	2017-2021	100.00%
Paul Desmarais, Jr.	2019-2023	100.00%
Paul Desmarais III	2018-2022	100.00%
Cedric Frère	2019-2023	100.00%
Ian Gallienne	2016-2020	100.00%
Ségolène Gallienne	2019-2023	75.00%
Claude Généreux (1)	2019-2021	66.67%
Gérard Lamarche	2019-2023	100.00%
Xavier Le Clef (1)	2019-2023	100.00%
Jocelyn Lefebvre	2017-2021	100.00%
Thierry de Rudder	2016-2020	100.00%
Gilles Samyn (2)	2015-2019	100.00%
Arnaud Vial (2)	2017-2019	100.00%
Total		**96.15%** (3)

(1) From the General Shareholders' Meeting of April 23, 2019 onwards. Attendance rate calculated based on meetings during directorship
(2) Up to the General Shareholders' Meeting of April 23, 2019. Attendance rate calculated based on meetings during directorship
(3) Attendance rate calculated based on the weighted attendance of all members during their term as Committee members

As indicated in point 1.1.2. above, the Company has announced governance changes which took effect at the end of the General Shareholders' Meeting of April 23, 2019:

- Gérald Frère was appointed Chairman of the Standing Committee, replacing Thierry de Rudder;
- Amaury de Seze became Vice-Chairman of the Standing Committee.

In addition, at its meeting on March 11, 2020, the Board of Directors decided to reappoint Ian Gallienne as member of the Standing Committee, subject to approval of the renewal of his term as a Director.

2.1.2. Frequency of meetings and content of deliberations

The Standing Committee met four times in 2019. As shown in the table above, for all meetings in 2019 there was a weighted average attendance rate for Directors of 96.15%.

At its various meetings, the Standing Committee addressed the main subjects to be deliberated upon by the Board, namely:

- GBL's strategic and financial direction and the continued execution of the action plan;
- the review of the valuation of GBL and its portfolio companies;
- cash earnings forecasts and proposed dividend;
- the group's cash and investment capacity;
- the issue by GBL of a bond exchangeable for LafargeHolcim shares.

2.2. Nomination, Remuneration and Governance Committee

2.2.1. Composition

As of December 31, 2019, the Committee had five members and is chaired by Amaury de Seze.

The term of office of the Committee's members corresponds to their term of office as Director.

Members of the Nomination, Remuneration and Governance Committee	Current terms of office	Attendance rate
Amaury de Seze, Chairman	2017-2021	100.00%
Laurence Danon Arnaud	2017-2021	100.00%
Xavier Le Clef (1)	2019-2023	100.00%
Marie Polet	2019-2023	66.67%
Gilles Samyn (2)	2015-2019	100.00%
Agnès Touraine	2018-2021	100.00%
Total		**93.33%** (3)

(1) From the General Shareholders' Meeting of April 23, 2019 onwards. Attendance rate calculated based on meetings during directorship
(2) Up to the General Shareholders' Meeting of April 23, 2019. Attendance rate calculated based on meetings during directorship
(3) Attendance rate calculated based on the weighted attendance of all members during their term as Committee members

All members of the Nomination, Remuneration and Governance Committee are non-executive Directors, three of whom are independent. They possess the necessary expertise in the areas of governance and remuneration policy.

2.2.2. Frequency of meetings and content of deliberations

The Nomination, Remuneration and Governance Committee met three times in 2019. As shown in the table above, for all meetings in 2019 there was a weighted average attendance rate for Directors of 93.33%. At these meetings, the Committee mainly focused on the following issues:

- proposal for a new option plan to be granted in 2019 to the CEO and setting of the parameters and conditions of the exercise;
- drafting of the remuneration report and review of the other corporate governance documents concerning the appointment and remuneration of executives, to be published in the 2018 annual report;
- drafting of the report by the Chairman of the Nomination, Remuneration and Governance Committee to the Ordinary General Shareholders' Meeting of April 23, 2019;
- preparation of the annual assessment of the interaction between the CEO and the non-executive Directors;
- review of the Charter to take the 2020 Code into consideration.

It also reviewed, in 2019, the principles governing the composition and functioning of the Board and Committees. It believes that the governance of the Company complies with the regulations in force, the 2020 Code and best practices, taking into account the shareholding structure.

Lastly, it reviewed the remuneration of the non-executive Directors and of the CEO following the governance changes announced by the Company on December 10, 2018 and described in points 1.1.2. and 1.3.1. above.

2.3. Audit Committee

2.3.1. Composition

As of December 31, 2019, the Audit Committee had five members, three of whom are independent within the meaning of Article 526ter of the Companies Code, which became Article 7:87 of the Code on companies and associations on January 1st, 2020, and within the meaning of the 2020 Code. They are Antoinette d'Aspremont Lynden, Chairwoman of the Committee, Marie Polet and Martine Verluyten. The two other members, namely Xavier Le Clef and Jocelyn Lefebvre, are representatives of the controlling shareholder.

The term of office of the Committee's members corresponds to their term of office as Director.

Members of the Audit Committee	Current terms of office	Attendance rate
Antoinette d'Aspremont Lynden, Chairwoman	2019-2023	100.00%
Xavier Le Clef (1)	2019-2023	100.00%
Jocelyn Lefebvre (1)	2017-2021	100.00%
Marie Polet	2019-2023	100.00%
Gilles Samyn (2)	2015-2019	100.00%
Martine Verluyten	2017-2021	50.00%
Arnaud Vial (2)	2017-2019	100.00%
Total		**90.00%** (3)

(1) From the General Shareholders' Meeting of April 23, 2019 onwards. Attendance rate calculated based on meetings during directorship
(2) Up to the General Shareholders' Meeting of April 23, 2019. Attendance rate calculated based on meetings during directorship
(3) Attendance rate calculated based on the weighted attendance of all members during their term as Committee members

All the Committee's members are non-executive Directors and have accounting and auditing expertise as a result of their education or professional experience. Furthermore, the members have collective expertise in the Company's fields of activity.

2.3.2. Frequency of meetings and content of deliberations

The Audit Committee met four times in 2019, with a weighted average attendance rate by its members of 90.00% for all meetings, as shown in the table above.

The Chief Financial Officer and the Company's Statutory Auditor attended all meetings.

At these meetings, the Audit Committee examined the true and fair presentation of GBL's accounts and consolidated financial statements, and performed its responsibilities to monitor control in the broadest sense, in particular with regard to the quality of internal control and of information provided to shareholders and the markets.

In 2019, the Committee examined subjects including the following:

- reviewed the Company's annual and half-yearly consolidated financial statements and consolidated quarterly results;
- reviewed the Company's annual and half-yearly accounts;
- reviewed the draft press releases for publication, the annual report and half-yearly report;
- reviewed the projections for the short and medium terms;
- analysed the financial position, conducted a review of the market, monitored investment capacity and reviewed its definition;
- reviewed accounting treatments and the book value of portfolio companies;
- analysed and monitored the accounting impacts of the Parques Reunidos take-private transaction and of investment in the Webhelp group;
- analysed the accounting impacts of the issue of a bond exchangeable for LafargeHolcim shares;
- analysed the accounting impacts of forward sale and hedging transactions;
- reviewed the accounting treatment of recoveries of withholding tax;
- monitored the development of Sienna Capital, recorded new investments and reviewed the underlying activities;
- monitored yield enhancement activities and in particular, the management of derivatives;
- reviewed the operational risks and an assessment by the Statutory Auditor of the effectiveness of the internal control systems;
- reviewed and monitored the independence of the Statutory Auditor, analysed the regulatory changes relating to statutory audit;
- followed up the main pending legal actions;
- launched the search for a new auditor in the context of the mandatory rotation of Statutory Auditor on expiry of Deloitte's mandate in April 2021.

2.4. Assessment of the functioning and performance of the Board of Directors' Committees

According to the evolution of and effectiveness of their work, the various Committees may, at any time, propose changes to their respective internal rules and regulations. The Charter therefore does not establish a regular procedure for reviewing the Committees' internal rules and regulations.

The functioning and performance of each Committee are measured and analysed as part of the triennial assessment of the performance of the Board of Directors. Part of this individual assessment questionnaire is reserved for this purpose for members of the respective Committees.

The interaction between the CEO and the non-executive Directors is also assessed within the Audit Committee and the Nomination, Remuneration and Governance Committee.

3. Remuneration of the Company officers

3.1. Remuneration policy

This remuneration policy will be submitted for approval at the Ordinary General Shareholders' Meeting on April 28, 2020. Subject to this approval, it applies from January 1st, 2020 onwards.

3.1.1. Policy for remuneration of the CEO

Principles

The Board of Directors sets the remuneration of the CEO after taking advice from the Nomination, Remuneration and Governance Committee, the composition of which includes a majority of independent Directors and contributes to preventing conflicts of interest relating to the remuneration policy.

The CEO remuneration principles are intended to:

- contribute to long-term alignment between the shareholders and the CEO, by strengthening investment in GBL shares;
- link the CEO's long-term remuneration to the Company's long-term (stock market) performance, by submitting the exercise of options to a TSR condition;
- ensure consistency between the remuneration of the CEO and the remuneration of GBL staff teams in order to attract, retain and motivate the best talent in a business sector that relies on the value of teams and in which competition is fierce.

The CEO's remuneration is revised every three years (next term in 2022) to bring it into line with market practices. The work of the Nomination, Remuneration and Governance Committee is based on: use of an external consultant, detailed benchmarks and dialogue with the CEO.

3.1.2. Remuneration policy for non-executive Directors

Principles

The remuneration of the non-executive Directors is set by the General Shareholders' Meeting on the basis of a proposal by the Board of Directors after a recommendation from the Nomination, Remuneration and Governance Committee. It is revised every three years to bring it into line with market practices (last review in 2016).

Structure of the remuneration of non-executive Directors

Non-executive Directors receive fixed remuneration in cash, attendance fees and fixed remuneration in Company shares (new 2020 Code). They do not receive any variable remuneration. The CEO receives no remuneration for his directorship as such.

The remuneration of non-executive Directors is fixed so as to attract and retain quality members capable of contributing to the Company's development.

Structure of the CEO's remuneration

Remuneration		
1. Fixed	Basic salary	The fixed annual remuneration of the CEO is mainly paid by GBL and in part, by certain companies in the portfolio due to the directorships within them. Given the various tax regimes applicable to those fees, the fixed annual remuneration is defined net and totals EUR 960,000.
	Pension and other benefits	The CEO benefits from a defined-contribution pension plan, into which 21% of his fixed net remuneration is paid by GBL on a yearly basis, a disability and life insurance plan, Directors' and Officers' liability insurance (D&O), as well as a company car.
2. Variable in cash		The CEO does not receive annual variable remuneration in cash. GBL is a holding company whose performance are evaluated in the mid and long term.
3. Stock options on shares		The CEO benefits from a stock option plan relating to a GBL subsidiary, invested primarily in GBL shares, and secondly in shares of a portfolio company. These shares are acquired through equity and bank financing. The debt of this subsidiary is guaranteed by GBL. The interest is financed by the dividends received. The value of the shares underlying the options represents 20% of the value of the assets. The underlying value of the assets of the subsidiary for which the options are granted to the CEO represents 225% of his fixed gross reference remuneration (itself defined as two times the fixed net remuneration). The options are exercisable as of the 3rd anniversary of the date they were granted, for a period of seven years, provided that the performance condition set out below is met. The options are only exercisable each calendar year between the 4th and 10th year of the plan and if the TSR is at least 5% per year on average over the period since the options were granted. When the performance condition is not met in one year, the options are not exercisable until the next anniversary date. This performance condition reflects the total return for shareholders, calculated on the basis of the variation in the stock market price over the period in question, taking account of the gross dividend(s) paid during this period and reinvested in stocks at the time of its (their) collection. This therefore means linking the CEO's long-term remuneration mainly to the Company's (stock market) performance. The Nomination, Remuneration and Governance Committee is responsible for verifying whether the performance condition is met.
4. Clawback		The Board of Directors may decide to cancel, in full or in part, and/or modify the conditions of the options granted to the CEO which are not yet exercisable, if the latter has, in connection with his/her duties within the Company, caused a loss which is extremely detrimental to the Company.
5. Contracts and severance benefits		In the context of an open-ended service agreement, the CEO may claim compensation equivalent to eighteen months of fixed remuneration if he is removed from office without serious grounds. The amount of this compensation was set on the recommendation of the Nomination, Remuneration and Governance Committee.
6. Minimum threshold of GBL shareholding		The CEO must hold GBL shares for an amount equivalent to one year's reference gross fixed remuneration (itself defined as two times the net fixed remuneration), it being specified that he has twelve months from January 1st, 2020 in which to construct this position, and that he must keep these shares for at least six months after the end of his contract with the Company if he were to decide to leave the group voluntarily. The equivalence between the value of the position in shares and the value of the remuneration in question is verified in May each year.

The fixed annual remuneration in cash of non-executive Directors is as follows:

In EUR	Per meeting	Member	Chairperson
Board of Directors	3,000	27,500	150,000
Standing Committee	3,000	15,000	15,000
Other Committees	3,000	12,500	12,500

Further to the entry into force of the 2020 Code, non-executive Directors also receive fixed annual remuneration in Company's shares (350 shares). These shares must be kept at least three years after their grant. The shareholding structure and composition of the Board of Directors explain the term of retention of the shares granted in this way to non-executive Directors, which deviates from the 2020 Code. In addition, as set out in the Charter (Chapter III. A. 2.), any non-executive Director must, at all times, own at least 100 Company's shares.

Non-executive Directors benefit from a Directors' and Officers' liability insurance (D&O) and from a contractual coverage from the Company for the terms of office they exercise in the governance bodies of the companies in the GBL portfolio.

3.2. Remuneration report

This remuneration report will be submitted for approval at the Ordinary General Shareholders' Meeting on April 28, 2020. It concerns the 2019 financial year. Remuneration relating to the 2019 financial year complies with the remuneration policy that was applicable to that financial year. As far as needed, the remuneration policy, which appears in point 3.1. above, is incorporated into this remuneration report.

3.2.1. Executive Management

The remuneration paid to the Executive Management in 2019 is shown below. As a reminder, Ian Gallienne has been in charge of the operational management of the Company on his own since the Ordinary General Shareholders' Meeting of April 23, 2019. The remuneration of Gérard Lamarche therefore concerns the period from January 1st, 2019 to April 23, 2019, the date of the General Shareholders' Meeting.

Summary

Amounts paid in 2019	Ian Gallienne	Gérard Lamarche
Status	Independent (1)	Independent (1)
Fixed remuneration (net)	EUR 929,041 (2)	EUR 269,954 (4)
Fixed remuneration (gross)	*EUR 1,588,718* (3)	*EUR 321,609* (3)
Pension and life insurance	EUR 217,425	EUR 55,291
Other benefits	EUR 86,761	EUR 35,692
Benefits in kind relating to the use of a company car, driver, mobile phone, computer	*EUR 19,683*	*EUR 12,030*
Insurance (hospitalisation, health and disability)	*EUR 67,078*	*EUR 23,662*

(1) A self-employed person carries out a gainful professional activity without being tied to an employer through an employment contract
(2) Net fixed remuneration: EUR 860,000 up to the General Shareholders' Meeting of April 23, 2019, EUR 960,000 from April 24, 2019 onwards
(3) This figure includes the Director's fees collected from portfolio companies
(4) Net fixed remuneration up to the General Shareholders' Meeting of April 23, 2019

Minimum threshold of GBL shareholding

On December 31, 2019, Ian Gallienne held 20,000 GBL shares, which represents 97.9% of one year's gross fixed remuneration.

Share purchase options

Stock options on shares exercised in 2019

	Ian Gallienne	Gérard Lamarche
Type of plan	Stock options on shares of a sub-subsidiary (see page 190)	
Year of allocation of options exercised	2016	2016
Number of options exercised	73,800	73,800
(Average) net sale price of underlying shares	EUR 29.33	EUR 27.48
Type of plan	Stock options on shares of a sub-subsidiary (see page 190)	
Year options sold were granted	2015	-
Number of options sold	10,000	-
Sale price (average)	EUR 13.09	-

The stock options exercised in 2019 were allocated in 2016 under a plan which stated that:

- the options may be exercised from the 3rd anniversary of they were granted, i.e. from May 3, 2019 onwards;
- the options are only exercisable if the portfolio's TSR is at least 5% per year on average over the period since they were granted (the "Performance Condition");
- the calculation is carried out the day before the 3rd anniversary of allocation, i.e. May 2, 2019;
- the Nomination, Remuneration and Governance Committee is responsible for verifying whether the Performance Condition is met.

Based on an analysis conducted by an independent expert, the Nomination, Remuneration and Governance Committee established, on May 8, 2019, that the Performance Condition was met.

No options held by the Executive Management expired during the 2019 financial year.

Stock options on shares granted in 2019

	Ian Gallienne	Gérard Lamarche
Number of options granted in 2019	86,400	0
Carrying amount of the award as of December 31, 2019 (IFRS)	EUR 3.77	-
Decision	Board of Directors meeting of March 14, 2019 Ordinary General Shareholders' Meeting of April 23, 2019	
Stock option characteristic	Options to purchase shares in a GBL subsidiary	
Exercise price	EUR 10	
Vesting date	05/10/2022	
Expiry date	05/09/2029 (duration of the plan: 10 years)	
Exercise period	At any time from 05/10/2022 until 05/09/2029 (inclusive)	
Performance condition	Every calendar year between the 4th and the 10th year of the plan, the options are only exercisable if the TSR is at least 5% per year on average over the period since the options were granted	

3.2.2. Non-executive Directors

In 2019, an overall sum of EUR 1,583,333 was paid to the non-executive Directors and distributed as follows:

In EUR	Board Member	Member of the Standing Committee	Member of the Audit Committee	Member of the Nomination, Remuneration and Governance Committee	GBL Total	Other [1]	Total
Antoinette d'Aspremont Lynden	51,500	0	37,000 [2]	0	88,500	0	**88,500**
Laurence Danon Arnaud	51,500	0	0	21,500	73,000	0	**73,000**
Victor Delloye	51,500	27,000	0	0	78,500	120,000 [7]	**198,500**
Paul Desmarais, Jr.	154,667 [4] [5]	27,000	0	0	181,667	359,583 [3] [8]	**541,250**
Paul Desmarais III	45,500	27,000	0	0	72,500	106,833 [9]	**179,333**
Gérald Frère	118,167	37,000 [2]	0	0	155,167	18,038 [10]	**173,205**
Cedric Frère	51,500	27,000	0	0	78,500	15,625 [11]	**94,125**
Ségolène Gallienne	45,500	24,000	0	0	69,500	0	**69,500**
Claude Généreux [6]	33,333	16,000	0	0	49,333	0	**49,333**
Gérard Lamarche [6]	36,333	19,000	0	0	55,333	432,085 [12]	**487,418**
Xavier Le Clef [6]	36,333	19,000	17,333	11,333	84,000	0	**84,000**
Jocelyn Lefebvre	51,500	27,000	17,333	0	95,833	0	**95,833**
Marie Polet	51,500	0	24,500	18,500	94,500	0	**94,500**
Thierry de Rudder	60,667 [4]	32,000	0	0	92,667	43,712 [13]	**136,378**
Gilles Samyn [15]	12,167	8,000	7,167	10,167	37,500	81,365 [14]	**118,865**
Amaury de Seze	51,500	27,000	0	34,000 [2]	112,500	31,250 [11]	**143,750**
Agnès Touraine	51,500	0	0	21,500	73,000	0	**73,000**
Martine Verluyten	42,500	0	18,500	0	61,000	0	**61,000**
Arnaud Vial [15]	15,167	8,000	7,167	0	30,333	0	**30,333**
Total	**1,012,333**	**325,000**	**129,000**	**117,000**	**1,583,333**	**1,208,492**	**2,791,825**

(1) Other remuneration in cash or in kind attached to the offices held within the group
(2) Chairman of a Committee (two times the fixed fees of a Member)
(3) Of which CHF 100,000 received in the form of LafargeHolcim shares during the 2019 financial year for the 2018 financial year
(4) Vice-Chairman of the Board (two times the fixed fees of a Director) up to April 23, 2019
(5) Chairman of the Board (EUR 150,000) from April 23, 2019 onwards
(6) From the General Shareholders' Meeting of April 23, 2019 onwards
(7) Fees received by the Director for a term of office held within a wholly-owned subsidiary of the Group
(8) Fees received by the Director in respect of his positions at LafargeHolcim and SGS
(9) Fees received by the Director in respect of his position at Imerys
(10) Benefit in kind relating to a company car
(11) Fees received by the Director in respect of his position at Sienna Capital
(12) Fees received by the Director in respect of his positions at SGS, Umicore and LafargeHolcim and for his assignments at GBL for a 8-month period
(13) Of which EUR 31,250 in fees received by the Director in respect of his position at Sienna Capital and benefit in kind of EUR 12,462 relating to a company car
(14) Of which EUR 40,000 paid to Frère-Bourgeois, of which the Director is the permanent representative, EUR 15,625 in fees in respect of his position at Sienna Capital, and EUR 27,333 in respect of his position at Pernod Ricard (up to April 23, 2019)
(15) Up to the General Shareholders' Meeting of April 23, 2019.

No loan agreement with the Company or with any of its subsidiaries was executed by a non-executive Director.

Gérard Lamarche also became Senior Advisor after the 2019 General Shareholders' Meeting in accordance with a contract which includes the following main conditions:

- Gérard Lamarche represents GBL on the Boards of certain of its portfolio companies and may be given ad hoc advisory assignments by GBL;
- these provisions took effect after the General Shareholders' Meeting of April 23, 2019 and are contractually agreed for a period of two years, renewable for a further two-year period unless one of the parties gives notice;
- Gérard Lamarche has signed a non-compete undertaking;
- for all these mandates and possible assignments, Gérard Lamarche receives gross annual remuneration of EUR 700,000 (including remuneration and attendance fees received from the portfolio companies and GBL).

4. Auditing of the financial statements

The Ordinary General Shareholders' Meeting of April 23, 2019 appointed:
Deloitte Reviseurs d'Entreprises SC s.f.d. SCRL
Gateway building
Luchthaven Nationaal 1 J
1930 Zaventem

represented by Corine Magnin as Statutory Auditor for a period of three years, and set its fees for this audit assignment at EUR 76,500, exclusive of VAT.

In the exercising of his/her duties, the Statutory Auditor maintains close relations with the CEO and has free access to the Board of Directors via the Audit Committee. Furthermore, he/she may address directly and with no restrictions the Chairman of the Audit Committee and the Chairman of the Board of Directors.

At group level (GBL and its wholly-owned subsidiaries, identified under the heading "Holding" in note 1, page 120), the overall fees paid to Deloitte for its audit of the 2019 financial statements total EUR 5,698,496. Details regarding the fees paid to Deloitte may be found in note 33, page 161.

From left to right: Xavier Likin, Priscilla Maters, Ian Gallienne and Colin Hall

5. Staff and organisation

5.1. Management

Colin Hall
Born on November 18, 1970, of US nationality.

Colin Hall has an MBA from the Stanford University Graduate School of Business. He began his career in 1995 as a financial analyst at Morgan Stanley in private equity in New York. In 1997 he joined the Rhône Capital group, a private equity fund, where he held several positions over 10 years, in New York and then London. In 2009 he co-founded a hedge fund sponsored by Tiger Management (New York), where he worked until 2011.

In 2012 he joined Sienna Capital, a wholly-owned subsidiary of GBL grouping together its alternative investments (private equity, debt funds and funds with specific themes), as CEO. In 2016, he was appointed Head of Investments at GBL.

Xavier Likin
Born on June 24, 1968, of Belgian nationality.

Xavier Likin is a Commercial Engineer and holds certificates in taxation from the Solvay Brussels School of Economics and Management (ULB).

He began his career in Central Africa in the car distribution sector, in which he held a number of administrative and financial positions at MIC. He joined PwC in 1997, where he became a senior manager and was appointed as a Statutory Auditor (CPA) by the Institut des Réviseurs d'Entreprises.

In 2007, he joined Ergon Capital Partners as Chief Financial Officer. Then, in June 2012, he was appointed Group Controller at GBL. He has been its Chief Financial Officer since August 1st, 2017.

Priscilla Maters
Born on April 26, 1978, of Belgian nationality.

Priscilla Maters has law degrees from the Université Libre de Bruxelles and the London School of Economics (LLM). She began her career in 2001 with law firms in Brussels and London (including at Linklaters), where she specialised in mergers and acquisitions, capital markets, financing and business law.

In 2012 she joined GBL and currently holds the positions of Chief Legal Officer and General Secretary.

5.2. Organisation

Investments

From left to right:
Louis Declercq, Laurent Raets, Michael Bredael (front), Jérôme Derycke (back), Jonathan Rubinstein, Colin Hall (front), Martin Doyen (back), Nicolas Gheysens.

Other employees
Dominique Stroeykens, Audrey Libotte.

Finance

From left to right:
Guglielmo Scodrani, Céline Loi, Xavier Likin, Philippe Tacquenier, Sophie Gallaire, Anne-Claire Jedrzejczak, Illiass Albukili, Pascal Reynaerts, Serge Saussoy, Céline Donnet, Geoffroy Hallard.

Other employees
Philippe Debelle, Noëline Dumbi, Bénédicte Gervy, Philippe Lorette, Lydia Papaioannou, Viviane Veevaete.

Legal and administrative affairs

From left to right:
Priscilla Maters, Pierre-Guillaume le Hodey, Yves Croonenberghs.

Other employees
Pierre de Donnea, Carine Dumasy, Isabelle Meert, José De La Orden, Aymeric de Talhouët, Eddy Vanhollebeke, Serge Walschaerts.

Assistants to the CEO
Valérie Huyghe, Christelle Iurman.

6. Risk management and internal control

GBL's Board of Directors is responsible for assessing the risks inherent to the GBL group and the effectiveness of the internal control system. With regards to risk management and internal control, the Belgian legislative framework consists of the law of December 17, 2008 (application of European Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts) and the law of April 6, 2010 (the so-called "Corporate Governance" Law). The 2009 Belgian Corporate Governance Code also includes provisions on that topic. Besides, the IFRS 7 standard defines additional requirements for the management of risks related to financial instruments. Since 2006, GBL has formalised its internal control and risk management system based on the COSO model [1].

The COSO methodology is based on five areas: the control environment, risk assessment, control activities, information and communication, and supervision and monitoring.

6.1. Control environment

6.1.1. The Company's objective

GBL's primary objective is to create, over the long term, value for its shareholders. GBL strives to develop a quality portfolio focused on a targeted number of companies that are leaders in their sector and in which it can play an active role as an engaged and responsible shareholder creating value over the long term. The portfolio will evolve over time while remaining balanced in terms of sectorial and geographic diversification.

GBL invests and divests depending on companies' development and market opportunities in order to achieve its objective of value creation, while maintaining a solid financial structure.

Internal control at GBL contributes to the safeguarding of assets and the control and optimisation of transactions. It aims at providing reasonable assurance about achievement of the objectives of compliance with laws and regulations in force and the reliability of accounting information and financial reporting. Like any control system, it can only provide a reasonable assurance that the risks of errors or fraud are totally controlled or eliminated.

6.1.2. Role of the governance bodies

GBL has a Board of Directors, a Standing Committee, a Nomination, Remuneration & Governance Committee and an Audit Committee. Their respective modes of operation are described from page 188 to page 190. The Audit Committee is in charge in particular of checking the effectiveness of the company's internal control and risk management systems. In this context, the Audit Committee also monitors the proper application of a whistle blowing procedure. The majority of its members, all of whom are designated by the Board, are independent Directors. The Chairman of the Audit Committee is appointed by the members of the Committee and cannot be the Chairman of the Board of Directors.

6.1.3. Risk culture

GBL aims at investing in companies that offer potential for value creation in the long term. New opportunities and portfolio management are monitored continuously at the highest level (see "Portfolio risk" in page 83). The divestment policy (as detailed in page 16 of the Strategy section) aims at disposing of investments that no longer meet the group's investment criteria.

6.1.4. Professional ethics

GBL has adopted a Corporate Governance Charter and a Code of Conduct that are regularly updated and aim to ensure conduct that is honest, ethical and complies with the laws, regulations and principles of good governance, by the group's Directors and staff in the exercise of their duties. Pierre de Donnea serves as Compliance Officer.

6.1.5. Measures adapted to ensure appropriate competence

The Nomination, Remuneration & Governance Committee reviews candidacies and seeks to ensure that a satisfactory balance is maintained within the Board of Directors in terms of its members' competences, knowledge and experience, particularly in the fields of finance, accounting and investment. The Board of Directors conducts on a regular basis, at intervals of no more than three years, assessments of itself and its Committees in terms of size, composition and performance. In this context, it also examines regularly the interaction between non-executive Directors and the CEO.

Furthermore, a recruitment process suited to the profiles sought, appropriate training and a remuneration and evaluation policy based on the achievement of targets enable to ensure the competence of GBL's staff.

6.2. Risk analysis

GBL has set up a formal risk analysis and assessment process since 2006.

The Audit Committee carries out a thorough exercise for the identification of risks faced by GBL and their ranking every three years. The risks identified during the last assessment carried out in 2018 are presented on pages 82 to 87.

Furthermore, the risks and their level of control are reviewed annually, notably based on changes in the portfolio, economic parameters or the control environment.

The Audit Committee reviews the analysis and assessment of the risks performed by the Management, and validates the operational effectiveness of the internal control systems. When necessary, it ensures that the CEO implements a corrective action plan.

The current level of control of these risks (see "Control activities" below) appears sufficient and no additional measures are required to be implemented.

6.3. Control activities

Control activities encompass all measures taken by GBL to ensure that the identified key risks are appropriately controlled.

Risk prioritisation has been carried out based on impact (financial, reputational, legal or operational) and occurrence criteria.

This analysis revealed that GBL is exposed simultaneously to:

- exogenous risks, whose materialisation depends on factors outside its control but whose impact the group aims at limiting;
- endogenous risks that arise from its own environment.

The specific risks related to the participations are identified and addressed by the companies themselves within the framework of their own risk management and internal control. The table on page 81 mentions links to the websites where these companies' analyses conducted on risk identification and internal control can be found.

6.4. Information and communication

GBL has developed a standardised information flow process in order to communicate reliable financial information to shareholders in a timely manner. GBL has been applying IFRS requirements since 2000.

Its assessment rules and accounting principles are published every year in its annual report. Standardised financial reporting is used both upstream and downstream within GBL group in order to ensure the consistency of data and to detect potential anomalies.

A financial calendar for this reporting is established every year in consultation with the controlling shareholder, the subsidiaries and the associated companies based on the publication dates.

(1) The COSO (Committee of Sponsoring Organisations of the Treadway Commission) is a recognised private, international, non-governmental organisation active in the areas of governance, internal control, risk management and financial reporting

The Investor Relations department ensures that significant transactions and important changes within the group are communicated in an accurate and timely manner.

6.5. Supervision and monitoring

Supervision is exercised by the Board of Directors through the Audit Committee. Given the structure and nature of GBL's activities, there is no internal auditor's function. This situation is assessed on a yearly basis and has so far been deemed appropriate.

The Statutory Auditor (Deloitte Reviseurs d'Entreprises) also reviews on a yearly basis the internal control on the risks related to GBL's financial statements. This review of internal control forms part of its assignment of certifying GBL's statutory and consolidated financial statements in compliance with audit standards applicable in Belgium. More specifically, the Statutory Auditor tests, on the basis of a triennial rotation plan, the operational effectiveness of internal control with regards to risks that are deemed critical in relation to the financial statements. Its work consists of discussions with members of the organisation while testing a given number of transactions.

The conclusions of this work are presented in a report submitted to GBL and do not reveal any major deficiencies in the internal control. The report is submitted to the members of the Audit Committee.

7. Policy on conflicts of interest

Chapter III, point A. 4.2.2. of the Charter describes the Company's policy on transactions or other contractual relations between the Company, including affiliated companies, and Directors, in cases where these transactions or other contractual relations are not covered by legal provisions on conflicts of interest. It also provides for the application of specific procedures laid down in Articles 523 and 524 of the Companies Code, which became Articles 7:96 and 7:97 of the Code on companies and associations on January 1st, 2020.

Conflicts of interest situations, as defined by Article 523 of the Companies Code (Article 7:96 of the Code on companies and associations), were brought to the attention of the Board of Directors at meetings in 2019 and were addressed in accordance with the procedure provided for in this Article. As can be seen from one of the extracts below, some Directors, to whom the legal conflicts of interest rules were nevertheless not applicable, abstained in accordance with the policy set out in the Charter.

The Statutory Auditor was informed of these situations and an extract from the minutes relating to these resolutions is reproduced in its entirety below:

7.1. Board of Directors' meeting of March 14, 2019

" ... Remuneration of the Chief Executive Officer

Since this item concerned the remuneration of Ian Gallienne, he stated that there was a conflict of interest on his part. Article 523 of the Companies Code therefore applies and the Company's Auditor was advised of this situation in advance. He temporarily left the meeting with Gérard Lamarche, Colin Hall and Xavier Likin.

Gérald Frère, Cedric Frère and Ségolène Gallienne did not wish to take part in the vote for professional ethics reasons, due to their family ties.

Amaury de Seze reminded the meeting that after the 2019 General Shareholders' Meeting, Ian Gallienne would manage the duties of Company CEO on his own. The Nomination and Remuneration Committee therefore recommended changing his net annual remuneration to EUR 960,000. It stated that this amended remuneration would be fixed for a three-year period.

It was also proposed that, in 2019, Ian Gallienne would be granted for his GBL CEO role long-term remuneration similar to that of last year, and to therefore set it at 225% of the gross annual reference remuneration, equivalent to twice the annual fixed net remuneration. The amount of the value of the shares underlying the options to be granted in 2019 would be EUR 4.32 million, i.e. 86,400 options. The options would have exactly the same characteristics as those granted in 2018. Therefore, they could only be exercised three years after they were granted, within the windows provided for by the plan, and provided that on that date the three-year TSR was at least 5% on average per year. This condition must also be met each subsequent year on the anniversary date to enable the exercising of options during the twelve months that follow, with in each case the TSR covering the period since the options were granted.

As regards the 2019 employee option plan, the Committee had been informed of the Executive Management's decision to grant to the GBL group's staff in 2019 options with underlying shares in subsidiaries of a maximum value of EUR 11.62 million.

The plan for employees and the CEO, as in 2018, would take the form of an annual stock option plan on existing shares in a GBL subsidiary, which would mainly hold GBL shares to be financed through equity and bank financing, guaranteed by GBL at the market rate.

In the context of this guarantee, the Board was invited to read the report to be drawn up in accordance with Article 629 of the Companies Code, and to authorise the CEO with the option of substitution to implement the incentive plan and in particular to:

- *constitute the GBL subsidiary (FINPAR IV);*
- *negotiate the credit agreement with a financial institution and the pledge and security agreements for a maximum amount of EUR 12.8 million;*
- *organise management of the option plan, including option liquidity;*
- *complete and fulfil, within this framework and in GBL's name, all other formalities required by the incentive plan.*

The principle behind the plan and the maximum value of the assets of the subsidiary underlying the options to be granted in 2019 to the CEO, amounting to EUR 4.32 million, and the guarantee to be granted by GBL for the credit of a maximum amount of EUR 12.8 million, would be subject to the approval of the Ordinary General Shareholders' Meeting on April 23, 2019.

The Board approved the recommendations of the Nomination and Remuneration Committee referred to above."

7.2. Board of Directors' meeting of October 31, 2019

" ... New Corporate Governance Code

Before starting his speech, Paul Desmarais, Jr. stated that the decisions to be taken required application of the procedure provided for by Article 523 of the Companies Code. Ian Gallienne therefore left the meeting as he was subject to a conflict of interest within the meaning of Article 523 of the Companies Code. The company's Statutory Auditor was informed of this situation.

Amaury de Seze continued, stating that against the backdrop of the new Corporate Governance Code, the Nomination and Remuneration Committee had met on October 7 and made the following recommendations to the Board of Directors:

1. *the annual award of 350 shares to non-executive Directors. This award will fall within the Directors' remuneration budget. Authorisation will therefore need to be obtained at the General Shareholders' Meeting next April. These shares must be kept at least three years after their grant.*
2. *to ask that the CEO retain GBL shares of up to one year's gross remuneration (i.e. EUR 1.92 million). For information, Ian Gallienne already owns 20,000 GBL shares.*

3. *to ask that the CEO retain his GBL shares for at least six months after his departure if he decided to leave the group voluntarily.*
4. *to include, in Ian Gallienne's contract, a clawback clause based on the template contained in the file.*
5. *to approve the new Corporate Governance Charter contained in the file, including the change of the Committee's name to the "Nomination, Remuneration and Governance Committee".*

After a discussion, the Board unanimously approved the recommendations of the Nomination, Remuneration and Governance Committee, which will enter into force on January 1st, 2020."

Finally, no transactions requiring the application of Article 524 of the Companies Code (Article 7:97 of the Code on companies and associations) were submitted to the Board of Directors in 2019.

8. Policy relating to transactions in GBL securities

The rules relating to transactions in GBL securities are reproduced in the "Dealing Code", which is presented in Appendix 2 to the Charter. The Dealing Code lays down the Company's internal policy on the prevention of market abuse. More specifically, it establishes the rules designed to prevent the illegal use of inside information by Directors, employees of the Company and the GBL group. Under these rules, it defines the windows during which these people are prohibited from buying or selling, or trying to purchase or sell, on their own behalf or that of a third party, either directly or indirectly, GBL securities ("closed periods").

A calendar of the closed periods, as defined in the Charter, is also transmitted to the CEO, other Directors and staff.

In addition, the Directors and other potential insiders, whose names are included on a list kept by the Company, must inform the General Secretary before carrying out any transaction in GBL securities.

Finally, GBL's Directors and persons closely connected to them are also legally obliged to notify the Belgian Financial Services and Markets Authority (FSMA) of any transactions in GBL securities performed on their own behalf.

The General Secretary ensures the application of all legal measures relating to market abuse and measures laid down by the Charter. She is available to provide the members of the Board of Directors and staff with any information on this subject.

9. Shareholders

9.1. Compliance with the provisions of the 2020 Code concerning shareholders

The Company complies with all of the provisions of the 2020 Code concerning shareholders.

Accordingly, one or more shareholders who collectively own at least 3% of the Company's share capital may request the addition of an item to the agenda of the General Shareholders' Meeting, and may also submit proposals for decisions concerning the items to be discussed or to be placed on the agenda. The threshold from which one or more share-holders may request the calling of a General Shareholders' Meeting is set at 10% of the share capital.

Furthermore, the Company publishes the results of votes and the minutes of the General Shareholders' Meeting on its website as soon as possible after the meeting.

9.2. Relations with the controlling shareholder

The Company's shareholders are described in more detail in point 1.1.1. above.

9.3. Information on shareholding structure

9.3.1. Notification in accordance with legislation on takeover bids

On February 21, 2008, the Company received notification from its controlling shareholders concerning their interest in GBL as of September 1st, 2007.

This notification was transmitted in accordance with Article 74 § 7 of the law of April 1st, 2007 on takeover bids. Under this law, shareholders who own more than 30% of the capital of a listed company are exempted from the obligation to launch a public takeover bid on this company provided that they have notified the FSMA of their shareholding by the time of the law's entry into force (i.e. September 1st, 2007) and the company concerned by February 21, 2008 at the latest.

Also pursuant to this law, these shareholders are obliged to report any change in their controlling interest to the FSMA and to the company each year. They therefore sent GBL an update of the controlling shareholding structure as of September 2, 2019, which is reproduced below:

- **Number and percentage of shares with voting rights held by the declaring parties**

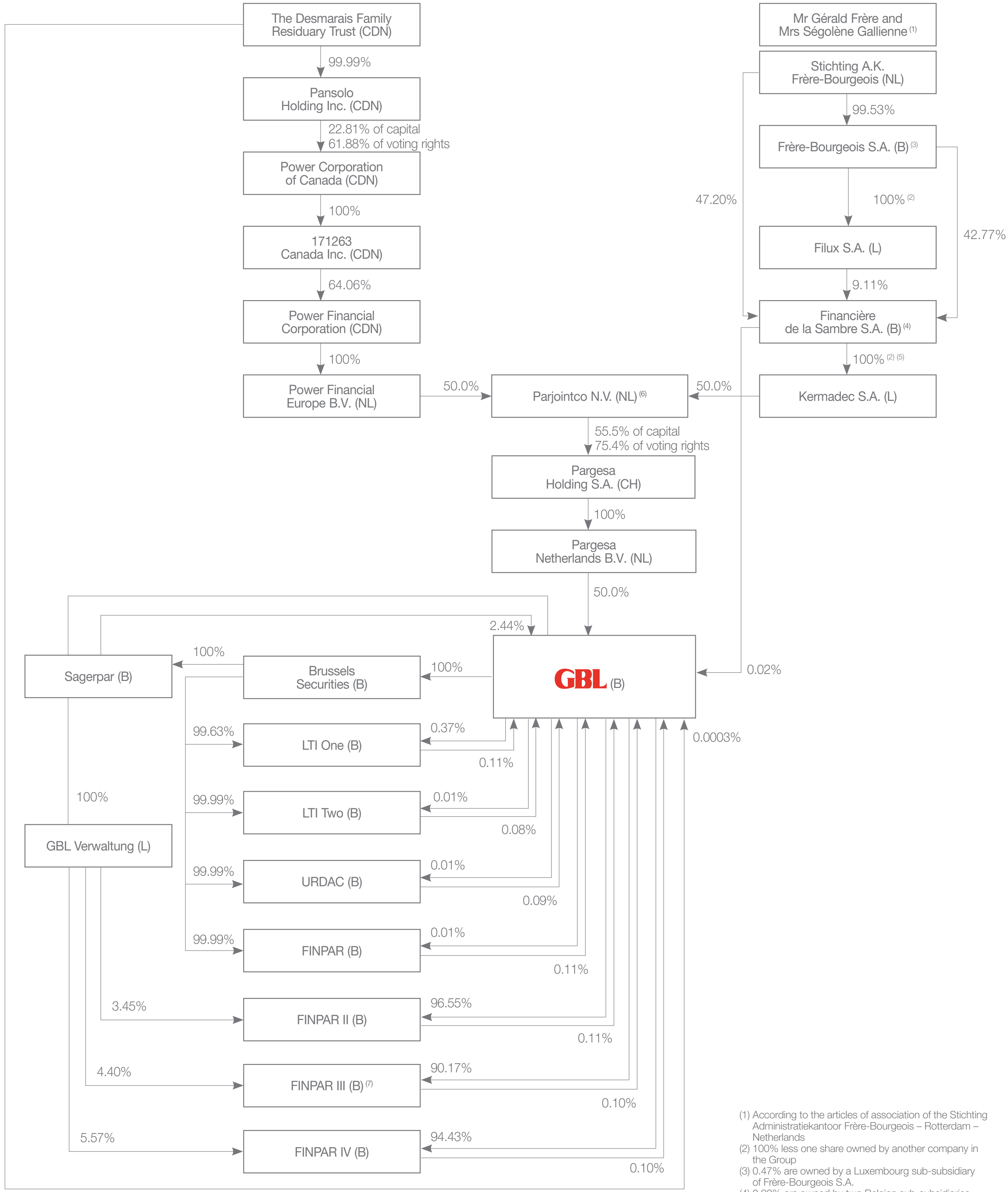
Shareholders	Number of shares with voting rights	%
Pargesa Netherlands B.V.	80,680,729	50.00
Sagerpar (1)	3,932,610	2.44
LTI One (1)	185,185	0.11
LTI Two (1)	129,770	0.08
URDAC (1)	141,108	0.09
FINPAR (1)	180,640	0.11
FINPAR II (1)	171,678	0.11
FINPAR III (1)	161,956	0.10
FINPAR IV (1)	154,568	0.10
Financière de la Sambre S.A.	38,500	0.02
The Desmarais Family Residuary Trust	500	p.m.
Total	**85,777,244**	**53.16**

(1) Shares with suspended voting rights

- **Natural and/or legal person(s) ultimately controlling the declaring legal persons**
  The Desmarais Family Residuary Trust, Gérard Frère and Ségolène Gallienne, bound by an acting-in-concert agreement.

Governance

Chain of control as of August 30, 2019



(1) According to the articles of association of the Stichting Administratiekantoor Frère-Bourgeois – Rotterdam – Netherlands
(2) 100% less one share owned by another company in the Group
(3) 0.47% are owned by a Luxembourg sub-subsidiary of Frère-Bourgeois S.A.
(4) 0.92% are owned by two Belgian sub-subsidiaries of Financière de la Sambre S.A.
(5) Financière de la Sambre S.A. owns 100% (less one share) of the ordinary shares of Kermadec S.A. Filux S.A. owns 100% of the preferential shares of Kermadec S.A.
(6) Joint control
(7) The balance of capital of FINPAR III is owned by a wholly-owned subsidiary of GBL

9.3.2. Notification of major holdings in 2019

In accordance with Belgian legal requirements on transparency, all GBL shareholders must make a disclosure whenever their voting rights either exceed or fall below the thresholds of 5%, 10%, 15% and all other multiples of 5% of the total voting rights.

GBL's Articles of Association do not lay down a declaration threshold lower than 5% or 10%.

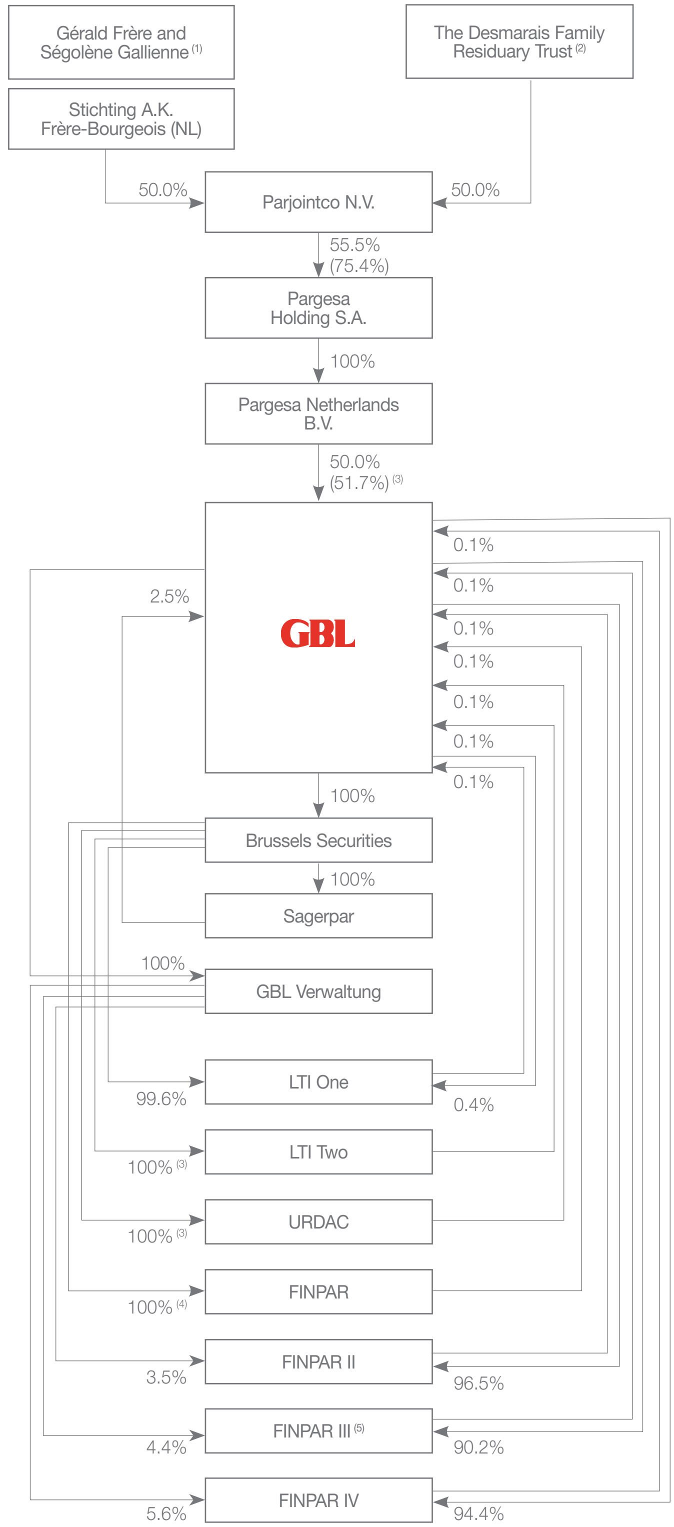
A proposal will be put to the Extraordinary General Shareholders' Meeting of April 28, 2020 to amend the Articles of Association in order to grant double voting rights for Company shares that have been registered for at least two years, without interruption, in the name of the same shareholder in the register of registered shares (see page 91).

On April 4, 2019, GBL received a transparency notification from Artisan Partners Limited Partnership, which notified GBL that it had fallen below the threshold of 5% and now held 4.98% of GBL's voting rights.

9.3.3. Shareholding structure as of December 31, 2019

Shareholders	Number of voting rights		% of voting rights		Date threshold crossed
	Linked to securities	Not linked to securities	Linked to securities	Not linked to securities	
Gérald Frère, Ségolène Gallienne, Stichting Administratiekantoor Frère-Bourgeois, The Desmarais Family Residuary Trust and Pargesa Netherlands B.V.	83,313,547	-	51.63%	-	December 3, 2018
Artisan Partners Limited Partnership	8,042,762	-	4.98%	-	March 22, 2019

9.3.4. Simplified control chart of GBL as of December 31, 2019



( ) Voting rights
(1) Under the articles of association of the Stichting Administratiekantoor Frère-Bourgeois (Rotterdam – Netherlands), these two people exercise joint control over the voting rights linked to certified securities
(2) Trustees of a trust set up on the death of Paul G. Desmarais, for the benefit of certain members of the Desmarais family
(3) Taking into account suspended voting rights relating to treasury shares
(4) Of which 10 shares owned by GBL
(5) The balance of capital of FINPAR III is owned by a wholly-owned subsidiary of GBL

10. Other information relating to the Company

10.1. History and development

The Company was founded as the result of the merger in April 2001 between GBL S.A. and Electrafina, in which GBL S.A. held a stake of more than 80%.

Over the years, Electrafina became the "energy arm" of the group, holding its interests in the oil and electricity industries.

Later, it also invested in media. GBL S.A. on the other hand held direct interests in fields such as financial services, real estate and trade. Over time, the differences between the assets of the parent company and its subsidiary became less pronounced and all assets were brought together into a single entity.

This merger also conformed to the group's strategy of keeping its assets internationally positioned in a portfolio in a context of concentration and increasing competition, which resulted in its divestment of the financial services and the sale of interests that had become marginal.

Since then, the group's portfolio has been composed of companies with an international footprint which are leaders in their market, and within which GBL can contribute to the creation of value in its role as active professional investor.

10.2. Name

Groupe Bruxelles Lambert
Groep Brussel Lambert
in abbreviated form "GBL"

The French and Dutch registered names may be used together or separately.

10.3. Registered office

24, avenue Marnix - 1000 Brussels

The registered office may be transferred to any other address in Belgium by decision of the Board of Directors.

10.4. Legal form, incorporation and statutory publications

The Company was incorporated on January 4, 1902 as a limited liability company under Belgian law, by deed executed by Edouard Van Halteren, Notary in Brussels, published in the Appendices to the Belgian Official Gazette of January 10, 1902, reference number 176. The Articles of Association have been amended on a number of occasions, most recently by a deed dated April 26, 2016 published in the Appendices to the Belgian Official Gazette of June 7, 2016, reference numbers 16077518 and 16077519.

10.5. Legislation governing its activities

The Company is governed by existing and future laws and regulations applicable to public limited companies and by its Articles of Association.

10.6. Register of Legal Entities

The Company is registered in the Register of Legal Entities (RLE) under the business number 0407.040.209.

10.7. Legal Entity Identifier

The Company's Legal Entity Identifier is 549300KV0ZEHT2KVU152.

10.8. Term

The Company is incorporated for an unlimited period.

10.9. Corporate purpose

The Company's purpose is to:

- conduct, on its own behalf or on behalf of third parties, any real estate, financial and portfolio management transactions; to this effect, it may create companies or bodies, acquire shares therein, and conduct any financing, payment, lending, security or deposit operations;
- carry out any studies and provide technical, legal, accounting, financial, commercial, administrative or management assistance on behalf of companies or bodies in which it directly or indirectly owns shares, or on behalf of third parties;
- provide, on its own behalf or on behalf of third parties, any transport or transit operations.

The Company may have an interest, through a contribution or merger, in any companies or bodies already created or to be created whose purpose is similar, related to its own or is of such a nature as to confer on it an advantage in the pursuit of its corporate purpose.

10.10. Share capital

10.10.1. Issued capital

As of December 31, 2019, the fully paid-up share capital amounted to EUR 653,136,356.46. It is represented by 161,358,287 shares without nominal value.

All of the shares making up the share capital have the same rights.

In accordance with Article 27 of the Articles of Association, each share entitles its holder to one vote. A proposal will be put to the Extraordinary General Shareholders' Meeting of April 28, 2020 to amend the Articles of Association to grant double voting rights for Company shares that have been registered for at least two years, without interruption, in the name of the same shareholder in the register of registered shares (see page 91).

GBL has not issued any other class of shares, such as non-voting or preferential shares.

In accordance with the law of December 14, 2005 on the elimination of bearer shares, holders of bearer shares had to convert them into registered or dematerialised shares by December 31, 2013 at the latest. Bearer shares that had not yet been converted into registered or dematerialised shares on January 1st, 2014 were automatically converted into dematerialised shares registered in a securities account in GBL's name.

Since January 1st, 2014, the exercise of bearer share rights has been suspended in accordance with the law.

The law also provides that, as from January 1st, 2015, issuers must put any unclaimed bearer shares up for sale on the stock market and announce this mandatory sale in good time in line with the applicable regulations. Once the unclaimed bearer shares have been sold, the net proceeds of this sale (in other words the proceeds less any custodian costs) must be transferred to the Caisse des Dépôts et Consignations within fifteen days.

In accordance with this obligation two notices, which among other things stated the maximum number of securities liable to be put up for sale and the depositing deadline and location for bearer shares, were published by GBL and Euronext on their websites. An initial notice was published on December 5, 2014 and concerned 69,082 unclaimed bearer shares, while a second notice was published on October 2, 2015 relating to 32,656 bearer shares from share exchange reserves.

These notices were also inserted in the Belgian Official Gazette of December 11, 2014 and October 6, 2015 respectively. Following the publication of these notices, the shares in question were sold on the stock exchange on January 21, 2015 (69,082 shares) and November 16, 2015 (32,656 shares). The proceeds from these sales were transferred on January 23, 2015 and November 18, 2015 to the Caisse des Dépôts et Consignations.

Since December 31, 2015, the owners of these old bearer shares have been entitled to demand payment of the corresponding proceeds from the Caisse des Dépôts et Consignations, subject to these owners being able to provide proof of ownership. However, the law of December 14, 2005 provides that from January 1st, 2016, such a repayment will be subject to a fine of 10% of the proceeds from the sale of the underlying bearer shares, calculated by year of delay commenced. GBL is therefore no longer involved in this process.

10.10.2. Authorised capital

The Extraordinary General Shareholders' Meeting of April 26, 2016 renewed, for a period of five years, the authorisation given to the Board of Directors to:

- increase the share capital, on one or more occasions, by up to EUR 125 million;
- decide to issue, on one or more occasions, convertible bonds or bonds redeemable in shares, subscription rights or other financial instruments, whether or not they are attached to bonds or other securities, and that may in time give rise to capital increases of a maximum amount such that the amount of the capital increases that may result from the exercise of these conversion or subscription rights, whether or not they are attached to such securities, does not exceed the authorised amount remaining as defined by the above-mentioned limits.

In both cases, the Board of Directors may, in the interests of the Company, limit or cancel the preferential subscription rights of the existing shareholders according to the conditions provided for by law.

This authorisation, initially granted in 1987, was renewed on May 25, 1993, May 28, 1996, May 25, 1999, April 27, 2004, April 24, 2007, April 12, 2011 and most recently on April 26, 2016. It is valid for a five-year period from June 7, 2016, i.e. until June 2021.

As of December 31, 2019, the authorised capital amounted to EUR 125 million. Based on this amount, a maximum of 30,881,431 new shares may be created.

A proposal to renew the authorisation mentioned above will be put to the Extraordinary General Shareholders' Meeting on April 28, 2020.

10.10.3. Treasury shares

The Extraordinary General Shareholders' Meeting of April 26, 2016 renewed the authorisation given to the Company's Board of Directors, for a period of five years, to buy a maximum of 32,271,657 GBL shares, in accordance with the legal provisions. The unit price may not be more than 10% lower than the lowest price in the 12 months preceding the transaction, or more than 10% higher than the highest share price of the last 20 quotes.

This authorisation also covers acquisitions by GBL's direct and indirect subsidiaries.

The same Extraordinary General Shareholders' Meeting also renewed the Company's Board of Directors' authorisation to acquire and dispose of its treasury shares when such an acquisition or disposal is necessary to prevent serious and imminent harm to the Company. This authorisation was valid for three years from June 7, 2016, i.e. until June 2019.

A proposal to renew the authorisations mentioned above will be put to the Extraordinary General Shareholders' Meeting on April 28, 2020.

The Board of Directors may also dispose of GBL shares on or off the stock market without the prior intervention of the General Shareholders' Meeting and with unlimited effect, under certain conditions.

The Company has set up a liquidity agreement with a third-party to improve the market liquidity of the GBL share. This agreement is executed on a discretionary basis by a third-party on behalf of GBL within the limits of the authorisation granted by the General Shareholders' Meeting on April 26, 2016, as well as in compliance with the applicable laws.

In 2019, GBL's Board of Directors also authorised the Company, if appropriate and depending on market conditions, to buy back treasury shares amounting to up to EUR 250 million. This authorisation is valid until April 26, 2021.

The acquisitions and disposals of treasury shares in 2018 and 2019 are presented in detail on page 142 of this annual report.

10.11. Voting rights

There are no statutory restrictions on the exercise of voting rights, without prejudice to general rules on admission to the General Shareholders' Meeting.

10.12. Documents available to the public

10.12.1. Shareholders' access to information, website and e-mail address

With the goal of facilitating access to information by its shareholders, GBL has set up a website (http://www.gbl.be).

This site, which is updated regularly, contains the information required under the Royal Decree of November 14, 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market.

This information includes the financial statements, annual reports and all press releases issued by the Company, as well as any useful and necessary information about General Shareholders' Meetings and shareholders' participation in such meetings, and in particular the conditions provided for by the Articles of Association for the calling of (Ordinary and Extraordinary) General Shareholders' Meetings.

The results of votes, as well as the minutes of General Shareholders' Meetings, are also published on the website.

The Company's e-mail address, within the meaning of Article 2:31 of the Code on companies and associations, is info@gbl.be.

10.12.2. Places where publicly-accessible documents may be consulted

The Company's Consolidated Articles of Association may be consulted at the Registry of the Brussels Commercial Court, at the Company's registered office and on its website (http://www.gbl.be).

The annual financial statements are deposited with the National Bank of Belgium and may be consulted on GBL's website. Resolutions relating to the appointment and removal of members of the Company's executive bodies are published in the Appendices to the Belgian Official Gazette.

Financial notices relating to the Company are published in the financial press. Other documents available for public inspection may be consulted at the Company's registered office.

The Company's annual report is sent each year to registered shareholders and to any person requesting a copy. It is available free of charge at the registered office.

The annual reports and all the documents referred to in this section may be consulted on the Company's website.

List of other offices held by the members of the Board of Directors between 2015 and 2019 (1)

Paul Desmarais, Jr.

Chairman of the Board of Directors

List of activities and other mandates exercised in Belgian and foreign companies:

- Director and Chairman of the Board and Co-CEO of Power Corporation of Canada (CDN).
- Director and Executive Co-Chairman of the Board of Power Financial Corporation (CDN).
- Director and Chairman of the Board of 171263 Canada Inc. (CDN) and Power Corporation International (CDN).
- Chairman and CEO of Pargesa Holding S.A. (CH).
- Chairman of the Board and Treasurer of Belvoir Canada Inc. (CDN) and Belvoir Investments Corporation (CDN).
- Chairman, Secretary/Treasurer of 4379071 Canada Inc. (CDN) and Pet Care Holdings ULC (CDN).
- Chairman of Placements Paquerais Inc. (CDN) and Desmarais Realty Corporation (CDN).
- Chairman of the Board of The Memphrémagog Golf Club Inc. (CDN).
- Vice-Chairman of 2790343 Canada Inc. (CDN), 2945355 Canada Inc. (CDN), Ansopolo Investments Corporation (CDN), Cimetière Laforest (CDN), Laforest Trustee Corporation (CDN) and Palso Investments Inc. (CDN).
- Vice-Chairman and Vice-Chairman of the Board of Sanpalo Investments Corporation (CDN).
- Co-Chairman of Louisefam Holding Corporation (CDN) and Sophiefam Holding Corporation (CDN).
- Director of 152245 Canada Inc. (CDN), GWL&A Financial Inc. (USA), Parjointco N.V. (NL), Power Communications Inc. (CDN), Power Financial Europe B.V. (NL), SGS S.A. (CH), AppDirect Inc. (USA), Great-West Life & Annuity Insurance Company of New York (USA), Lakefield Acquisition Corporation (USA), The Canada Life Assurance Company (CDN), Canada Life Financial Corporation (CDN), The Canada Life Insurance Company of Canada (CDN), Great-West Lifeco Inc. (CDN), The Great-West Life Assurance Company (CDN), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), London Life Insurance Company (CDN), London Insurance Group Inc. (CDN) and Mackenzie Inc. (CDN).
- Director and Member of the Nomination, Compensation and Governance Committee of LafargeHolcim (CH).
- Director and Member of the Executive Committee of Great-West Life & Annuity Insurance Company ("Empower") (USA) and Putnam Investments LLC (USA).
- Chairman of the Advisory Board of Sagard Private Equity Partners (F).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:

- Director of Canada Life Capital Corporation Inc. (CDN) *(until 2017)*, Great-West Financial (Canada) Inc. (CDN) *(until 2017)*, Great-West Financial *(Nova Scotia)* Co. (CDN) *(until 2017)*, Total S.A. (F) *(until 2017)*, Lafarge (F) *(until 2015)* and Steve Nash Fitness Centers (CDN) *(until 2016)*.
- Member of the Executive Committee of London Insurance Group Inc. (CDN) *(until 2017)*, The Canada Life Assurance Company (CDN) *(until 2019)*, Canada Life Financial Corporation (CDN) *(until 2019)*, The Canada Life Insurance Company of Canada (CDN) *(until 2019)*, Great-West Lifeco Inc. (CDN) *(until 2019)*, The Great-West Life Assurance Company (CDN) *(until 2019)*, IGM Financial Inc. (CDN) *(until 2019)*, Investors Group Inc. (CDN) *(until 2019)*, London Life Insurance Company (CDN) *(until 2019)* and Mackenzie Inc. (CDN) *(until 2019)*.
- Director and Deputy Chairman of the Board of La Presse Ltd (CDN) *(until 2019)*, Gesca Ltd (CDN) *(until 2019)* and Square Victoria Communications Group Inc. (CDN) *(until 2019)*.
- Vice-Chairman of 159964 Canada Inc. (CDN) *(until 2018)*

Gérald Frère

Vice-Chairman of the Board of Directors

List of activities and other mandates exercised in Belgian and foreign companies:

- Chairman of the Board of Directors of Stichting Administratiekantoor Bierlaire (NL), Domaines Frère-Bourgeois S.A. (B) and Frère-Bourgeois S.A. (B).
- First Vice-Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Director of Power Financial Corporation (CDN), Fonds Charles-Albert Frère A.S.B.L. (B) and Haras de la Bierlaire S.A. (B).
- Director Secretary of Fonds Charles-Albert Frère A.S.B.L. (B).
- Auditor of Parjointco N.V. (NL).
- Member of the Remuneration Committee of Power Financial Corporation (CDN).
- Chairman of the Raad van Bestuur of Stichting Administratiekantoor Frère-Bourgeois (NL).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:

- Chairman of the Board of Directors of Loverval Finance S.A. (B) *(until December 28, 2017)*.
- Vice-Chairman of the Board of Directors and CEO of Pargesa Holding S.A. (CH) *(until December 31, 2018)*, Financière de la Sambre S.A. (B) *(until January 25, 2018)* and Frère-Bourgeois S.A. (B) *(until January 25, 2018)*.
- Director Secretary of Fondation Charles-Albert Frère FUP (B) *(until March 11, 2019)*.
- Director of Erbe S.A. (B) *(until December 28, 2017)*.
- Member of the Related Party and Conduct Review Committee of Power Financial Corporation (CDN) *(until May 12, 2016)*.
- Regent and Member of the Budget Committee of the National Bank of Belgium S.A. (B) *(until May 22, 2018)*.
- Manager of Agriger S.P.R.L. (B) *(until June 15, 2017)*.
- Member of the Raad van Bestuur of Stichting Administratiekantoor Frère-Bourgeois (NL) *(until end February 2019)*.

(1) Other than offices held in GBL's wholly-owned subsidiaries

Ian Gallienne
CEO

List of activities and other mandates exercised in Belgian and foreign companies:
- Director of Imerys (F), Pernod Ricard (F), SGS S.A. (CH), adidas AG (D), Frère-Bourgeois S.A. (B), Compagnie Nationale à Portefeuille S.A. and Société Civile du Château Cheval Blanc (F).
- Member of the Strategic Committee of Pernod Ricard (F).
- Member of the Audit Committee of adidas AG (D).
- Member of the Remuneration Committee of Pernod Ricard (F)
- Member of the Nomination and Remuneration Committee of SGS S.A. (CH).
- Chairman of the Strategic Committee and Member of the Nomination and Remuneration Committee of Imerys (F).
- Manager of SCI Serena 2017 (F).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:
- Director of Steel Partners N.V. (B) *(until March 23, 2015)*, Gruppo Banca Leonardo SpA (I) *(until April 29, 2015)*, Ergon Capital S.A. (B) *(until February 15, 2016)*, Lafarge (F) *(until March 17, 2016)*, Erbe S.A. (B) *(until December 28, 2017)* and Umicore (B) *(until April 25, 2017)*.
- Manager of Ergon Capital II S.à r.l. (L) *(until February 15, 2016)*.
- Member of the Supervisory Board of Kartesia Management S.A. (L) *(until April 1, 2015)*.

Antoinette d'Aspremont Lynden
Director

List of activities and other mandates exercised in Belgian and foreign companies:
- Director of BNP Paribas Fortis (B).
- Chairwoman of the Audit Committee of BNP Paribas Fortis (B).
- Member of the Remuneration Committee of BNP Paribas Fortis (B).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:
- Member of the Audit Committee of BNP Paribas Fortis (B) *(until July 2019)*.
- Member of the Risk Committee of BNP Paribas Fortis (B) *(until July 2019)*.

Laurence Danon Arnaud
Director

List of activities and other mandates exercised in Belgian and foreign companies:
- Chairwoman of Primerose SAS (F).
- Director of Amundi (F), TF1 (F) and Gecina (F).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:
- Chairwoman of Leonardo & Co. (F) *(until 2015)*.
- Director of Diageo Plc. (UK) *(until 2015)*.

Victor Delloye
Director

List of activities and other mandates exercised in Belgian and foreign companies:
- Chairman of the Board of Directors of Geseluxes S.A. (L).
- Director – General Secretary of Frère-Bourgeois S.A. (B) and Financière de la Sambre S.A. (B).
- Executive Director of Compagnie Nationale à Portefeuille S.A. (B), Investor S.A. (B) and Carpar S.A. (B).
- CEO of Fonds Charles-Albert Frère A.S.B.L. (B) and Fondation Charles-Albert Frère FUP (B).
- Director of Pargesa Holding S.A. (CH), Domaines Frère-Bourgeois S.A. (B), Finer S.A. (L), Filux S.A. (L), Swilux S.A. (L), GB-INNO-BM S.A. (B) and GIB Group International S.A. (L).
- Member of the Supervisory Board of Parjointco N.V. (NL).
- Vice-Chairman of the Board of Directors of Association Belge des Sociétés Cotées A.S.B.L. (B).
- Member of the Raad van Bestuur of Stichting Administratiekantoor Bierlaire (NL), Stichting Administratiekantoor Peupleraie (NL) and Stichting Administratiekantoor Frère-Bourgeois (NL).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:
- Director – General Secretary of Loverval Finance S.A. (B) (ex-Compagnie Nationale à Portefeuille S.A.) *(until December 28, 2017)*, Erbe S.A. (B) *(until December 28, 2017)*, Compagnie Immobilière de Roumont S.A. (B) *(until December 13, 2018)*, Europart S.A. (B) *(until November 12, 2018)* and Fibelpar S.A. (B) *(until November 12, 2018)*.
- CEO of Delcortil S.A. (B) *(until December 28, 2016)*.
- Director of Brufinol (L) *(until December 22, 2017)*, Kermadec S.A. (L) *(until March 23, 2016)*, Cargefin S.A. (L) *(until December 28, 2016)* and GIB Corporate Services S.A. (B) *(until August 24, 2018)*.
- Director of Newcor S.A. (B) as permanent representative of Compagnie Nationale à Portefeuille S.A. *(until February 4, 2015)*, Fibelpar S.A. (B) as permanent representative of Loverval Finance S.A. (ex-Compagnie Nationale à Portefeuille S.A.) *(until April 27, 2016)*, Carpar S.A. (B) as permanent representative of Loverval Finance S.A. (ex-Compagnie Nationale à Portefeuille S.A.) *(until May 27, 2016)* and GIB Corporate Services S.A. (B) as permanent representative of Loverval Finance S.A. (ex-Compagnie Nationale à Portefeuille S.A.) *(until September 21, 2017)*.
- Director – General Secretary of Compagnie Nationale à Portefeuille S.A. (B) *(until 2019)*, Investor S.A. (B) *(until 2019)* and Carpar S.A. (B) *(until 2019)*.
- Co-Manager of the partnership ESSO *(until June 2019)*.

Paul Desmarais III

Director

List of activities and other mandates exercised in Belgian and foreign companies:

- First Vice-Chairman of Power Corporation of Canada (CDN) and Power Financial Corporation (CDN).
- Chairman and CEO of Sagard Holding ULC (CDN).
- Chairman of Peak Achievement Athletics (CDN).
- Chairman of the Board of Directors of Wealthsimple Financial Corp Inc. (CDN) and Wealthsimple Inc (CDN).
- Director of Imerys (F), Pargesa Holding S.A. (CH), Koho Financial Inc. (CDN) and Personal Capital Corporation (USA).
- Member of the Strategic Committee and Chairman of the Nomination and Remuneration Committee of Imerys (F).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:

- Director of Great-West Financial (Canada) Inc. (CDN) *(until May 2017)*, Canada Life Capital Corporation Inc. (CDN) *(until February 2015)*, Canada Life Financial Corporation (CDN) *(until November 2019)*, London Insurance Group Inc. (CDN) *(until May 2017)*, London Life Insurance Company (CDN) *(until November 2019)*, Mackenzie Inc. (CDN) *(until May 2019)*, The Canada Life Insurance Company of Canada (CDN) *(until November 2019)*, The Canada Life Assurance Company (CDN) *(until November 2019)*, GWL&A Financial Inc. (CDN) *(until July 2016)*, Investors Group Inc. (CDN) *(until May 2019)*, The Great-West Life Assurance Company (CDN) *(until November 2019)*, Putnam Investments, LLC (USA) *(until May 2016)*, IntegraMed America Inc. (USA) *(until August 2019)*, IntegratedMed Fertility Holding, LLC (USA) *(until August 2019)*, IntegraMed Holding Corp. (USA) *(until August 2019)*, IntegraMed America Inc. (USA) *(until August 2019)* and Integrate.ai Inc. (CDN) *(until December 2019)*.

Cedric Frère

Director

List of activities and other mandates exercised in Belgian and foreign companies:

- Chairman of the Board of Directors, CEO of Haras de la Bierlaire S.A. (B) and Manoir de Roumont S.A. (B).
- CEO of Domaines Frère-Bourgeois S.A. (B), Frère-Bourgeois S.A. (B) and Financière de la Sambre S.A. (B).
- Chairman of the Board of Directors of Cheval Blanc Finance SAS (F), Société Civile du Château Cheval Blanc (F) and Filux S.A. (L).
- Director of Pargesa Holding S.A. (CH), Investor S.A. (B), Compagnie Nationale à Portefeuille S.A. (B), Carpar S.A. (B), Delcortil S.A. (B), Chimay Malgré Tout S.A. (B), Hippocrène A.S.B.L. (B), Fondation Saint-Luc FUP (B), Association de la Noblesse du Royaume de Belgique A.S.B.L. (B) and Caffitaly System S.p.A. (IT).
- Director Treasurer Secretary of Fondation Charles-Albert Frère FUP (B).
- Director Treasurer of Fonds Charles-Albert Frère A.S.B.L. (B).
- Tenured Director of Cheval des Andes (Argentina).
- Manager of Agriger S.P.R.L. (B).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:

- Director of Erbe S.A. (B) *(until December 28, 2017)* and Swilux S.A. (L) *(until April 28, 2017)*.
- Director of Carpar S.A. (B) as permanent representative of Manoir de Roumont S.A. *(until May 27, 2016)* and Compagnie Nationale à Portefeuille S.A. (B) as permanent representative of Manoir de Roumont S.A. *(until February 4, 2015)*.
- Regent *(until May 20, 2019)* and Member of the Special Fund Committee *(until May 20, 2019)* of the National Bank of Belgium (B).

Ségolène Gallienne

Director

List of activities and other mandates exercised in Belgian and foreign companies:

- Chairwoman of the Board of Directors of Diane S.A. (CH).
- Director of Frère-Bourgeois S.A. (B), Compagnie Nationale à Portefeuille S.A. (B), Cheval Blanc Finance SAS (F), Domaines Frère-Bourgeois S.A. (B), Christian Dior SE (F), Fonds Charles-Albert Frère A.S.B.L. (B), Fondation Charles-Albert Frère FUP (B), Société Civile du Château Cheval Blanc (F) and Pargesa Holding S.A. (CH).
- Manager of the partnership Esso (B).
- Chairwoman of the Raad van Bestuur of Stichting Administratiekantoor Peupleraie (NL).
- Member of the Raad van Bestuur of Stichting Administratiekantoor Frère-Bourgeois (NL).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:

- Director of Erbe S.A. (B) *(until December 28, 2017)*.

Claude Généreux

Director

List of activities and other mandates exercised in Belgian and foreign companies:

- Director and Chairman of the Human Resources Committee of Great-West Lifeco Inc. (CDN), The Great-West Life Assurance Company (CDN), London Life Insurance Company (CDN), Canada Life Financial Corporation (CDN), The Canada Life Assurance Company (CDN), Great-West Life & Annuity Insurance Company (USA), GWL&A Financial Inc. (USA), Putnam Investments LLC (USA), IGM Financial Inc. (CDN), Investor Group Inc. (CDN) and Mackenzie Inc. (CDN).
- Director of The Canada Life Insurance Company of Canada (CDN), Jeanne Sauvé Foundation (CDN), Loran Scholars Foundation (CDN), Rhodes Scholarship in Canada (CDN) and Michaëlle Jean Foundation (CDN).
- Director, Vice-Chairman of the Board, of the Executive Committee and of the Human Resources Committee of McGill University (CDN).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:

Nihil

Gérard Lamarche
Director

List of activities and other mandates exercised in Belgian and foreign companies:
- Director of SGS S.A. (CH), Pearsie International (L), Samrée S.A. (L), Multifin S.A. (B), Gentianes (L) and Umicore (B).
- Member of the Audit Committee of SGS S.A. (CH).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:
- Director of Lafarge (F) *(until May 4, 2016)*, Legrand (F) *(until May 27, 2016)*, LafargeHolcim (CH) *(until May 15, 2019)* and Total S.A. (F) *(until May 29, 2019)*.
- Member of the Audit Committee of Legrand (F) *(until May 27, 2016)*, Lafarge (F) (*until May 2016*), LafargeHolcim (CH) *(until May 15, 2019)* and Total S.A. (F) *(until May 29, 2019)*.
- Member of the Strategic Committee of Total S.A. (F) *(until December 18, 2015)*.
- Censor of GDF SUEZ (F) *(until April 28, 2015)*.
- Chairman of the Remuneration Committee of Total S.A. (F) *(until May 29, 2019)*.

Xavier Le Clef
Director

List of activities and other mandates exercised in Belgian and foreign companies:
- Director of Andes Invest S.A. (B), APG/SGA S.A. (CH), BSS Investments S.A. (B), Caffitaly System S.p.A (I), Cheval Blanc Finance SAS (F), Finer S.A. (L), GB-Inno-BM S.A. (B), Kermadec S.A. (L), Pargesa Holding S.A. (CH), Swilux S.A. (L), Tagam AG (CH), Transcor Astra Group S.A. (B) and Worldwide Energy Ltd AG (CH).
- Chairman of the Board of Directors of Caffitaly Sytem S.p.A (I), Finer S.A. (L), Kermadec S.A. (L) and Swilux S.A. (L).
- CEO of Carpar S.A. (B), Compagnie Nationale à Portefeuille S.A. (B), Financière de la Sambre S.A. (B), Frère-Bourgeois S.A. (B) and Investor S.A. (B).
- Tenured Director of Cheval des Andes S.A. (Argentina).
- Manager of Immobilière Rue de Namur S.à. r.l. (L).
- Member of the Audit Committee and of the Remuneration Committee of Pargesa Holding S.A. (CH).
- Manager of Parjointco N.V. (NL).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:
- Director of AOT Holding Ltd AG (CH) *(until July 2019)*, Carpar S.A. (B) *(from May 2016 until September 2018)*, Coffeeblend S.p.A (I) *(from August 2017 until December 2017)*, Coffelux S.A. (L) *(from July 2017 until May 2019)*, Compagnie Immobilière de Roumont S.A. (B) *(until February 2015)*, Distriplus S.A. (F) *(until October 2018)*, Europart S.A. (B) *(until February 2015)*, Fidentia Real Estate Investments S.A. (B) *(from February 2015 until May 2016)*, Financière Flo SAS (F) *(until January 2017)*, GIB Corporate Services S.A. (B) *(from September 2017 until August 2018)*, Groupe Flo S.A. (F) *(until June 2017)*, International Duty Free S.A. (B) *(until September 2019)*, Investor S.A. (B) *(until September 2018)*, Loverval Finance S.A. (B) *(until December 2017)*, Rottzug B.V. (NL) *(until December 2015)*, The Belgian Chocolate House Brussels S.A. (B) *(until May 2017)*, Tikehau Capital Advisors S.A. (F) *(until June 2016)*, Transcor Astra 25 N.V. (NL) *(until January 2018)*, Trasys Group N.V. (B) *(until October 2015)* and Unifem S.A. (F) *(until December 2015)*.
- Manager of Astra Transcor Energy N.V. (NL) *(from July 2016 until February 2018)*.
- Director of Carpar S.A. (B) as permanent representative of Investor S.A. (B) *(until May 2016)*, Compagnie Nationale à Portefeuille S.A. (B) as permanent representative of Investor S.A. (B) *(until February 2015)*, Fibelpar S.A. (B) as permanent representative of Investor S.A. (B) *(until February 2015)*, GIB Corporate Services S.A. (B) as permanent representative of Compagnie Immobilière de Roumont S.A. (B) *(until September 2017)* and International Duty Free Belgium S.A. (B) as permanent representative of Compagnie Immobilière de Roumont S.A. (B) *(until September 2019)*.
- CEO of Compagnie Immobilière de Roumont S.A. (B) *(from February 2015 until December 2018)*, Europart S.A. (B) *(from February 2015 until November 2018)*, Fibelpar S.A. (B) *(from April 2016 until November 2018)* and Newcor S.A. (B) as permanent representative of Investor S.A. (B) *(until February 2015)*.
- CEO of Fibelpar S.A. (B) as permanent representative of Investor S.A. (B) *(from February 2015 until April 2016)*.
- Manager of Hulpe Offices SCA (B) as permanent representative of Hulpe Office Management SPRL (B) *(from May 2016 until January 2019)*.
- Manager of Hulpe Offices Management SPRL (B) *(from May 2016 until January 2019)*.
- Director and Member of the Strategic Committee of Imerys S.A. (F) *(until May 2018)*.
- Manager of Pargesa Asset Management N.V. (NL) *(until June 2017)*.
- Member of the Investment Committee of Tikehau Capital Partners S.A. (F) *(until November 2016)*.

Jocelyn Lefebvre
Director

List of activities and other mandates exercised in Belgian and foreign companies:
- Chairman of Sagard SAS (F).
- Vice-Chairman of the Board of Directors, Director and Member of the Audit Committee of Pargesa Holding S.A. (CH).
- CEO of Parjointco N.V. (NL) and Power Financial Europe B.V. (NL).
- Member of the Supervisory Board of Stokocorp SAS (F).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:
- Director, Member of the Strategic Committee and of the Audit Committee of Imerys (F) *(until April 30, 2015)*.
- Member of the Supervisory Board of Kartesia Management S.A. (L) *(until July 2016)*.

Marie Polet
Director

List of activities and other mandates exercised in Belgian and foreign companies:
- Member of the Supervisory Board of Koninklijke Theodorus Niemeyer B.V. (NL).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:
- Director, President and CEO of Imperial Tobacco Canada Ltd. (CDN) *(until January 16, 2015)* and Imperial Tobacco Company Ltd. (UK) *(until January 16, 2015)*.

Thierry de Rudder
Director

List of activities and other mandates exercised in Belgian and foreign companies:
Nihil

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:
Nihil

Amaury de Seze
Director

List of activities and other mandates exercised in Belgian and foreign companies:
- Vice-Chairman of the Board of Power Financial Corporation (CDN).
- Director of BW Group (BM), Pargesa Holding S.A. (CH), Sagard Capital Partners GP, Inc (USA), Sagard Capital Partners Management Corp. (USA), Parjointco (NL) and Compagnie Nationale à Portefeuille S.A. (B).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:
- Chairman of the Supervisory Board of PAI Partners SAS (F) *(until November 2019)*.
- Member of the Supervisory Board of Publicis Groupe (F) *(until May 25, 2016)*.
- Director of Imerys (F) *(until May 4, 2016)*, Erbe S.A. (B) *(until December 28, 2017)* and RM2 International S.A. (UK) *(until June 30, 2017)*.
- Lead Board Director of Carrefour S.A. (F) *(until June 15, 2017)*.

Agnès Touraine
Director

List of activities and other mandates exercised in Belgian and foreign companies:
- CEO of Act III Consultants (F).
- Director of Proximus (B), Rexel (B) and Keesing (NL).
- Member of the Supervisory Board of Tarkett (F) and 21 Centrale Partners (F).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:
- Director of Darty plc. (GB) *(until 2016)*.

Martine Verluyten
Director

List of activities and other mandates exercised in Belgian and foreign companies:
- Director of STMicroelectronics N.V. (NL) and Thomas Cook Group plc. (UK).
- Chairwoman of the Audit Committee of Thomas Cook Group plc. (UK) and STMicroelectronics N.V. (NL).
- Member of the Nomination Committee of Thomas Cook Group plc. (UK).

List of activities and other mandates exercised in Belgian and foreign companies expired during the last five years:
- Director of 3i Group plc. (UK) *(until June 29, 2017)*.
- Chairwoman of the Audit Committee of the Flemish Region Administration (B) *(until January 2015)*.
- Member of the Valuation Committee, of the Nomination Committee and of the Audit and Compliance Committee of 3i Group plc. (UK) *(until June 29, 2017)*.

Glossary

With regards to the terms related to financial data on the investments, from page 30 to page 51, please refer to the definitions provided by each company in its financial communication.

The specific terminology used in the section on "Accounts as of December 31, 2019" refers to the IFRS (International Financial Reporting Standards) rules as adopted by the European Union.

The terms used in the "Corporate Governance Statement" refer directly to the 2009 Belgian Code on corporate governance and other specific legislation.

Cash and debt

Net cash or, where applicable, net debt (excluding treasury shares), consists of gross cash and gross debt.

Gross debt includes all the financial liabilities of the Holding segment (convertible and exchangeable bonds, bonds and bank debt), valued at their nominal repayment value.

Gross cash includes the cash and cash equivalents of the Holding segment. It is valued at the book or market value (for certain cash equivalents).

The cash and debt indicators are presented for the Holding segment to reflect GBL's own financial structure and the financial resources available to implement its strategy.

Discount

The discount is defined as the percentage difference (expressed in relation to the net asset value) between the market capitalisation and the net asset value.

Economic analysis of the result

Cash earnings

- Cash earnings primarily include dividends from portfolio companies and treasury shares, dividends and interests from Sienna Capital, net earnings from the yield enhancement activity and tax refunds, income from cash management, realized exchange differences, less general overheads, gross debt-related charges and taxes. All of these results relate to the Holding activity.
- Cash earnings also are one of the components used in the calculation of the payout ratio.

Mark to market and other non-cash

- The concept of mark to market is one of the foundations of the fair value method of valuation as defined in IFRS international accounting standards, the principle of which is to value assets and liabilities at their market value on the last day of the financial year.
- Mark to market and other non-cash items in GBL's accounts reflect the changes in fair value of the financial instruments bought or issued (bonds, exchangeables or convertibles, trading assets, options, ...), the actuarial costs of financial liabilities valued at their amortised cost, unrealized exchange differences, various non-cash expenses, as well as the adjustment of certain cash earnings items in accordance with IFRS rules (dividends decided but not paid out during the financial year but after the date of approval of the financial statements, etc.). All these results relate to the Holding activity.

Operating companies (associates or consolidated entities) and Sienna Capital

- This column shows the results, group's share, from consolidated operational companies, i.e. controlled by the group. Control is presumed to exist when GBL has more than 50% of the voting rights in an entity, either directly or indirectly
- Also included are the results, group's share, from associated operational companies, namely operational companies in which the group has significant influence. Significant influence is presumed to exist if the group has more than 20% of the voting rights, directly or indirectly through its subsidiaries. Associated operational companies are recorded in the consolidated financial statements using the equity method.
- This column also includes the results, group's share, from Sienna Capital, consisting of the various elements relating to its activity: (i) the results, group's share, of consolidated or associated operating companies, (ii) interest income (expenses), (iii) other financial income (expenses), (iv) other operating income (expenses), (v) gains (losses) on disposal, impairments and reversals of non-current assets and (vi) taxes.

Eliminations, capital gains, impairments and reversals

The eliminations, capital gains, impairments and reversals include the elimination of dividends received from own shares, as well those received from associated or operational consolidated companies as well as gains (losses) on disposals, impairments and reversals on non-current assets and on discontinued activities. All these results relate to the Holding activity.

Dividend yield

The dividend yield is defined as the ratio between (i) the gross dividend detached (or the sum of the gross dividends detached) during the period (12 months) and (ii) the stock market price at the beginning of the period.

The dividend yield for year N is therefore the ratio between (i) the gross dividend (or the sum of the gross dividends) having its (their) Ex-Date in year N+1 and (ii) the closing price on the last trading day of year N.

The value of gross dividends not yet declared is estimated using Bloomberg's "BDVD" function. If this function is not available, the last gross dividend declared is used as an estimate.

Group's shareholding

- In **capital**: the percentage interest held directly and indirectly through consolidated intermediate companies, calculated on the basis of the number of shares in issue on December 31.
- In **voting rights**: the percentage held directly or indirectly through consolidated intermediate companies, calculated on the basis of the number of voting rights existing on December 31, including suspended voting rights.

Liquidity profile

The liquidity profile corresponds to the sum of gross cash and the undrawn amount of committed credit lines.

Loan To Value

The Loan To Value ratio is calculated on the basis of (i) GBL's net debt relative to (ii) the portfolio's value of GBL increased by the value of the treasury shares underlying the bonds convertible into GBL shares. The valuation methods applied to the portfolio and treasury shares are identical to those used for the net asset value.

Net asset value

The change in GBL's net asset value is, along with the change in its stock price, cash earnings and result, an important criterion for assessing the performance of the group.

The net asset value is a conventional reference obtained by adding gross cash and treasury shares to the fair value of the investment portfolio and deducting gross debt.

The following valuation principles are applied for the portfolio:

- investments in listed companies and treasury shares are valued at the closing price. However, the value of shares underlying any commitments made by the group is capped at the conversion/exercise price;
- investments in unlisted companies are valued on a quarterly basis at their fair value in line with the recommendations of the International Private Equity and Venture Capital Valuation Guidelines (IPEV). Recent investments are valued at their acquisition cost, provided that these valuations are considered as the best estimates of fair value;
- regarding the portfolio of Sienna Capital, the valuation corresponds to the sum of its investments, marked to market, as determined by fund managers, to which is added Sienna Capital's net cash or, where applicable, to which is deducted Sienna Capital's external net debt.

The number of GBL shares used to calculate the net asset value per share is the number of company shares outstanding on the valuation date. Some minor events may not have been taken into account in the value reported. The combined effect of these factors may not exceed 2% of the net asset value.

GBL's detailed net asset value is reported together with the results' publication on a quarterly basis.

The net asset value per share is published, on a general basis, every week on GBL's website (www.gbl.be).

Operating company

An operating company is defined as a company having a commercial or industrial activity, by opposition to an investing company ("holding").

Payment of dividend and ESES system

ESES, for Euroclear Settlement for Euronext-zone Securities, is the single platform for the stock market transactions of Euronext Brussels, Paris and Amsterdam and non-stock market transactions involving securities traded on these markets (OTC).

The theoretical distribution calendar for the dividend is as follows:

- Ex-Date: date (at market opening) from which the underlying share is traded without its dividend or ex-entitlement;
- Record Date (Ex-date + 1): date on which positions are recorded by the central depository (at market closing, after clearing) in order to determine which shareholders are entitled to dividends;
- Payment Date: date of payment of the dividend in cash, at the earliest the day after the Record Date.

Given the time needed for settlement-delivery and ownership transfer relative to D + 2 (D being the transaction date), the last day on which the share is traded with entitlement to dividend distribution is the day before the Ex-Date.

Payout ratio

The payout or distribution of dividends ratio is calculated, for the financial year N, by dividing (i) the dividends paid in N+1 for the financial year N by (ii) the cash earnings for the financial year N.

Portfolio

The portfolio includes:

- the other equity investments and investments in associates in the Holding segment;
- Imerys;
- Webhelp; and
- Sienna Capital, that includes companies active in private equity, debt and specific thematic funds.

System Paying Agent

In ESES, the entity that proceeds with distribution is known as the System Paying Agent. This is the party responsible within Euroclear Belgium for distribution to other participants of the resources related to a specific distribution. The system paying agent may be either an external paying agent (a CSD participant) or the CSD itself.

Total Shareholder Return or TSR (%)

The Total Shareholder Return or TSR is calculated on the basis of the change in the stock market price(s) over the period under consideration, taking into account the gross dividend(s) received during this period and reinvested in securities at the time of receipt. It is expressed on an annualised basis and corresponds to the calculation made by Bloomberg via its "TRA" function. It should be noted that the comparison of GBL's TSR with its benchmark index is based on identical periods in terms of trading days.

Velocity on float (%)

The velocity on float, expressed as a percentage, is an indicator of the stock market activity of a listed company, which corresponds to the ratio between the number of shares traded over a financial year on the stock exchange and the float on 31 December of that financial year.

A listed company's float, or floating capital, corresponds to the part of the shares actually liable to be traded on the stock exchange. It can be expressed in value, but is more often expressed as a percentage of the market capitalisation.

Weighted average number of ordinary shares (basic calculation)

This corresponds to the number of outstanding ordinary shares at the start of the period, less treasury shares, adjusted by the number of ordinary shares reimbursed (capital reduction) or issued (capital increase), or sold or bought back during the period, multiplied by a time-based weighting factor.

Weighted average number of ordinary shares (diluted calculation)

It is obtained by adding potential dilutive shares to the weighted average number of ordinary shares (basic calculation). In this case, potential dilutive shares correspond to call options granted by the group.

Yield enhancement

The yield enhancement activity consists of executing derivatives instruments (primarily sales of options with short-term maturities on some assets in GBL's portfolio) and in operations on trading assets, aiming at generating an increased yield for GBL. The yield enhancement results are mainly made out of (i) premium of option sales, (ii) capital gains or losses with regards to operations on trading assets and (iii) dividends received in relation to trading assets.

Responsible persons

1 Responsibility for the document

Ian Gallienne
CEO

2 Declaration of the persons responsible for the financial statements and for the management report

Ian Gallienne, the CEO, and Xavier Likin, Chief Financial Officer, certify in the name and on behalf of GBL, that to their knowledge:

- the financial statements as of December 31, 2019, contained in this annual report were drawn up in accordance with applicable accounting standards (IFRS or Belgian accounting legislation) and give a fair and true view of the assets as defined by IAS/IFRS, the financial position and results of GBL and of its consolidated companies (1);
- the management report (2) presented in the annual report presents a true picture of the evolution of the activities, results and position of GBL and of its consolidated companies (1), and contains a description of the main risks and uncertainties with which they are confronted.

3 Statutory Auditor

Deloitte Bedrijfsrevisoren/
Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Corine Magnin
Gateway Building,
Luchthaven Nationaal 1 J
1930 Zaventem
Belgium

(1) "Consolidated companies" are GBL's subsidiaries within the meaning of Article 6 of the Companies Code
See list of subsidiaries on page 116 of the annual report
(2) Document established by the Board of Directors on March 11, 2020

For further information

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