



Charter of the  
Board of Directors

*Updated on 3 March 2017*

*[Unofficial translation of the original French version of the "Règlement Intérieur" for convenience only. In the event of any discrepancy between the French and English versions, the original French version shall prevail.]*



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## **BOARD CHARTER**

The members of GL events' Board of Directors wished to adhere to the rules governing board practices providing the basis for its rules of procedure or charter.

In adopting these rules of procedure, GL events' Board of Directors refers to the spirit of the Middenext corporate governance code as reflected in its recommendations and points to be watched.

This charter applies to all directors, present or future, and its purpose is to supplement rules of statute, regulations and the provisions of the articles of association applicable to GL events, in order to define the operating procedures of the Board of Directors in the interest of GL events, its directors and shareholders.

This charter is for internal use and does not replace the Company's articles of association but rather implements them in a practical manner. In this respect it is not binding on third parties. Shareholders are informed of its existence through the Company's website and/or the Chair's report on internal control and corporate governance and/or in the registration document.

It may be amended by decision of the Board of Directors.

This version of the rules of procedure (charter) was adopted by the Board of Directors on 3 March 2017.

### **ARTICLE 1**

#### **Purpose of the Board charter**

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The purpose of this charter is to define the rules and operating procedures of the Board and its special committees, when they exist, supplementing provisions of the law and GL events' articles of association, and in reference to the Middenext code.

It also describes the missions and, as applicable, the limitations of the powers of the executive management, in order to clarify the roles of each government body. And it recalls the obligations of each board member and their committees, when they exist, whether they are natural persons or permanent representatives of a legal entity.

### **ARTICLE 2**

#### **Board missions and powers**

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##### **2.1 Board powers**

###### **2.1.1 Representation of all shareholders**

The Board of Directors is a collegiate body which collectively represents all the shareholders and is bound by the obligation to act in the corporate interest of the company at all times.



The role of the Board of Directors is based on two fundamental actions, decision-making and supervision.

The decision-making function involves preparing, in coordination with the Company's management, the fundamental policies and strategic objectives as well as the approval of certain significant actions.

The supervisory function involves examining the decisions of management, the compliance of systems and controls, and the implementation of policies.

The Board of Directors' mission consists in setting the business priorities of GL events, choosing the strategy and monitoring its implementation. The Board considers any matter relating to the proper management of the Company.

In particular, it:

- appoints the executive officers;
- approves the annual and interim financial statements;
- calls the general meetings of the shareholders and sets the agenda;
- performs such controls and verifications that it judges appropriate;
- discusses major transactions under consideration by the Company;
- stays informed about any material events that concern the Company.

On that basis, it ensures the proper functioning of committees that it may create.

### **2.1.2 Addressing the strategic priorities**

The Board of Directors determines and regularly reviews, pursuant to a proposal by the Chair-Chief Executive Officer, the Group's strategy, appoints company officers, tasks them with managing the Company within the framework of this strategy, ensuring the management control and quality of information provided to shareholders and markets.

The Board of Directors considers in advance all transactions which may be outside the scope of the Group's strategy as announced or which could materially affect or modify the Group's financial structure or results.

It is regularly informed and may be informed at any time of changes in the Group's activities and results, financial position, debt, cash position and, more generally, of the Group's commitments.

The Board of Directors group reviews and approves important investment and disinvestment programmes and reviews the annual budget. It studies potential acquisitions (business aspects, outlook, valuation, guarantees received).

### **2.1.3 Studying the issue of succession planning for the "manager" and key persons**

The Board or a specialised committee regularly updates its work on succession planning for the current manager (and possibly, certain key persons).



#### **2.1.4 Addressing a proposal for audit or verification**

The Board of Directors may consider a proposal calling for an audit or verification by the Chair or the Audit Committee. It considers such proposal in any case in a timely manner.

When the Board decides to proceed, it defines the purpose and procedures in proceedings and carries out itself the audit or verification or entrust the execution to one of its committees, its members or to a third party. When the Board decides that the control or verification shall be performed by one of its members or a third-party, the mission is defined according to the conditions defined by the article which follows.

The chair sets the conditions for the execution of the control or verification. In particular, provisions are adopted so that the operation entails the minimum disruption possible for the proper functioning of the Company's operations. Meetings with personnel of GL events are organised when necessary. The chief executive officer ensures that information useful for the control or verification is provided to person performing the procedure. Regardless of the person who performs of the control or verification, he or she is not authorised to interfere in the management of business. He or she reports to the Board upon completion of the control or verification. The board then determines the follow-up to be given to its conclusions.

#### **2.1.5 Reviewing the points to be watched of the Middlenext Code**

Every year the Board reviews the points to be watched of the code. It reports on this review in the Chair's report on internal control and corporate governance of the Company and/or in the registration document.

### **2.2 Procedures for exercising the chairmanship and executive management**

#### **2.2.1 The Chairman of the Board of Directors**

The Board of Directors appoints members, from among its members a Chair, who is an individual person. This Chair may be appointed for the entire term of his or her office as Director and may be reappointed.

No person may be appointed Chair who is 65 or older (the legal age limit) or the age provided for in the articles of association.

He or she chairs the meetings of the Board. If the Chair is absent, the Board of Directors' meeting is chaired, according to the provisions of the articles of association, or failing this, by a member appointed by the majority of votes of members present or represented. He or she organises the work of the board and reports thereon to the general meeting of the shareholders.

The Chair ensures the correct functioning of the Company's corporate governance bodies, and in particular that the Directors are able to fulfil their duties.

The Chair has the material resources required to fulfil his or her mission.



### **2.2.2 Procedures for exercising executive management**

The Board determines the procedures for exercising executive management conditions provided for by the articles of association.

As provided for by law, the executive management shall be assumed under the responsibility of either the chair of the Board of Directors or by another individual appointed by the Board and with the title of chief executive officer (*Directeur Général*).

Shareholders and third parties shall be informed of this choice under the conditions provided for by regulations in force.

The Board of Directors sets the term of the option, and the Board's decision on this point shall remain valid in any case until a decision to the contrary.

The chief executive officer may be assisted by one or more deputy chief executive officers (*Directeurs Généraux Délégués*) appointed by the Board of Directors in accordance with statute and the articles of association.

The Board of Directors seeks at all times to ensure the implementation by executive management of the priorities it has defined.

### **2.2.3 Executive Management powers**

The executive management, whether exercised by the chair of the Board of Directors or another person, is vested with the broadest powers to act in all circumstances on behalf of the Company. It exercises these powers within the limit of the corporate purpose, in accordance with the rules defined in the Company's articles of association and subject to those expressly granted by law to shareholders' general meetings and the Board of Directors.

The chief executive officer represents the Company in dealings with third parties.

## **2.3 Directors and officers liability insurance (D&O insurance)**

GL events has obtained for managers exercising a corporate office, a directors and officers liability insurance (D&O insurance).

## **ARTICLE 3**

### **Composition of the Board of Directors**

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The Board of Directors reflects the Company's wish to draw on the different and complementary experience, expertise and profiles. In this way, the foremost quality of a Board of Directors lays in its composition: integrated and competent Directors, understanding the operations of the Company, attentive to the interests of all shareholders, sufficiently involved in defining the strategy and the proceedings to effectively participate in the Board's decisions.



### **3.1 Conditions for appointing Board members**

The articles of association set the number of Board members.

The Directors are appointed or reappointed by the shareholders' meeting, except for employee Directors as applicable.

Directors' terms are set by the articles of association. The renewal of these terms shall be staggered.

The maximum age for Directors is set by the articles of association. The number of Directors over 70 years of age may not exceed one third of the Board's members.

When the legal limit is exceeded, the oldest Director is considered to have automatically resigned, subject to provisions of the articles of association.

### **3.2 Criteria of independence of directors**

At least two members of the Board are Independent Directors. Directors are considered independent when they have no relation whatsoever with the Company, its group or management that could compromise their free exercise of judgment.

Every year, the Board reviews the situation of its members and ensures, in compliance with the MiddleNext corporate governance code that they comply on a permanent basis with the following criteria :

- they must not have been in the course of the previous five years an employee or executive officer of the Company or a Company in its group;
- they must not have had any material business relationship with the Company or its group in the course of the previous two years (as a client, supplier, competitor, service provider, creditor, banker, etc.);
- they must not be a reference shareholder of the Company or hold a significant percentage of voting rights defined as more than 5%;
- they must not have a close relationship or close family ties with a corporate officer or a reference shareholder;
- they must not have been an auditor of the company in the course of the previous six years.

In this respect, the Board may consider that a member is independent when it does not fulfil all the criteria of independence and conversely, consider that a member is not independent, even if all the independence criteria are met. In this case, the Board must justify its position.

When a new member is appointed or one of its members is reappointed, the Board of Directors assesses the situation of this member in reference to the criteria referred to above.





Each member classified as an independent director informs the Chairman as soon as he or she has knowledge of any change in his or her personal situation with respect to the same criteria.

### **3.3 Non-voting observers**

One or more persons may be appointed to attend the Board meetings with an advisory role, without voting rights and decision-making authority (*censeurs*).

These non-voting observers are subject to the same duties and obligations as the Directors.

## **ARTICLE 4**

### **Directors' duties and code of conduct**

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#### **4.1 Duty of loyalty and respecting the laws and articles of association**

In exercising his or her office, each director must make decisions based on the corporate interest of the company.

Each must take full account of their obligations, understand and undertake to respect the provisions of the law and regulations relating to their function, as well as the specific rules of the Company resulting from the articles of association and the Board charter.

When members of the Board hold a position as a manager, they must not accept more than two other offices as Directors in listed companies, including in foreign companies or companies outside their group.

#### **4.2 Obligation of disclosure / Conflicts of interest**

"In a situation giving the appearance or which might give the appearance of a conflict of interest between the corporate interest and the direct or indirect personal interest of the shareholder or a group of shareholders he or she represents, the director must:

inform the Board of Directors as soon as he or she learns of this,

- draw all resulting conclusions regarding the exercise of his or her office. And on this basis, according to the case he or she must :
  - either refrain from participating in the vote of the corresponding deliberations,
  - or not attend the meeting of the Board of Directors as long as the conflict of interest lasts,
  - or, as an extreme measure, resign from his or her functions as director.

Once a year, the Board shall review the known conflicts of interest. Each Director shall notify, as applicable, changes in his or her situation.



#### **4.3 Directors' duty of confidentiality**

The members of the Board of Directors are bound by an absolute duty of confidentiality with respect to the discussions and resolutions of the Board of Directors and, as applicable, its committees and any information presented at the meetings. In general, with the exception of the Chair and chief executive officer, members of the Board of Directors are prohibited from disclosing any information to anyone outside the Board, particularly the media.

In the event of a manifest breach by a director to honour his or her confidentiality duty, the Chair of the Board, after having consulted with the Board called for that purpose, informs the Board on any actions he or she intends to take as a result of this breach of confidentiality.

#### **4.4 Obligation of diligence and attendance**

In accepting a board position, each director undertakes to fully take on the duties of the position, in particular:

- to devote the time necessary to analyse the issues brought before the Board of which he or she is a member ;
- to request any additional information he or she deems useful;
- to ensure that this charter is applied;
- to form freely an opinion prior to any decision, considering only the corporate interest of the Company;
- to participate actively in all meetings except when unable to do so;
- to attend general meetings;
- to formulate any proposals intended to improve the working conditions of the Board and its Committees.

#### **4.5 Obligations and rights to information**

"To participate effectively in the work of the Board, the Company provides its members all useful documents in a timely manner. Requests for information are made to the Chair.

Each member of the Board is authorised to meet with the main Company managers on condition of informing the Chair in advance.

The Board is regularly informed by the Chair of the financial situation, cash position, financial commitments and significant events of the Company and group.

Finally, any member of the Board is entitled to receive training on the specific characteristics of the Company and group, their business lines and sectors."

#### **4.6 Non-compete obligation**

Putting the Company's interest before the director's personal interests imposes a non-compete obligation on the director. For the entire term of their directorship, each director undertakes not to hold any positions with a competitor of the Company and companies it controls.



The Director shall inform the Company of any new office.

#### **4.7 Obligations relating to holding shares of the Company**

The bylaws set the minimum number of shares that must be held by each director.

All Board members must convert into registered form the securities of the Company, the parent company and its subsidiaries held by them, their minor children or spouse living separately and apart.

#### **4.8 Obligations to abstain in dealing in shares of the Company during blackout (or "closed") periods**

Members of the Board must abstain from dealing in securities of the Company:

- during the period of 30 calendar days (corresponding to the minimum number of days imposed by regulations) before the publication of the interim and annual financial results;
- during the period of 15 calendar days (the regulatory minimum) before the publication of sales (annual, half-yearly or quarterly).

A list of these blackout periods based on the schedule of publications is provided to each director.

This list must be consulted before any dealing in the company's securities. Dealings are only authorised as from the publication of the information in question, on condition that the relevant party does not hold other inside information.

#### **4.9 Obligations relating to possession of inside information – Preventing insider misconduct and trading**

In general, concerning non-public information acquired in connection with their duties, each member of the Board shall be considered subject to an obligation of strict professional confidentiality that exceeds the obligation of discretion provided for by article L.225-37 of the French Commercial Code.

More specifically, in the performance of his/her duties, each Board member regularly has the opportunity to obtain specific and non-public information concerning the Company or the financial instruments that it issues, which if made public, would be likely to have a significant influence on the stock market price of its shares.

For this reason, each Board member is included on a list of insiders drawn up by the Company. When in possession of such information, the board member must refrain from:



- Engaging or attempting to engage in insider trading, notably by acquiring or disposing of, or by trying to acquire or dispose of, for one's own account or for the account of a third party, either directly or indirectly, the financial instruments to which this information relates or the securities with which these financial instruments are linked;
- Disclosing or attempting to disclose this information to another person outside the normal course of his or her work, profession or functions;
- recommending or attempting to recommend or inducing or attempting to induce another person to acquire or dispose of or have acquired or disposed of by another person, said financial instruments.

## **ARTICLE 5**

### **Board practices**

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#### **5.1 Frequency of meetings**

The Board of Directors shall meet as often as required in the Company's interest and at least four times per year. The calendar of meetings is set at least one year in advance.

#### **5.2 Meeting agenda and information to be given to board members**

The Chair sets the agenda for each Board meeting which it communicates to its members in a timely manner using all appropriate means.

The documents required to make fully informed decisions on the items on the agenda are provided to the Directors in a timely manner before the Board meeting, except in emergency situations or where there is a need to maintain absolute confidentiality.

In any case, the Board of Directors may, at any meeting, in emergencies and on the Chairman's recommendation, deliberate on items that are not included on the agenda that have been sent to the Board.

#### **5.3 Meeting venues**

Meetings are held in any location specified in the bylaws, or failing this, at the venue indicated in the meeting notice.

#### **5.4 Use of videoconferencing or telecommunications media**

To the extent possible, in the interests of efficiency, the Board gives preference to face-to-face exchanges. When this is not possible, use of videoconferencing is preferred over conference calls for the meetings.

The videoconferencing or telecommunications material must meet the technical characteristics guaranteeing an effective participation in the Board meeting and the continuous and simultaneous transmission of the proceedings.



Accordingly, the meeting of the Board of Directors may validly be held only if all or part of its members are continuously and simultaneously connected, at least for audio communications, through a broadcasting system using a web camera connected to the Internet or by telephone conferencing.

#### **5.5 Technical incidents**

Should a technical incident in the videoconferencing or telecommunications communications occur during the Board meeting, this must be mentioned in the minutes.

If this incident could disrupt the continuity of the retransmission or degrades the quality of the image or sound as to prevent effective participation in the meeting by all Directors present, the meeting shall be suspended.

This suspension of the meeting will be lifted as soon as technical conditions allow the Directors to resume their communications and conduct proceedings according to the conditions described above.

#### **5.6 Restrictions of making certain decisions using videoconferencing and teleconferencing**

The above provisions do not apply for adopting decisions for the verification and control of annual and consolidated financial statements and, as applicable, those cases prohibited by the bylaws.

#### **5.7 Records of attendance**

A record of attendance is signed by Directors having physically attended the Board meeting, and which, as applicable, shall mention the name of Directors having participated in the proceedings by videoconferencing or other telecommunications means (for themselves and those whom they represent).

#### **5.8 Quorum and majority**

For the calculation of the quorum and majority, Directors participating by using videoconferencing or telecommunications are deemed present.

All Directors may participate simultaneously in a meeting through videoconferencing or telecommunications.

#### **5.9 Appointment**

Any Director may be represented by another Director at a given meeting. The proxy which must be given in writing may be in the form of a simple email. Each Director is limited to a single proxy for the same meeting.



The above provisions apply to the permanent representative of a Director who is a legal entity.

#### **5.10 Proceedings**

Proceedings of the Board of Directors are valid only if a quorum of at least half of its members is present, except subject to specific provisions of the articles of association.

Decisions are adopted by the meeting by a vote of a majority of members present or represented, except subject to specific provisions of the bylaws.

The Director holding a proxy by one of his or her peers has two votes.

The Chair of the Board of Directors or, in his or her absence, the person replacing the Chair, presides over the discussions.

#### **5.11 Minutes**

The proceedings of the Board of Directors are recorded in minutes drawn up in a special record, in compliance with the applicable laws and regulations and signed by the chair of the meeting and at least one Director. If the chair of the meeting is prevented from attending, the minutes are signed by at least two Directors.

These minutes are approved at the following meeting. To this purpose, a draft thereof is sent in advance to each Director.

The minutes of the meeting indicate the name of those Directors present or considered present, excused or absent. It mentions the presence or absence of other persons called to attend the Board meeting and the presence of any other person having attended all or part of the meeting.

The minutes specify the videoconferencing or telecommunications technology used, the name of each Director having participated in the meeting through this technology and, as applicable, any technical incident having disrupted the conduct of the meeting, including the interruption and resumption of remote participation.

As applicable, the minutes record the opposing views expressed by Directors.

Copies or excerpts (short form certificates) are certified by the Chair of the Board of Directors, the chief executive officer, the Director temporarily appointed to fulfil the functions of Chair of the meeting, the Secretary of the Board or a person duly authorised by the Board for that purpose.

#### **5.12 Evaluation of the work of the Board**

The Board of Directors performs an evaluation of its work once a year and in particular:



- reviews its operating procedures, composition and organisation as well as its committees as applicable;
- ensures that the important questions are properly prepared and discussed.

The Board of Directors reports on this evaluation in the meeting minutes and informs each shareholder in the annual report.

### **5.13 Meetings of the directors outside the presence of the Chairman**

The Directors – collectively or the independent Directors only – regularly meet in an executive session outside the presence of the Chair for exchanges on the performances of the Chair-Chief Executive Officer when the functions of Chair of the Board of Directors and Chief Executive Officer are combined, or of the Chair and the chief executive officer when these functions are separated.

## **ARTICLE 6**

### **Board committees**

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#### **6.1 Common provisions applying to the operation of committees**

To prepare its work, the Board of Directors may create committees and set their areas of responsibility; In the same way, in the interest of the efficacy of the Board, it may freely dissolve committees having become unnecessary. The Board may also decide to create an ad hoc audit committee from its members or in a plenary session.

The Board of Directors appoints the members of each committee. Committee members personally attend their meetings.

Committee members may be removed by the Board of Directors.

The term of office of committee members coincides with their terms of office as members of the Board of Directors. These terms may be renewed at the same time as their terms of office as director. The Chair of each committee is appointed by the Board of Directors.

Each committee establishes its own operating charter and in particular, the audit committee.

Each committee establishes the annual calendar of its meetings. These meetings are held at the registered office or any other venue set by its Chair. The Chair of each committee draws up the agenda of its meetings which is provided to the Chair of the Board of Directors. The Chair of each committee may invite to some of its meetings all or part of the Board of Directors' members or any person of its choosing. It shall inform the Chair of the Board of Directors of the members of management it wishes to participate in a meeting.

The procedures for the consideration of items by each committee are as follows:

- It shall consider any matter falling within its area of responsibility as defined by this charter and sets its annual programme.



- The Chair of the Board of Directors may ask it to consider any matter included or to be included in the Board of Directors.
- It may also be asked to consider at any time by the Board of Directors and its Chair other questions falling within its scope of responsibility.

The function of committee secretariat shall be assured by each Committee.

The Chair of the Board of Directors ensures that all information required by its members to conduct their work is made available to the committee's. He or she also ensures that each committee is regularly informed of any changes in the legislation and regulations relevant to its area of expertise. Reports on the committee proposals, recommendations and opinions shall be provided to the Board of Directors.

## **6.2 Audit Committee**

This Committee participates in the preparation of meetings of the Board of Directors responsible for ruling on the corporate and consolidated semi-annual and annual financial statements. Its principal mission is to ensure the relevance and consistency of accounting principles applied by the Company and that the procedures of reporting and control are adequate. It is also responsible for overseeing the selection of Statutory Auditors. Finally, it is responsible for assessing the risks incurred by the company and monitoring internal control procedures To this purpose, it is provided with reports summarising the controls carried out in the year.

Made up of three Independent Directors, it meets at least twice a year. These meetings are attended by the Statutory Auditors.

## **6.3 Compensation and Nominating Committee**

This Committee is comprised of three Independent Directors. It meets at least twice a year and is responsible for reviewing the Group's wage policy, and more specifically with respect to managers, as well as proposals for the grant of stock options and restricted stock units. It is informed of the arrival and departure of key managers It is also consulted on the appointment of Auditors in addition to the appointment and renewal of the terms of Directors.

## **ARTICLE 7**

### **Directors' compensation rules**

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Directors receive attendance fees whose amount and allocation are set annually by the Board of Directors, within the limits set by the Ordinary and Extraordinary General Meeting of the Shareholders.

Members of the Board of Directors and Committees shall be reimbursed expenses incurred in the performance of their functions, subject to the presentation of vouchers.





**ARTICLE 8**  
**Entry into force - Binding nature**

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This charter may be modified by decision of the Board of Directors.

Any new member of the Board will be invited to sign this document upon taking up his or her function.

All or part of this charter will be made available to the public and available for consultation on the Company's website.