

The background features six stylized bird silhouettes, likely swallows, arranged in a circular pattern around the central text. Each bird is depicted in flight, with its wings spread and tail feathers visible. The birds are rendered in a light gray color that matches the background, creating a subtle, elegant design.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE



4
Corporate Governance

6
Group Structure

8
Board of Directors



CORPORATE GOVERNANCE

PRINCIPLES

Lalique Group undertakes to comply with the principles of good corporate governance and follows the requirements of the BX Berne exchange concerning information on corporate governance. It also voluntarily aligns itself with the relevant standards of the SIX Swiss Exchange.

PARENT COMPANY AND SHAREHOLDERS

Parent company

Lalique Group SA, registered in Zurich, Switzerland, is the parent company of Lalique Group. The shares of Lalique Group SA (stock exchange symbol: LLQ) have been listed since 19 September 2007 and are traded on the BX Berne eXchange.

Shareholders

As at 31 December 2017, a total of 496 shareholders (previous year: 436) were entered in the share register.

Shareholders	Shares 31.12.2017	Shares 31.12.2016	Remarks
Board of Directors and Executive Board	3 759 700	3 933 300	see major shareholders
Other shareholders	962 197	779 098	
Non-registered shares	264 603	257 402	
Treasury shares	13 500	30 200	
Total	5 000 000	5 000 000	
Major shareholders			
Silvio Denz	3 602 000	3 775 000	
MAG Seven Ltd	166 667	-	

CAPITAL STRUCTURE

Ordinary share capital

As of 31 December 2017, the share capital amounted to CHF 1 million (31 December 2017: CHF 1 million) and consisted of 5,000,000 registered shares with a nominal value of CHF 0.20 each (31 December 2016: 5,000,000 registered shares with a nominal value of CHF 0.20 each). All registered shares issued are fully paid up and bear equal rights in all regards.

Changes in capital

In 2017 there were no alterations in the capital at Group level.

Conditional capital

There is conditional capital of CHF 50,000 for an employee incentive plan.

Restrictions on transferability

- The transferability of the shares of Lalique Group is not subject to any restrictions in principle.
- Owners of shares are entered in a share register. The company must be notified of any changes.
- The persons entered in the share register are deemed to be the shareholders in relation to the company.
- Entry in the share register requires that proof be provided of acquisition of the shares.
- After hearing the case put by the person concerned, the company may cancel any relevant entry in the share register that was made on the basis of false information.

Compensation, participations and loans

Compensation is listed in the Notes to the parent company financial statements.

Ownership of share capital as at 31 December 2017 (2016)

Corporate body	Number
Board of Directors	3 759 000 (3 932 000)
Executive Board ¹	700 (1300)

¹ Excl. Roger von der Weid and Claudio Denz, who are listed under "Board of Directors".

Shareholder loans

As at the end of 2017, there were two loans granted to the company by the main shareholder, one of CHF 4 million and one of CHF 20 million. The CHF 20 million loan is subordinate to a bank loan of Lalique Group SA.

Management transactions

“Management transactions” are transactions carried out by members of the Board of Directors and of the Executive Board. The following management transactions were carried out in 2017.

Type of Transaction	Number of persons	Number of transactions	Value in CHF
Purchase	1	2	1 839
Sale	1	3	4 209 252

Business transactions with related parties

All transactions with related parties and companies are based on arm’s-length contracts at market conditions. Business relations with related parties are detailed in the consolidated accounts of the annex in note 27 (in the electronic version of the Financial Report).

Shareholder participation

All shareholders entered in the share register with voting rights are entitled to attend and vote at the General Meeting of Shareholders. Each registered share entitles the holder to one vote. No restrictions on voting rights exist. Shareholders may arrange to be represented at the General Meeting of Shareholders by a person authorized in writing, by the management representative, by the independent proxy or by a portfolio representative by means of a written power of attorney. No legal quorum exists. Invitations to the General Meeting of Shareholders are issued in writing at least 20 days in advance together with an announcement in the company’s official publication medium, the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt, SHAB). For organizational reasons, only those shareholders entered in the share register on the day before invitations are sent may attend the General Meeting of Shareholders. Shareholders are entitled to receive dividends and to lay claim to the rights stipulated in the Swiss Code of Obligations.

Change of control and defensive measures

The articles of incorporation of Lalique Group SA contain neither an opting-out nor an opting-up clause. No change of control clauses with members of the Board of Directors, of the Executive Board or senior management exist.

Auditors

The General Meeting of Shareholders elects the auditor for a period of one year. In 2017, Ernst & Young AG, Zurich, was elected as statutory auditor. The auditor in charge was Christian Krämer, a Swiss certified accountant.

Information policy

Lalique Group undertakes to pursue an open, transparent and consistent information policy, publishing semi-annual and annual results in compliance with the requirements of the BX Berne eXchange. In addition to the detailed information published at the General Meeting of Shareholders, the company also provides information about significant and material events, which is archived on the company website at www.lalique-group.com. The CEO is responsible for communication with investors. The official publication medium of Lalique Group is the Swiss Official Gazette of Commerce (SHAB).

Board of Directors

All members of the Board of Directors were re-elected at the General Meeting of Shareholders on 23 June 2017. Jan Kollros was newly appointed as an additional member of the Board of Directors.

Term of office

The term of office of each member of the Board of Directors is one year.

Dual functions

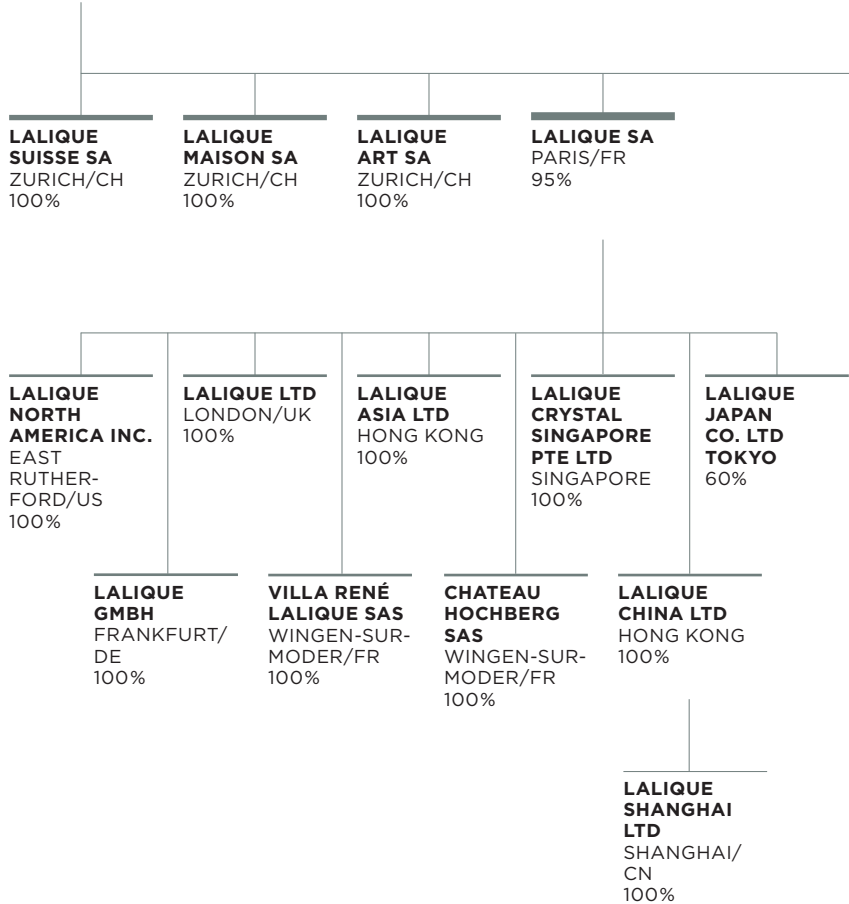
The Board of Directors takes the view that the current dual functions of Roger von der Weid as CEO and Executive Director and Claudio Denz as Head of Digital and member of the Board of Directors are to the benefit of Lalique Group, facilitating efficient leadership and an excellent flow of information between shareholders, the Board of Directors and the Executive Board.

Remuneration Committee

The remuneration committee is constituted by Silvio Denz and Roger von der Weid.

LEGAL GROUP STRUCTURE

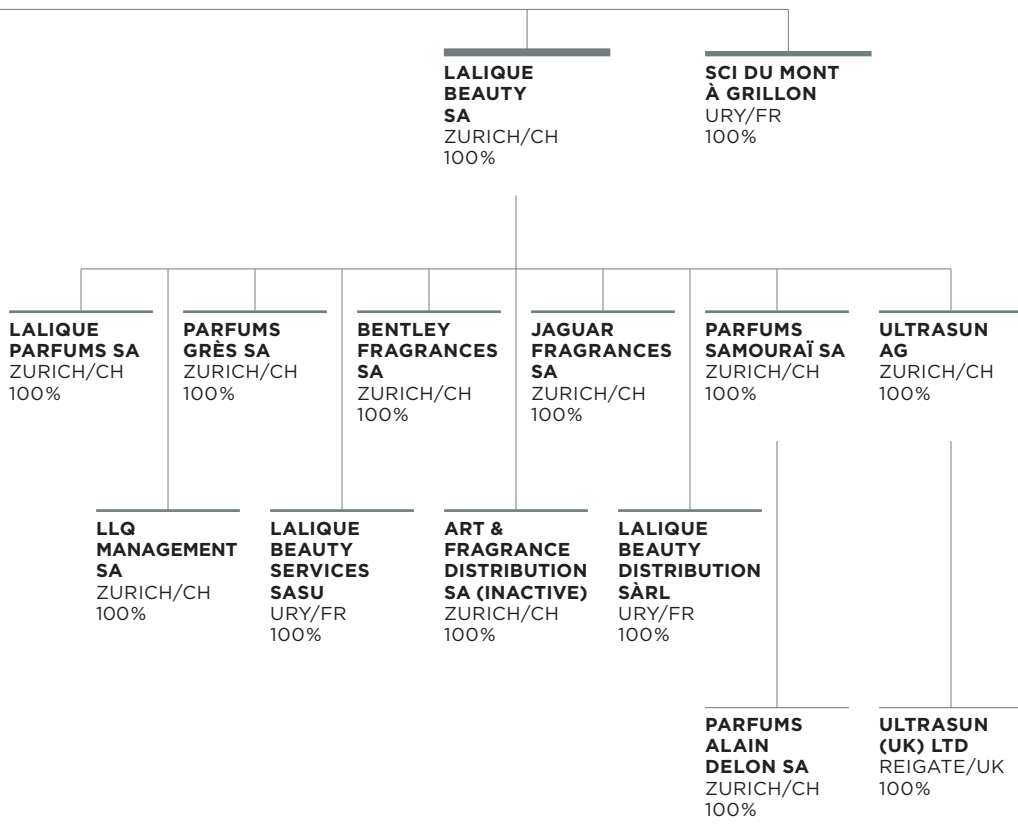
LALIQUE GROUP SA ZURICH/CH



Working method of the Board of Directors

Pursuant to the articles of incorporation the Board of Directors meets at least four times a year and as often as business requires. In 2017, the Board of Directors held five meetings (2016: five). Where required, the Board of Directors calls in external specialists for the treatment of specific themes. The responsibilities of the Board of Directors

concern the strategic management of the company, supervision of the Executive Board and financial control. The Board of Directors examines the company's objectives and identifies opportunities and risks. It also appoints the members of the Executive Board. Its rights and obligations, authorities and responsibilities are laid down in the organizational regulations. The Board of



Directors constitutes a quorum if at least half of its members are present. A decision must be supported by the majority of the votes cast in order to be valid. In the event of a parity of votes, the Chairman of the Board of Directors has the casting vote.

Executive Boards

The Executive Boards of the beauty segment on one hand, and Lalique on the other, are responsible for the operational management of the business. Their rights and obligations, authorities and responsibilities are laid down in the organizational regulations.

BOARD OF DIRECTORS AND EXECUTIVE BOARD



Silvio Denz



Roland Weber



Roger von der Weid



Claudio Denz



Jan Kollros



Marc Roesti

SILVIO DENZ**Chairman of the Board of Directors**

Educated in Finance. Various positions held in Switzerland and abroad. Developed and managed Alrodo AG; sold it in 2000 to Marionnaud. Went on to found Art & Fragrance SA, which was renamed Lalique Group SA in 2017. Investments in vineyards and real estate. Active in international art trading. Resident in Switzerland since end of 2017. Other board memberships: Lalique Group SA, Zurich; Lalique SA, Paris; Lalique Asia Limited, Hong Kong; Ciron SA, Zurich; Art & Terroir SA, Zurich. Born in 1956, dual Swiss and Italian citizenship, Chairman of the Board of Directors from 2000 to 2005 and from 2007 till today; occupation: entrepreneur.

ROLAND WEBER**Vice-Chairman of the Board of Directors**

Master of Business Administration from the University of St. Gallen (HSG). Management responsibility at Jaguar Cars Switzerland and Yves Saint Laurent Switzerland and Austria. CEO and Executive Director of Alrodo. Later director of Retail Factory SA, Cham. Resident in Dubai since 2007. Other board memberships: Schneider Feldmann AG, patent and brand attorneys, Cham. Born 1957, Swiss, member of the Board of Directors since the 2003 General Meeting; Chairman from 2005 until the Extraordinary General Meeting on 21 May 2007, since then Vice-Chairman; occupation: entrepreneur.

ROGER VON DER WEID**Delegate of the Board of Directors; Member of the Executive Board/Chief Executive Officer**

Trained as an attorney at law; Master of Laws from Duke University School of Law, North Carolina (USA); Swiss Certified Tax Expert; Executive Master of Corporate Finance. Lawyer and tax consultant. Managing Director of a trust company. Board memberships: Lalique SA, Paris; Lalique Asia Limited, Hong Kong; Lalique Beauty SA, Zurich; Lalique North America, USA; Lalique China, China; Lalique (UK) Limited, London; Art & Terroir SA, Zurich; Ultrasun AG, Zurich; Ciron SA, Zurich; Madura Holding APS, Denmark; as well as other Group companies. Born 1970, Swiss, member of the

Board of Directors since the 2006 General Meeting; occupation: CEO of Lalique Group SA since January 2006.

CLAUDIO DENZ**Member of the Board of Directors and of the Executive Board; Head of Digital**

Commercial diploma; joined the Group in 2009; worked in a variety of positions in the fields of brand management, marketing, online commerce, as creative director and COO. Assignments at Lalique North America, Lalique SA in Paris as well as at Lalique Ltd in London. Born 1988, dual Swiss and Italian citizenship, member of the Board of Directors since the 2011 General Meeting. Other board memberships: Ermitage Estate AG, Zurich; Madox Group AG, Zurich; Denz Weine AG, Zurich. Occupation: COO from 2011 to 2016, Creative Director from 2013 to May 2017. Head of Digital since January 2015.

JAN KOLLROS**Member of the Board of Directors**

Studied mechanical engineering and industrial management at ETH Zurich. Gained professional experience in various international industrial groups. Since 2005 he has worked at adbodmer AG, a multi-family office in Horgen, near Zurich; since 2009 as Managing Partner, responsible for the operational management of the company. Other board memberships: Bédât & Co, VETtrust AG, and others. Born 1978, Swiss, member of the Board of Directors since the 2017 General Meeting. Occupation: Managing Partner at adbodmer AG since 2009.

MARC ROESTI**Member of the Board of Directors**

Studied business administration in Cambridge and Sheffield, UK. Management roles in Sales & Marketing in the perfume industry. CEO at Takasago. Founded Mont-Blanc Resourcing in 1999 and since then consultant on perfumes and cosmetics. Other board membership: Lalique SA, Paris. Born 1946, Swiss, member of the Board of Directors since the 2008 General Meeting; occupation: owner and founder of Mont-Blanc Resourcing, a consultancy firm for the creation and development of perfumes and cosmetics.

BOARD OF DIRECTORS AND EXECUTIVE BOARD

OPERATIONAL STRUCTURE

BOARD OF DIRECTORS LALIQUE GROUP

Silvio Denz, Chairman; Roland Weber, Vice-Chairman; Claudio Denz, Member; Jan Kollros, Member; Marc Roesti, Member; Roger von der Weid, Delegate and Executive Director

AUDITORS

Ernst & Young AG

GROUP CEO

Roger von der Weid

GROUP CFO

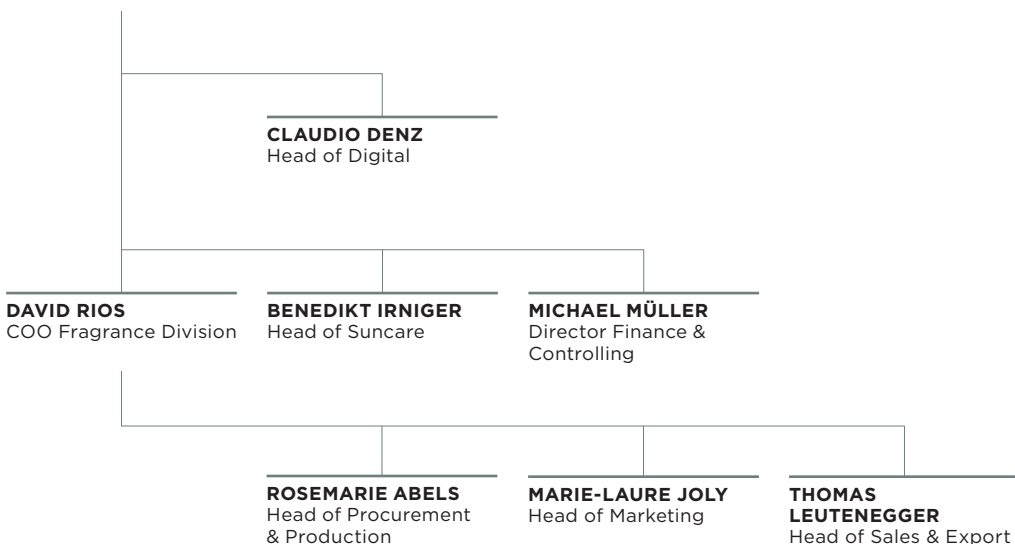
Alexis Rubinstein

BEAUTY DIVISION

Executive Board

ROGER VON DER WEID

CEO



LALIQUE

Executive Board

SILVIO DENZ
Chairman of the Board of Directors & CEO

ROGER VON DER WEID
Managing Director

