

## 5.7 Charters and internal rules

### 5.7.1 INTERNAL RULES OF THE SUPERVISORY BOARD

These Internal Rules, provided for in Article 13 of the Company's Bylaws, are in line with the recommendations of the AFEP-MEDEF Code. It is an internal document which completes the Bylaws by clarifying the organization and activities of the Supervisory Board. It may not be invoked by shareholders or third parties against members of the Supervisory Board. The Internal Rules may be modified at any time by decision of the Supervisory Board.

#### Article 1: Composition and renewal of the Supervisory Board

1. Pursuant to Article 11 of the Company's Bylaws, the Supervisory Board has between three and eighteen members, appointed by Shareholders' Meetings for terms of four years.
2. The Supervisory Board ensures the implementation and continuation of the staggered renewal of its members in as equal fractions as possible. When necessary, the Board may ask one or several of its members to resign in order to implement staggered renewal.

#### Article 2: Attendance – Independence – Multiple Directorships – Shareholdings

1. Each Supervisory Board member must devote the time and attention required for the exercise of his/her duties and participate regularly in the meetings of the Board and any committees of which he/she may be a member, as well as Shareholders' Meetings.

In the absence of exceptional reasons, any Supervisory Board member failing to attend half of the Board meetings and/ or relevant Committee meetings held during one year will be deemed to wish to terminate his/her term of office, and will be asked to resign from the Supervisory Board.

2. The Supervisory Board determines the independence of its members and reviews their independence annually. It acts on the advice of the CAG Committee.

Members of the Supervisory Board are considered independent if they have no direct or indirect relationship of any kind with the Company, its consolidated Group or its Management that may affect or detract from their ability to make independent judgments.

A Supervisory Board member is considered to be an independent member if he/she:

- is not and has not been during the previous five years:
  - an executive corporate officer<sup>(1)</sup> or employee of the Company; executive corporate officer, employee or a Director of a company consolidated within the Company,
  - executive corporate officer, employee or a Director of the Company's parent company or a company consolidated within this parent;

- is not an executive corporate officer of a company in which the Company holds a Directorship, either directly or indirectly, or in which an employee or executive corporate officer of the Company (currently in office or having held such office during the last five years) is a Director;

- is not a client, supplier, investment banker or corporate banker<sup>(2)</sup>:
  - material to the Company or its group of companies, or
  - which derives a material portion of its business from the Company or its group of companies.

The assessment of the material nature of the business relationship with the Company or its group is deliberated by the Board and the quantitative and qualitative criteria underpinning the assessment (continuity, economic dependence, exclusivity, etc.) are explained in the corporate governance report;

- does not currently serve, and has not served during the previous five years, as the Statutory Auditor of the Company or any of its subsidiaries;
- is not a close relative of a corporate officer of the Company;
- has not been a Director of the Company for more than twelve years. Loss of the status of independent Director occurs on the date at which this period of twelve years is reached.

The Chairman of the Supervisory Board may not be considered independent if he receives variable compensation in cash or securities or any performance-related compensation from the Company or the Group.

The Board may rule that a member who meets the above criteria cannot be considered an independent member due to specific circumstances and, conversely, that a member who does not meet all of these criteria may be considered an independent member.

3. Each member must inform the Supervisory Board of the Directorships he/she holds in other French and non-French companies, including any Board committees on which he/she sits in these companies and undertakes to comply with legal requirements and AFEP-MEDEF recommendations regarding multiple Directorships. Accordingly, a member of the Supervisory Board must not sit or more than four other Boards of Directors or Supervisory Boards of listed companies outside the Group.
4. In accordance with the AFEP-MEDEF Code, each member of the Supervisory Board must be a shareholder of the Company in a personal capacity and hold a significant number of shares.

Accordingly, pursuant to Article 11.2 of the Bylaws, members of the Supervisory Board must hold a minimum of 250 shares in the Company when they begin their term of office.

In addition, members of the Supervisory Board must increase the number of shares held to the equivalent of one year's attendance fees, that is, 750 shares, before the end of their current term of office.

The shares purchased must be held in registered form.

This obligation to hold shares does not apply to shareholders representing employees.

(1) *The Chairman and Chief Executive Officer, the Chief Executive Officer or the Deputy Chief Executive Officer of a limited liability company with a Board of Directors (société anonyme à Conseil d'Administration), or the Chairman or members of the Executive Board of a limited liability company with a Supervisory Board (société anonyme à Conseil de Surveillance) or the manager of a partnership limited by shares.*

(2) *Or directly or indirectly linked to such an individual.*

### Article 3: Supervisory Board meetings

1. In accordance with paragraph 3 of Article 12 of the Bylaws, the Board appoints a secretary nominated by the Chairman. The secretary may be a non-member.

2. The Supervisory Board meets as often as necessary, and at least five times per year, with notably a meeting focusing on strategy and a themed-based meeting on risks, CSR and governance. Meetings are notified by letter, fax, e-mail or orally. Notices of meeting may be issued by the secretary to the Supervisory Board.

Meetings are called by the Chairman, who sets the agenda. The agenda may be set only at the time of the meeting. In the absence of the Chairman, the meeting is chaired by the Vice-Chairman, who then assumes all the powers of the former.

At the initiative of a Supervisory Board member, on request to the Chairman of the Board, the Board can decide to hold meetings without Executive Board members present. These meetings may, for example, focus on the assessment of the performance of Executive Board members or changes in the composition of the Executive Board.

The Chairman must call a Supervisory Board meeting within fifteen days of being asked to do so for a valid reason by at least one-third of its members. If such a request remains unsatisfied, the members who submitted the request may themselves call the meeting and set its agenda.

Meetings are held at the location indicated in the notice of meeting.

3. Any Supervisory Board member may authorize another member by letter, fax or e-mail to act on his/her behalf at a meeting. No member may represent more than one other member at the same meeting.

These provisions also apply to the permanent representative of a legal entity.

Supervisory Board proceedings are valid only when at least half of its members are present. Decisions are adopted by the majority of members present or represented. Where voting is tied, the meeting Chairman will have the casting vote.

4. Except when adopting resolutions relating to the appointment or replacement of its Chairman and Vice-Chairman, and those relating to the appointment or dismissal of Executive Board members, Supervisory Board members participating in Board meetings by means of video conferencing or another means of telecommunications shall be considered present for the purpose of quorum and voting rules, subject to the provisions of relevant laws and regulations.

5. The Supervisory Board may authorize non-members to attend its meetings, whether in person or by means of video conferencing or another means of telecommunications.

6. An attendance register signed by the Supervisory Board members attending meetings is held at the registered office.

### Article 4: Minutes

Minutes are recorded of all Board meetings, in accordance with applicable legal provisions.

The minutes indicate any use of video conferencing or other means of telecommunications, and the names of all those participating in the meeting through such methods.

The secretary to the Board is authorized to distribute and certify copies or extracts of the minutes.

### Article 5: Exercise of Supervisory Board powers

The Supervisory Board permanently oversees the management of the Company by its Executive Board. In doing so, it exercises the powers conferred upon it by law and the Bylaws.

#### 1. Information provided to the Supervisory Board

Throughout the year, the Supervisory Board performs the checks and controls it deems warranted, and may request any document it considers necessary to carry out its duties.

The Chairman receives a monthly report from the Executive Board on the Company's investments, cash position, transactions and debt, if any.

At least once every quarter, the Executive Board submits a report on the above matters to the Supervisory Board, which includes a presentation of the Company's business activities and strategy.

The Executive Board also supplies the Supervisory Board with half-year budgets and investment plans.

#### 2. Prior authorization by the Supervisory Board

1. Transactions referred to in Article 14, paragraph 4, of the Bylaws and all material transactions outside the strategy of the Company are subject to the prior authorization of the Supervisory Board.

2. In accordance with Article 14 of the Bylaws, the Supervisory Board communicates in writing to the Executive Board the duration, amounts and conditions under which it gives prior authorization for one or more of the transactions covered by paragraph 4 of Article 14 of the Bylaws.

In the event of urgency between Supervisory Board meetings, the Chairman of the Supervisory Board may, if so authorized by the Supervisory Board, and subject to approval by the Finance Committee, authorize the Executive Board to carry out the transactions covered by paragraph 4 of Article 14 of the Bylaws.

For transactions covered by the penultimate (debt agreement, financing or partnership) and final (new or additional investment, acquisition, exchange or disposal of shares, property, receivables or securities) points, this delegation may only be implemented when the transaction is for an amount (defined as the amount considered when applying thresholds, in accordance with Article 14 paragraph 4 of the Bylaws) of between €200 million and €350 million.

Such authorization must be given in writing. The Chairman will report on this authorization at the subsequent Supervisory Board meeting, which will be asked to ratify the decision.

3. Acting on behalf of the Supervisory Board, the Chairman authorizes the appointment of any new Company representative to the Board of any company in France or abroad in which Eurazeo holds an investment of at least €200 million.

4. The Supervisory Board Chairman may advise the Executive Board at any time on any transaction, whether past, present or future.

5. Prior agreements and/or authorizations granted to the Executive Board under the terms of Article 14 of the Bylaws and this Article must be detailed in the minutes of the proceedings of the Supervisory and Executive Boards.

## Article 6: Establishment of committees – Common provisions

1. Under the terms of paragraph 6 of Article 14 of the Bylaws, the Supervisory Board resolves to set up an Audit Committee, a Finance Committee, a Compensation, Appointment and Governance (CAG) Committee, a Corporate Social Responsibility (CSR) Committee and a Digital Committee. All five committees are permanent committees. Their duties and rules are set out in their charters in Appendices 1, 2, 3, 4 and 5 to these Internal Rules.
2. Each Committee has between three and seven members appointed in a personal capacity, who may not be represented by other members. They are chosen freely by the Board, which ensures that they include independent members.
3. Although the term of Committee membership coincides with the member's term of office on the Supervisory Board, the latter can change the composition of its committees at any time and remove a member from a committee if necessary.
4. The Board may also appoint one or more non-voting members to sit on one or more committees for whatever duration it sees fit. In accordance with the Bylaws, these non-voting members may only take part in committee proceedings in a consultative capacity. They may not act on behalf of Supervisory Board members and may only advise.
5. The Board appoints the committee Chairman from among its members, and for the duration of his/her appointment as a committee member.
6. Each Committee reports on the performance of its duties at the next meeting of the Supervisory Board.
7. Each Committee sets the frequency of its own meetings, which are held at the registered office or any other location selected by the Chairman, who also sets the agenda for each meeting.  
The Chairman of a committee may invite Supervisory Board members to attend one or more of its meetings. Only committee members may take part in deliberations.  
Each committee may invite any guest of its choice to attend its meetings.
8. In the absence of specific provisions, the minutes of each Committee meeting are recorded by the secretary appointed by the Committee Chairman, under the authority of the Committee Chairman. The minutes are distributed to all Committee members. The Committee Chairman decides on the conditions governing the way in which the work of the committee is reported to the Supervisory Board.
9. Each committee puts forward proposals, recommendations and/or advice within its own field of expertise. For this purpose, it may undertake or commission any studies liable to assist the deliberations of the Supervisory Board.
10. Compensation of Committee members is set by the Supervisory Board, and paid from the total amount of attendance fees for the year.

## Article 7: Supervisory Board compensation

1. The Chairman and Vice-Chairman may receive compensation, the nature, amount and payment methods of which are determined by the Supervisory Board acting upon recommendation of the CAG Committee.
2. The amount of attendance fees set by the Shareholders' Meeting under the terms of Article 15 of the Bylaws is shared between the Supervisory Board, its committees and, when applicable, their non-voting members, in accordance with the following principles:
  - the Supervisory Board sets the amount of attendance fees allocated to Supervisory Board members, and the amount allocated to the Chairman and members of each committee;

- attendance fees allocated to members of the Supervisory Board include a fixed portion and a variable portion in proportion to their actual presence at Board meetings;
- attendance fee allocated to members of the committees are determined in proportion to their actual presence at committee meetings;
- the Supervisory Board may decide that a proportion of the attendance fees should be allocated to non-voting members, the amount and conditions of such allocation being set by the Supervisory Board itself;
- the Supervisory Board may decide the grant of exceptional attendance fees for specific assignments entrusted to a member;
- in the event the total amount of attendance fees set by the Shareholders' Meeting is exceeded, a reduction ratio is applied to all attendance fees granted to members and non-voting members.

## Article 8: Ethics

1. Supervisory Board and Committee members, and any person attending Supervisory Board and/or Committee meetings, are bound by a general obligation of confidentiality concerning the proceedings attended, and in respect of any confidential information or information described as such by the Chairman of the meeting concerned or the Chairman of the Executive Board.
2. More particularly, when the Supervisory Board receives precise confidential information liable, if published, to affect the share price of the Company or one of the companies it controls, then the members of the Board must refrain from disclosing this information to any third party until it has been made public. The Supervisory Board members must comply with the provisions of the securities trading code of conduct that they have signed.
3. Every Supervisory Board member must inform the Company by sealed letter conveyed via the Chairman of the Supervisory Board, of any transaction involving his/her shares in the Company. This letter must include details of the number of Company shares held and be submitted within three business days of the transaction to which it refers. Supervisory Board members must also inform the Company of the number of shares they hold as of December 31 of each year, and at the time of any financial transaction, so that the Company can disclose this information.
4. The Company may ask any Supervisory Board member to provide full information concerning transactions in the shares of listed companies, when such information is necessary to satisfy reporting obligations to national regulatory bodies, and more specifically, market regulators.
5. When a transaction is planned in which a Supervisory Board member or a non-voting member of the Supervisory Board has a direct or indirect interest (e.g. when a Board member is affiliated with the seller's advisory or funding bank, or the bank advising or funding a Eurazeo competitor in respect of the same transaction, or with a major supplier or customer of a company in which Eurazeo is considering acquiring an investment), the Supervisory Board member or the non-voting member of the Supervisory Board concerned must inform the Chairman of the Supervisory Board of his/her knowledge of the planned transaction, specifying whether his/her interest is direct or indirect and the nature of the interest. The Supervisory Board member or the non-voting member of the Supervisory Board concerned is then required to abstain from participating in Supervisory Board or Committee meetings at which the prospective transaction is discussed. Consequently, he/she takes no part in the proceedings of the Supervisory Board or in the vote concerning the planned transaction, and does not receive the relevant section of the minutes.

## Article 9: Notification

The Executive Board will be informed of these rules, and will take due note of them under a specific resolution.

### 5.7.2 CHARTER FOR SPECIALIZED COMMITTEES

#### 5.7.2.1 Audit Committee charter

##### Article 1: Duties

In accordance with the law, the general duties of the Eurazeo Audit Committee, acting under the responsibility of the Eurazeo Supervisory Board, are to monitor issues concerning the preparation and control of accounting and financial information.

More specifically, the duties of this committee are as follows:

1. it monitors the financial information preparation process and, where applicable, issues recommendations to ensure its integrity;
2. it monitors the efficiency of the internal control and risk management systems and, where applicable, internal audit systems, with respect to procedures governing the preparation and processing of financial and accounting information, without infringing on its independence;
3. it issues a recommendation on the Statutory Auditors proposed for appointment to the Shareholders' Meeting;
4. it monitors the conduct by the Statutory Auditors of their engagement and takes account of the observations and conclusions of the High Council of Statutory Auditors following any audits;
5. it confirms the Statutory Auditors comply with the independence conditions set out in Articles L. 822-9 to L. 822-16 of the French Commercial Code; where applicable, it takes the measures necessary to apply Article 4, paragraph 3 of Regulation (EU) no. 537/2014 and confirms compliance with the conditions set out in Article 6 of this regulation;
6. it approves the provision of services set out in Article L. 822-11-2 of the French Commercial Code;
7. it reports regularly to the Board of Directors or Supervisory Board on the performance of its duties. It also reports on the results of the statutory audit engagement, on how this engagement contributes to the integrity of the financial information and on the role it plays in this process. It immediately informs it of any difficulties encountered.

##### Article 2: Scope of activities

In the performance of its duties, the Audit Committee intervenes notably in the following areas:

- review of the scope of consolidation and draft separate and consolidated financial statements presented to the Supervisory Board for approval;
- review, with the Executive Board and the Statutory Auditors, of the generally accepted accounting policies and methods applied in the preparation of the financial statements and any amendments to these accounting policies, methods and rules, ensuring the appropriateness thereof;
- review and monitoring of the processes for the production and processing of the accounting and financial information used to prepare the financial statements;
- assessment of the validity of the methods selected to process major transactions;
- review of the Executive Board's presentation on exposure to material risks and off-balance sheet commitments during the review of the financial statements by the Audit Committee;
- review and appraisal, at least once annually, of the efficiency of internal control and risk management procedures implemented, including those relating to the preparation and processing of accounting and financial information;
- periodic review of the cash position;

- approval of the internal audit plan, monitoring of its progress, review of the conclusions of internal audit assignments and follow-up of progress of the resulting action plans;
- review, with the Statutory Auditors, of the nature, scope and results of audit procedures performed and their observations and suggestions, particularly with respect to internal control and risk management procedures, accounting practices and the internal audit plan;
- review of the draft report of the Chairman of the Supervisory Board on internal control and risk management procedures implemented by Eurazeo;
- authorization of non-audit services not detailed in Article L. 822-11 II and Article L. 822-11-1 I of the French Commercial Code by the Statutory Auditors in accordance with the procedures implemented by the Audit Committee;
- review of the call for tenders procedure for the selection of the Statutory Auditors and issuance of a recommendation to the Supervisory Board on the Statutory Auditors proposed for appointment to the Shareholders' Meeting in accordance with the rules governing the rotation of signatory partners and audit firms;
- monitoring of the compliance by the Statutory Auditors of the cap on authorized non-audit services of 70% of average audit fees for the last three years.

##### Article 3: Meetings

In addition to the provisions of the Internal Rules of the Supervisory Board applicable to the Audit Committee and its members:

Committee meetings are convened at least four times a year by its Chairman. Meetings may also be called at the request of the Chairman of the Supervisory Board or the Chairman of the Executive Board.

Except in emergencies, Audit Committee members are given notice of meetings by any means at least five (5) calendar days in advance.

Audit Committee proceedings are valid only when at least half of its members (excluding non-voting members) are present. The recommendations of the Audit Committee are adopted by a simple majority of members present or represented. When voting is tied, the Committee Chairman has a casting vote. For the purposes of quorum and majority rules, Audit Committee members may participate in committee meetings through video conferencing or another form of telecommunications, in accordance with the conditions authorized or required by prevailing laws and regulations applicable to meetings of the Supervisory Board.

The recommendations issued by the Audit Committee must then be discussed by the Supervisory Board before the relevant measures can be implemented by the Company.

#### 5.7.2.2 Digital Committee charter

##### Article 1: Duties

The main purpose of the Digital Committee is to assist the Supervisory Board with digitalization efforts.

For this purpose, the committee takes action on topics related to digital. Its main duties are to:

- discuss Group digital strategy with management;
- ramp up the inclusion of digital within the Group's operational activities to make it a driver of growth;
- monitor and analyze the digital environment (competitors, risks and opportunities, technological innovations);
- evaluate the cyber risk and the relevance of measures put in place, in coordination with the Audit Committee.

## Article 2: Meetings

In addition to the provisions of the Internal Rules of the Supervisory Board applicable to the Digital Committee and its members:

Digital Committee meetings are convened by its Chairman whenever necessary and at least twice a year. Meetings may also be called at the request of the Chairman of the Supervisory Board or the Chairwoman of the Executive Board.

Except in emergencies, Digital Committee members are given notice of meetings by any means at least five (5) calendar days in advance.

Digital Committee proceedings are valid only when at least half of its members (excluding non-voting members) are present. The recommendations of the Digital Committee are adopted by a simple majority of members present or represented. When voting is tied, the Committee Chairman has a casting vote. For the purposes of quorum and majority rules, Digital Committee members may participate in Committee meetings through video conferencing or another means of telecommunications, in accordance with the conditions authorized or required by prevailing laws and regulations applicable to meetings of the Supervisory Board.

The recommendations issued by the Digital Committee must then be discussed by the Supervisory Board before the relevant measures can be implemented by the company.

### 5.7.2.3 Finance Committee charter

#### Article 1: Duties

The main purpose of the Finance Committee is to assist the Supervisory Board on the Company's proposed investments and divestments. It acts under the sole and collective responsibility of the members of the Eurazeo Supervisory Board.

The Finance Committee accordingly prepares Supervisory Board meetings and issues recommendations or opinions on all proposed transactions submitted to it by the Chairman of the Supervisory Board, notably in accordance with Article 5.2.2 of the Internal Rules of the Supervisory Board.

#### Article 2: Scope of activities

In the performance of its duties, the Finance Committee intervenes, at the request of the Chairman of the Supervisory Board or the Supervisory Board itself, on projects including:

- any transaction that could result, immediately or in the future, in a capital increase or decrease through the issue or cancellation of shares;
- the acquisition of a new or additional investment in any entity or company, or any acquisition, exchange or disposal of shares, property, receivables or securities involving an investment by the Company of more than €200 million;
- agreements regarding debt, financing or alliances, whenever the total amount of the transaction or agreement, performed in one or more stages, exceeds €200 million.

The following items are taken into consideration in calculating the above limit of €200 million:

- the value of any investment by the Company, as reported in its separate accounts, either in the form of equity or equity equivalents or in the form of shareholder loans or similar arrangements,
- debts and assimilated liabilities for which the Company has provided an express guarantee or agreed to stand surety. Other liabilities contracted by the subsidiary or holding entity concerned, or by a special-purpose acquisition entity, for which the Company has not expressly agreed to give a guarantee or stand surety, are not taken into account to determine whether or not the limit has been exceeded.

## Article 3: Membership, meetings and organization

In addition to the provisions of the Internal Rules of the Supervisory Board applicable to the Finance Committee and its members:

Finance Committee meetings are convened by its Chairman whenever necessary. Meetings may also be called at the request of the Chairman of the Supervisory Board or the Chairman of the Executive Board.

Except in emergencies, Finance Committee members are given notice of meetings by any means at least five (5) calendar days in advance.

Finance Committee proceedings are valid only when at least half of its members (excluding non-voting members) are present. The recommendations of the Finance Committee are adopted by a simple majority of members present or represented. When voting is tied, the Committee Chairman has a casting vote. For the purposes of quorum and majority rules, Finance Committee members may participate in Committee meetings through video conferencing or another means of telecommunications, in accordance with the conditions authorized or required by prevailing laws and regulations applicable to meetings of the Supervisory Board.

The recommendations issued by the Finance Committee must then be discussed by the Supervisory Board before the relevant measures can be implemented by the Company, except in accordance with Article 5.2.2 of the Internal Rules of the Supervisory Board.

### 5.7.2.4 Corporate Social Responsibility (CSR) Committee charter

#### Article 1: Duties

The main task of the Eurazeo CSR Committee is to assist the Supervisory Board with monitoring CSR issues in order to enable Eurazeo to best anticipate the related opportunities, challenges and risks.

The CSR Committee considers these issues in coordination with the Executive Board and reports regularly to the Supervisory Board on the exercise of its duties and issues recommendations on Eurazeo CSR policy and actions.

#### Article 2: Scope of activities

The CSR Committee pays close attention to the action principles, policies and practices implemented by Eurazeo in the following areas:

- social, towards the employees of Eurazeo and its portfolio companies;
- environmental, regarding the direct activities of Eurazeo and the activities of its investments;
- governance, for Eurazeo and its portfolio companies;
- ethics.

These practices may also be reviewed, when appropriate, with regards to all Eurazeo stakeholders (particularly suppliers).

More specifically, the duties of the CSR Committee include:

- ensuring CSR issues are taken into account in defining the Eurazeo strategy;
- examining CSR opportunities and risks with respect to Eurazeo's activities;
- reviewing policy in the above areas, the objectives set and the results obtained;
- more specifically with respect to investment, ensuring the performance of CSR due diligence procedures for acquisitions and divestments;
- reviewing non-financial reporting, appraisal and control systems to enable Eurazeo to produce reliable non-financial information;

## Governance

### Charters and internal rules

- reviewing all non-financial information published by Eurazeo;
- examining and monitoring ratings received from non-financial rating agencies; and
- reviewing the monitoring and implementation of applicable regulation in the above areas.

#### Article 3: Meetings

In addition to the provisions of the Internal Rules of the Supervisory Board applicable to the CSR Committee and its members:

CSR Committee meetings are convened by its Chairman whenever necessary and at least twice a year. Meetings may also be called at the request of the Chairman of the Supervisory Board or the Chairman of the Executive Board.

Except in emergencies, CSR Committee members are given notice of meetings by any means at least five (5) calendar days in advance.

CSR Committee proceedings are valid only when at least half of its members (excluding non-voting members) are present. The recommendations of the CSR Committee are adopted by a simple majority of members present or represented. When voting is tied, the Committee Chairman has a casting vote. For the purposes of quorum and majority rules, CSR Committee members may participate in committee meetings through video conferencing or another means of telecommunications, in accordance with the conditions authorized or required by prevailing laws and regulations applicable to meetings of the Supervisory Board.

The recommendations issued by the CSR Committee must then be discussed by the Supervisory Board before the relevant measures can be implemented by the Company.

#### 5.7.2.5 Compensation, Appointment and Governance (CAG) Committee

##### Article 1: Duties

The CAG Committee is responsible for preparing the decisions of the Supervisory Board regarding corporate officer compensation and the share subscription and/or purchase option grant policy (and, when applicable, the free share grant policy), preparing changes in the composition of the Company's management bodies and finally, debating governance issues relating to the activities and organization of the Board and overseeing the correct application of market principles with respect to corporate governance.

To this end, the committee performs the following main tasks:

- Compensation:
  - it makes proposals to the Supervisory Board regarding the various components of Executive Board members' compensation, including fixed and variable compensation, grants of share subscription or purchase options, pension provisions and all other benefits in kind;
  - it reviews the definition and implementation of the rules for setting the fixed and variable compensation of Executive Board members;
  - it advises the Board on the general share subscription or purchase option grant policy;
  - it issues a recommendation to the Board on the total amount of attendance fees for members of the Supervisory Board proposed to the Company's Shareholders' Meeting. It proposes rules for the allocation of these attendance fees and the individual amounts payable in this respect to Board members, taking into account their attendance at Board and Committee meetings;

- it approves information presented to shareholders in the annual report on corporate officer compensation and the principles and methods guiding the setting of management compensation and the grant to and exercise of share subscription and or purchase options by the latter.

- Appointments:
  - it issues recommendations on the appointment and renewal of members of the Supervisory and Executive Boards;
  - it considers and issues recommendations on changes in the composition of the Supervisory Board and its committees;
  - it also issues recommendations on the corporate officer succession plan;
  - it is kept informed of the recruitment of the main senior executives and their compensation.
- Corporate governance:
  - it prepares the appraisal of the work of the Board;
  - it regularly reviews the position of Supervisory Board members with regard to independence criteria defined by the Board, and issues recommendations should the reclassification of members of the Supervisory Board appear necessary;
  - it recommends to the Supervisory Board a body of corporate governance principles applicable to the Company in compliance with the AFEF-MEDEF Code;
  - it regularly examines and gives its opinion to the Supervisory Board on any proposed amendments to the Bylaws and the Internal Rules of the Company;
  - it prepares the resolutions concerning governance issues proposed to the Shareholders' Meeting and the corporate governance report;
  - it reviews the non-discrimination and diversity policy, notably with regard to the balanced representation of men and women on management bodies.

##### Article 2: Meetings

In addition to the provisions of the Internal Rules of the Supervisory Board applicable to the CAG Committee and its members:

Committee meetings are convened at least once a year by its Chairman. Meetings may also be called at the request of the Chairman of the Supervisory Board or the Chairman of the Executive Board.

Except in emergencies, CAG Committee members are given notice of meetings by any means at least five (5) calendar days in advance.

CAG Committee proceedings are valid only when at least half of its members (excluding non-voting members) are present. The recommendations of the CAG Committee are adopted by a simple majority of members present or represented.

When voting is tied, the Committee Chairman has a casting vote. For the purposes of quorum and majority rules, CAG Committee members may participate in committee meetings through video conferencing or another means of telecommunications, in accordance with the conditions authorized or required by prevailing laws and regulations applicable to meetings of the Supervisory Board.

The recommendations issued by the CAG Committee must then be discussed by the Supervisory Board before the relevant measures can be implemented by the Company.