REPORT OF THE CHAIRMAN ON BOARD OF DIRECTORS' COMPOSITION, PREPARATION AND ORGANIZATION OF THE BOARD OF DIRECTORS' WORK, ON INTERNAL CONTROL AND RISKS MANAGEMENT

Compagnie Générale de Géophysique - Veritas
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In accordance with section L.225-37 of the French commercial code as amended by the law date July 3, 2008, the purpose of this document is to report on the composition, the conditions of preparation and organization of the meeting of the Board of Directors, on the limitations of the authority of the general management as well as the internal control and risks management procedures put in place within Compagnie Générale de Géophysique – Veritas (hereinafter referred to as "the Company") and its consolidated subsidiaries (hereinafter collectively referred to as the "Group"). The Board of Directors reviewed this report in its session of February 25, 2009.

This report informs shareholders of the oversight assured by General Management and the Board of Directors of the activities of the Company. Such oversight involves assuring:

- on the one hand, that acts of management or transactions and the behavior of personnel adhere to guidelines established by corporate governance bodies, applicable laws and regulations, standards, and internal rules and procedures of the Company;

- on the other hand, that the accounting, finance and management information, provided to corporate governance bodies offers a reliable and sincere presentation of the activity and situation of the Company.

One of the objectives is to anticipate and manage risks resulting from the activity of the Company and risks of errors or fraud, particularly in accounting and finance.

However, as with all control systems, there is no absolute guarantee that such risks can be entirely eliminated.

In accordance with article L. 225-37 of the French commercial code, this report is divided into three sections:

- Board of Directors' composition and preparation and organization of the Board of Directors' work (I),
- limitations of the authority of General Management (II),
- procedures of internal control and risks management implemented by the Company (III).

I. Board of Directors' composition and preparation and organization of the Board of Directors' work

In accordance with the Board of Directors' resolution of December 19, 2008, the Company complies with the AFEP-MEDEF code of corporate governance for listed companies (the"AFEP-MEDEF Code") (see also paragraph c) below). This code is available on the website of the MEDEF (www.medef.fr).

a) Composition of the Board of Directors as of the date of the present report:

Name	Age	Positions	Initially appointed	Term expires
Robert BRUNCK(2) (4) **Nationality : French**	59	Chairman and Chief Executive Officer	May 20, 1999 (director since September 9, 1998)	2012 General Meeting
Yves LESAGE(1) (4) **Nationality : French**	71	Honorary Chairman and Director	September 29, 1988	2009 General Meeting(*)
Olivier APPERT (2) (3) **Nationality : French**	59	Director	May 15, 2003	2012 General Meeting
Loren CARROLL (1) ***(independent director)*** **Nationality : American**	65	Director	January 12, 2007	2013 General Meeting
Rémi DORVAL (1)(3) ***(independent director)*** **Nationality : French**	58	Director	March 8, 2005	2010 General Meeting
Jean DUNAND(1) ***(independent director)*** **Nationality : French**	69	Director	September 8, 1999	2013 General Meeting
Christian MARBACH(2) **Nationality : French**	71	Director	June 21, 1995	2013 General Meeting
Thierry PILENKO (4) **Nationality : French**	51	Director	January 12, 2007	2013 General Meeting
Robert F. SEMMENS(2) (3) ***(independent director)*** **Nationality : American**	51	Director	December 13, 1999	2011 General Meeting
Daniel VALOT(1) ***(independent director)*** **Nationality : French**	64	Director	March 14, 2001	2012 General Meeting
Terence YOUNG (4) ***(independent director)*** **Nationality : American**	62	Director	January 12, 2007	2013 General Meeting
David WORK (3) ***(independent director)*** **Nationality : American**	63	Director	January 12, 2007	2013 General Meeting

(1) member of the Audit Committee
(2) member of the Strategic Committee
(3) member of the Appointment & Remuneration Committee
(4) member of the Technology Committee
(*) the renewal of this office will be submitted to the approval of general meeting of shareholders of April 29, 2009

The positions held by the members of the Board of Directors in other companies are provided in paragraph 12 of the management report.

In 2008, out of the twelve members of the Board of Directors, seven qualified as independent directors. The Board reviews the qualification of the directors as independent on an annual basis before release of the *"Document de Référence"*. Thus, in its meeting held on February 27, 2008, the Board resolved that seven out of twelve directors qualified as independent. Those directors are Messrs. Loren Caroll, Rémi Dorval, Jean Dunand, Robert F. Semmens, Daniel Valot, David Work and Terence Young.

In accordance with the criteria established by the AFEP-MEDEF Code, those directors do not maintain any relationhip with the Company, its Group or management which could impair their freedom of judgment. The fact that Mr. Robert F. Semmens is also a member of the supervisory board of Sercel Holding does not impair his independence. Similarly, the fact that MM. Caroll, Work and Young were directors of CGGVeritas Services Holding (US) Inc. (previously named Veritas DGC Inc.), one of the consolidated subsidiaries of the Company, over the past 5 years, does not impair their qualification as independent since they were already qualified as such in this entity.

Upon consultation of the directors, it has been decided, in December 2005, to follow the recommendation of the *"Institut Français des Administrateurs"* and to organize an annual self-evaluation of the Board's activities analyzed by an outside consultant and a more in-depth evaluation every three year which includes individual interviews with the outside consultant. A first evaluation including an individual interview between each director and the outside consultant was carried out in 2005. Such evaluation was followed by a self-evaluation in 2006. In 2007, even though the three-year period was not yet over, the Board of Directors decided to go through an in-depth evaluation process as in 2005, taking into account the appointment of several new directors. The cycle was therefore reinitialized and followed by a self-evaluation in 2008. The results of such evaluation are analysed once a year, reported on by the external consultant and result in action plans that are followed up annually.

b) Preparation of meetings and information to be provided to directors:

Since December 10, 2003, the operating procedure of the Board is governed by internal rules and regulations (hereafter the "Internal rules and regulations of the Board of Directors") which are available on the Company’s website (www.cggveritas.com). Their main provisions are summarized below.

In preparation of every Board meeting, the Secretary of the Board sends directors a file which includes all useful information concerning the items of business on the meeting agenda. This file is sent to directors within one week before the meeting to enable them to study its content before this meeting.

Furthermore, directors are kept informed and consulted by the Chairman between Board meetings about all events or operations of importance to the Company.

A draft version of press releases related to quarterly, semiannual and annual financial statements and all events or operations of importance for the Company are sent to directors sufficiently in advance of their publication so they can transmit their comments to the Chairman. Besides, other press releases are systematically sent to them at the same time they are published by the Company.

In general, the Chairman ensures that directors are able to fulfill their duties. For this purpose, he provides each of them with the documents and information they require to perform their functions.

c) Board meetings:

At every meeting, the Board is informed of the evolution of the operating and financial performance of the main segments of the Group since the last meeting. An information file is provided to each director.

This information per segment is supplemented by a detailed review of the consolidated financial situation of the Group in terms of debt, cash flow and financial resources available in light of a review of the financial planning.

All transactions with a material impact on the strategy of the Group such as acquisitions, partnerships, disposals or strategic investments are subject to the prior authorization of the Board after the Strategic Planning Committee has issued its recommendation. The Board is regularly informed on the progress of the transaction in question.

When due to a situation of urgency, it is not possible to call a Board of Directors' meeting, the Chairman contacts by mean of a conference call all directors.

The Board of Directors meets at least four times per year in the presence of the statutory auditors.

Pursuant to the Internal rules and regulations of the Board of Directors, directors may participate in Board proceedings through videoconferences or telephone conferencing provided such telecommunication means permit to identify the participants and allow them to effectively participate to the meeting in the conditions set forth in article L.235-37 of the French commercial code. They are in such cases counted as present for the calculation of the quorum and majority in accordance with the rules of the Board of Directors.

In 2008, the Board of Directors of the Company met nine times. The average attendance rate of directors at these meetings amounted to 88%.

During these meetings, the Board approved the Company's annual financial statements and the 2007 consolidated annual financial statements as well as the quarterly and half-year results for fiscal year 2008. The 2009 budget and the 2009-2011 mid-term plans were also reviewed by the Board.

The Board also convened the general meeting of shareholders held on April 2008 and the reports and resolutions to be submitted to such meeting approval. The attendance conditions for shareholders at general meetings are set forth in article 14-6 of the Company's bylaws.

The Board approved as well the compensation to be paid to the Senior Executive Officers ("*mandataires sociaux*") and reviewed the Senior Executive Officers' protection letters in conformity with the provisions of the law n° 2007-1223 of August 21, 2007 in order to subject their implementation to performance conditions. The Board also approved a non-competition clause applicable to each of the Senior Executive Officer. Performance conditions and non-competition clause were approved by the shareholders' general meeting held on April 29, 2008.

The Board decided to implement a performance shares plan and a stock-options plan. The board acknowledged fulfillment of the performance conditions set forth in the performance share plan of May 11, 2006 and consequently allocated on a final basis the 2006 performance shares.

In addition, the Board decided a five-for-one stock split.

The Board also resolved to create a holding company based in the Netherlands for the purpose of grouping all subsidiaries of the Services segment (excluding the French company CGGVeritas Services SA) under this holding company. Then the Board approved the transfer of the shareholding interests owned by CGG Veritas SA to this new structure on the basis of the valuations reviewed by the Audit Committee.

The Board decided to launch a public exchange offer on the Norwegian company Wavefield Inseis ASA and determined, inter alia, the exchange ratio and maximum number of shares to be issued pursuant to the twelfth resolution of the Combined Ordinary and Extraordinary General Meeting of April 29, 2008 which delegated to the Board of Directors the powers needed to issue new shares of the Company without preferential subscription right.

The Board also approved the execution of an amendment to the "credit agreement" dated January 12, 2007 and to the French revolver dated February 7, 2007 which were entered into for the purpose of financing the Veritas' group acquisition.

Finally, the Board reviewed the AFEP-MEDEF recommendations dated October 6, 2008 concerning compensation for executive officers of French listed companies and resolved that the Company would comply with the AFEP-MEDEF Code.

The Company complies with all recommendations of the Code with the single exception that in certain special situation (death / incapacity or dismissal after reaching the age of 55 not followed by any other professional activity), an executive who is no longer employed by the Company may be entitled to benefit from the supplementary pension plan in force within the Company. Adopted pursuant to the French Social Security Department's circular no. 105/2004 of March 8, 2004, these exceptions are maintained with regards to the following elements:

- the current supplementary pension plan will continue to apply on a uniform and identical basis to all executive officers who also benefit from the plan without further consequences;

- given the seniority of the Chief Executive Officer and the Chief Operating Officer benefiting from this plan (23 years for Robert Brunck and 33 years for Thierry Le Roux) and in light of their successful service throughout these years, the Appointment – Remuneration Committee considered that it would be unjustified to have them lose the benefit of the Company's pension commitments toward them solely because of a departure arising under very special circumstances (death, incapacity) or occurring shortly before retirement, making it difficult to find a new job (dismissal without serious or gross misconduct after the age of 55, not followed by any other professional activity).

d) Committees established by the Board of Directors:

The Internal rules and regulations of the Board of Directors define the composition, duties and operating procedures of the Strategic Planning and Technology Committees. The Audit Committee and the Appointment and Remuneration Committee have their own charter. Each of these charters was ratified on March 8, 2005 and July 30, 2008 respectively. They are appended to the Internal rules and regulations of the Board of Directors and are available on the Company's website (www.cggveritas.com).

<u>The Appointment-Remuneration Committee:</u>

The responsibilities of this Committee in terms of propositions and/or recommendations to be made to the Board of Directors relate to:

1. the compensation to be paid to the Chief Executive Officer, the Chief Operating Officer or any other senior executive officer considered as "*mandataire social*" to be appointed from time to time, including the procedures for setting the variable part thereof and the grant of possible benefits in kind;

2. all provisions relative to the retirement of the Chief Executive Officer, the Chief Operating Officer and any other senior executive officer considered as “*mandataire social*”;
3. for the “*mandataires sociaux*”, the deferred elements of the compensation packages (pension, severance payment) to be submitted to the shareholders’ annual meeting;
4. the evaluation of financial consequences on the Company’s financial statements of all compensation elements fo*r mandataires sociaux*;
5. the contracts between the Company and a “*mandataire social*”;
6. the possible candidacies for filling director's positions, positions as senior executive officer considered as “*mandataire social*” or positions as a member of a Board Committee.
7. the periodical review of the independence of Board members;
8. the Directors’ fees level and their allocation rules;
9. the realization of capital increases reserved for the employees; and
10. the installation of equity-based plans.

In addition to the assignments here above described, this Committee is also in charge of:

1. examining the compensation of the Executive Committee members and its evolution;
2. carrying out the performance evaluation of the Board and its committees;
3. carrying out the performance evaluation of the Chief Executive Officer;
4. reviewing the succession planning process of Executive Committee members;
5. ensuring compliance of compensation and benefits policies with all applicable regulations;
6. reviewing the compensation data and other related information to be publicly disclosed by the Company in its annual reports and any other reports to be issued pursuant to applicable laws and regulations; and
7. approving the policy and process of verification and reimbursements of expenses.

The Committee may also be led to consider any question that might be submitted to it by the Chairman in connection with one of the matters mentioned above.

The Committee is also consulted with respect to the evolution of the compensation of the other members of the executive committee.

The work of the Committee is recorded in minutes. Besides, the Chairman of the Committee shall submit to the Board of Directors a report whenever the Board of Directors has to make a decision related to an appointment and remuneration issue.

Finally, the Board of Directors reviews, inter alia, the operating procedures of the Appointment-Remuneration Committee in the course of the annual review of its own performance as well as every three years when performing a more thorough review with the assistance of an external consultant.

In 2008, this Committee met eight times to decide, inter alia, on (i) the remuneration of the Chairman and Chief Executive Officer and of the Chief Operating Officer, (ii) the implementation of the Chairman and Chief Executive Officer’s and Chief Operating Officer’s protection letters in conformity with the provisions the law n° 2007-1223 of August 21, 2007, (iii) the non-competition clause applicable to the Chairman and Chief Executive Officer and Chief Operating Officer, (iv) the amount of the directors’ fees and their allocation rules, (v) the policy governing allocation of performance shares and stock-options within the Group, (vi) its draft charter, (vii) the review of the qualification of directors as independent prior to its submission to the Board of Directors, (viii) the drafting of the annual reports’ (management report, *Document de Référence*, 20-F) paragraphs regarding the compensation of the “*mandataires sociaux”*, (ix) the draft resolutions to be submitted to the general annual meeting concerning (a) the allocation of stock options and performance shares and (b) the performance conditions to which are subject the protection letters of the “*mandataires sociaux”*, (x) the 2008 bonus plans, (xi) the succession planning, (xii) the implementation of the evaluation process of the Board and of the Chairman, and (xiii) the new

AFEP-MEDEF recommendations.

The average meeting attendance rate amounted to 97%.

Pursuant to article L. 225-37 of the French commercial code, it is specified that the compensation of the Chairman and Chief Executive Officer and the Chief Operating Officer is determined by the Board of Directors upon proposal of the appointment-remuneration committee. Such aggregate compensation includes a fixed element and a bonus. The bonus for a given fiscal year is determined and paid during the first semester of the following fiscal year.

For the Chairman and Chief Executive Officer and the Chief Operating Officer, for fiscal year 2008, this variable part is based on the achievement of personal objectives (representing one-third of the bonus) and financial objectives (representing two-thirds of the bonus). The financial objectives relate to the net earnings per share (weighted 20%), Group EBIT (weighted 30%), Group operational cash flow (i.e. EBITDA less CAPEX) (weighted 35%) and the growth in the Group's revenues (weighted 15%).

A detailed description of the compensation paid to the Chairman and CEO, the Chief Operating Officer is set forth in paragraph 13 of the management report.

Moreover, information related to items likely to have an influence in the event of a take-over bid pursuant to article L.225-100-3 of the French commercial code is set forth in paragraph 19 of the management report.

The strategic planning committee:

The Strategic Planning Committee's assignment is to study:

- business plans and budgets,
- strategic options for the Group,
- organic development,
- projects related to financial transactions.

This Committee customarily meets before each Board meeting and more often if necessary. During 2008, the Strategic Planning Committee met seven times. The average attendance rate of committee members amounted to 96%.

In 2008, the Committee was consulted regarding, inter alia, (i) the multi-client surveys (land and marine), (ii) the 2008 achievements and the convergence project of HSE systems currently existing within the Group, (iii) the convergence of the data processing softwares currently existing within the Group, (iv) the 2008 forecasts, (v) the acquisition of Metrolog by Sercel, (vi) the legal organization of the Services segment and the creation of a holding company for all subsidiaries of this segment, (vii) the 2009 budget, (viii) the 2009-2011 business plan and (ix) the acquisition of Wavefield Inseis ASA.

The Audit Committee:

In 2008, the Audit Committee met seven times with an average attendance rate of committee members of 91 %.

The duties and activities of the Audit Committee in 2008 are described below in the second section which deals with the internal control and risks management procedures implemented by the Company in the paragraph dealing with the control environment.

Minutes of each meeting are taken. Besides, the Chairman of the Committee reports on its work at every Board of Directors' meeting as the audit committee meets systematically before each Board of Directors' meeting. This report is recorded in the minutes of the Board of Directors' meeting.

Assignments of the Audit Committee and description of its works in 2008 are detailed in paragraph III.b).

The Technology Committee:

The Committee's assignment is to assist the Board in reviewing:

- the Group's development strategy in reservoir imaging: seismic and opportunities in other oilfield services and products,
- the main development programmes in services and equipment,
- the technology offer from competitors and other oil service companies,
- R&D budgets.

The Technology Committee usually meets twice a year. In 2008, the Committee met twice with an attendance rate of 75%.

During these meetings, the Committee reviewed the last technological developments of the Services and Equipment divisions, the Group R&D plan. Certain specific technological projects were also presented to the Committee.

II. Limitations of the authority of General Management

1. Structure of General Management:

Pursuant to the harmonization of the Company's articles of association with the provisions of the law of May 15, 2001 (*Loi sur les Nouvelles Régulations Économiques*) by the combined shareholders' meeting of May 15, 2002, the Board of Directors' meeting held on the same day chose the general management option whereby the functions of Chairman of the Board of Directors and Chief Executive Officer are combined. Such decision was confirmed by the Board of Directors in its meeting held on April 29, 2008 during which Robert Brunck was renewed in his position as Chairman of the Board and Chief Executive Officer, after his term had been renewed by the general meeting of shareholders held the same day.

The Chairman and Chief Executive Officer is assisted by a Chief Operating Officer who is appointed until the expiry of the term of the Chairman and Chief Executive Officer, i.e. until the General Meeting to be held to approve the financial statements of the fiscal year ending 2011.

2. Limitations of authority of the Chief Executive Officer:

The Board of Directors imposed no restrictions on the powers of the Chief Executive Officer (*Directeur Général)*. In consequence, in accordance with the law and article 10 of the Company's articles of association, the Chairman-CEO (*Président Directeur Général*) is vested with the broadest powers to act in all circumstances in the name of the Company.

III. Internal control and risks management procedures implemented by the Company

The purpose of the internal control procedures of the Company is to offer reasonable assurance as to meeting objectives in respect of the following:

- completion and optimization of operations, including the safeguarding of resources,

- the reliability and sincerity of financial information, and

- compliance with applicable laws and regulations.

All persons belonging to the Company are covered by the system of internal controls. The Board of Directors, senior executives, internal auditors, management and other personnel contribute significantly to the effectiveness of internal control procedures. Naturally, the responsibilities of supervisory personnel in the area of internal control vary in accordance with their level in the organizational hierarchy.

Because the Company is listed both in France and the US, it is also subject to the Sarbanes-Oxley Act and the French "*Loi de Sécurité Financière*". In the scope of implementation of the recommendations and provisions of the Sarbanes-Oxley Act relating to internal control, the Company has decided to apply the COSO internal control integrated framework, established by the Committee of Sponsoring Organization of the Treadway Commission (COSO). Pursuant to Sarbanes-Oxley Act, the Company must include in its report on Form 20-F (the "20-F Report") filed with the Securities Exchange Commission, a management report on internal control over financial reporting. This report along with the opinion of the auditors on the company's internal control will be included in item 15 of the 20-F report for fiscal year 2008. A translation of this item 15 into French will be included in the "*Document de référence*" for fiscal year 2008.

The Chairman and Chief Executive Officer is responsible for the internal control system of the Company.

a) Group organization:

The CGGVeritas Group consists of a mother company, Compagnie Générale de Géophysique-Veritas SA, a public company listed in New-York and Paris, and operational subsidiaries. Apart from determining the Group strategy and policies, the scope of activity of the mother company is limited to operational and financial organization at the Group level, holding the operational subsidiaries and controlling them (a pure holding company role). Corporate bodies (Board of Directors and shareholders' meeting), production of the Group's consolidated statements and other various US and French regulatory documents, Group's commitments pursuant to its credit agreements, relations with the Group's investors, shareholders and lenders are managed by the Group's mother company.

The Group's operations are organized into two main divisions: Services (Geophysical Services) and Equipment (seismic acquisition equipment).

Since the merger with Veritas, the Services division has been organized under a matrix organization articulated around two regions: Western hemisphere (Americas) and Eastern hemisphere (Asia-Pacific, Europe, Africa and Middle-East). Such regions manage the business and operations around three product lines (Land, Marine, Processing & Imaging) that ensure worldwide consistency of the activities notably with respect to assets management, development of technology and investments, human resources in their respective scope of business. Moreover the non-French Services subsidiaries will be grouped together under a holding company incorporated in 2008 in the Netherlands. This holding company will be in charge of the operational organization and the management of the Services segment.

The Equipment division, operated through Sercel, also has a matrix organization by function (product development, marketing and sales, industrial operations and administration) and geographical region (Europe, Americas, Far East).

For each division, staff functions in finance, human resources and legal affairs report either to the President Corporate Services for the Geophysical Services or the Chairman of the management board of Sercel. Same support can be found at the Group level with, in addition, investor relations, internal audit and risks management.

The Company's legal organization chart is made of approximately 160 subsidiaries and JV/partnerships after the merger with Veritas in 2007 and other recent external growth operations. A continuous effort is made to reduce the number of subsidiaries. In this respect, an ad hoc rationalization plan for Services legal structures (including branches) was set up early 2008 aiming at reducing their number by half by 2010.

Since January 2008, management of the CGGVeritas Group is organized as follows:

The **Executive Committee** comprises the following members:

- the Chief Executive Officer,
- the Chief Operating Officer,
- the Chief Financial Officer,
- the Group Senior Executive Vice-President,
- the Chief Executive Officer of Sercel,
- the President Eastern Hemisphere,
- the President Western Hemisphere, and
- the President Corporate Services (Geophysical Services)

(hereinafter the "Executive Committee").

Matters related to CGGVeritas, as a holding company, are managed by a Corporate Executive Team ("CET") comprising the following members:

- the Chief Executive Officer,
- the Chief Operating Officer,
- the Chief Financial Officer,
- the Group Senior Executive Vice-President.

The Group has also established a **Corporate Finance Committee** meeting on a regular basis during a CET meeting to review the Group's financial situation especially on the basis on the information provided by the financial committees of the Divisions.

In 2007, the Group launched two strategic initiatives – Geoscope and Geopromote – aiming at developing our technology on a long term basis. These two projects' purposes are respectively to define the R&D strategy of the Geophysical Services for the three to five coming years and developing the Group's ability to establish long-term connections with its customers and partners through its technology. These initiatives lead to conclusions and recommendations mid-2008 and actions based on such recommendations were implemented as from the third quarter of 2008, especially by the merger of the "Business Development" and "Marketing and Sales" functions and a regional organization of these functions.

The Group has a Group internal audit organization with four persons, exercises its functions independently and objectively relying on its charter, and reports directly to the Executive Committee of the Group and the Audit Committee. The Equipment Division (Sercel) and the Services Division also have their own internal audit organization with respectively six persons and two persons reporting functionally to the Senior Vice-President corporate internal audit.

Internal audit evaluates internal controls on the basis of the COSO framework and tools and in compliance with the code of conduct of the 'Internal Audit Institute'. It works on the basis of a three-year cycle to assure a review of every important entity of the Group. Priorities are set on the basis of activities in progress and the level of risk. The annual plan is defined by the corporate internal audit department, approved by the Executive Committee and presented to the Audit Committee. Internal audit conducts financial and accounting audits as well as operational audits. Recommendations issued from the audits are approved by the Company Executive Committee and the associated action plans are monitored by internal audit until all open issues have been resolved. The scope of action of the internal audit includes the performance of conformity tests in the scope of the provisions of the Sarbanes-Oxley Act relating to internal control.

Over the three-year period preceding the merger with Veritas, the units audited accounted for approximately 90% of the average revenues of the Group. In 2008, the internal audit's activities excluding those linked to Sarbanes-Oxley, were mostly dedicated to the major scope of activities of the new CGGVeritas Group, i.e. the sites on which efforts to integrate the teams and the systems were the most important, the entities considered as being a priority based on the assessment of risks exposure carried out after the merger and the partnerships, in particular in the marine activity. The annual budget of internal audit is close to 0.1% of Group's revenues which is in compliance with the standards existing for companies in the same industrial sector.

b) Environmental control

Environmental control is an important part of the Company's internal control procedures.

Integrity and ethics

The Board of Directors implemented on December 10, 2003 a code of ethics which is applicable to the Chairman-CEO, members of the Group Management Committee and the Disclosure Committee. This code defines rules of conduct and integrity which the persons must follow in the performance of their function and obligations relating to disclosure.

In January 2007, after the merger with Veritas, the chart of ethics adopted in 2004 was extended to the whole new CGGVeritas Group. The integration achievements have made it possible to extend and reinforce the four values of the Group that are from now on: focus on performance, passion for innovation, power by people and integrity.

During the 2007 first quarter, the chart of ethics and the fundamental values were commented by the management and dispatched to all employees of the Group during presentation and exchange meetings organized worldwide in all Group entities.

In 2008 the code of business conduct was slightly amended by the Ethic Committee and presented to the personnel representatives. It was decided to implement a report line for employees in compliance with SOX and CNIL recommendations.

Finally, in the Company's "control and finance policy" charter, the Company undertakes to conduct its business in a responsible manner, producing timely reliable, accurate and fairly presented financial information, ensuring that all transactions are accurately and honestly reported in the Company's financial statements in accordance with the procedures in force, and then audited. Such commitment is materialized through compliance with the financial security program of the Company.

Corporate governance

The role and operating procedures of the Board of Directors, Strategic Planning Committee, the Appointment-Remuneration Committee and Technology Committee are dealt with in the first part of this report.

Pursuant to its charter, the Audit Committee is responsible for assisting the Board of Directors and, as such for undertaking preparatory work for the Board, particularly by reviewing our financial statements with management and our statutory auditors.

Toward this goal, the principal responsibilities of the Audit Committee are as follows:

- Review and discuss with management and our statutory auditors the consistency and appropriateness of the accounting methods we adopt to prepare our corporate and consolidated financial statements;

  - Review and discuss with management and the statutory auditors the consolidation perimeter and requesting, when necessary, all appropriate explanations;
  - Review and discuss with management and the statutory auditors or draft annual, semi-annual and quarterly financial statements together with the notes to them, including especially off-balance sheet arrangements;
  - Review and discuss with management and the statutory auditors the reliability, comprehensiveness, accuracy and sincerity of the financial statements;
  - Receive reports from the statutory auditors on their review, including any comments and suggestions they may have made in the scope of their audit; and
  - Raise any financial or accounting question that the Committee deems important.

- Review the 20-F Report and the "*Document de Référence*".

- In consultation with the statutory auditors, the internal auditors and management, review the structure of our internal control procedures and the way in which they operate, notably those procedures relating to the preparation and treatment of accounting and financial information used to prepare the financial statements, to assess and manage risks, to comply with the principal regulations applicable to the Group. The Committee reviews the comments and observations made by the statutory auditors on internal control procedures.

- With respect to internal audit, review and discuss with management particularly:

  - its organization and operation,
  - its activities and in particular the responsibilities proposed in the scope of the internal audit plan approved by the general management and presented to the Committee.

- Review and discuss with management and, when appropriate, the statutory auditors the transactions directly or indirectly binding the Group and its executive officers.

- With respect to external audit:

  - Review and discuss with the statutory auditors their annual audit plan,
  - Meet, if necessary, with the statutory auditors outside the presence of management,
  - Ensure the independence of the statutory auditors by managing the procedure for selection of the auditors. The Committee submits its choice to the Board of Directors, which, pursuant to law, must submit appointment of auditors to the vote at a shareholders' meeting,
  - Discuss possibly the extent and results of the audit work with the statutory auditors and management and review the amount of auditors' fees regularly with management. Within the framework of a procedure that it determines annually, the Committee has sole authority to authorize performance by the auditors and/or by the members of their network of non-audit services.

- Oversee the anonymous handling of any report concerning a possible internal control problem or any problem of an accounting or financial nature.

- Finally, the management of the Company must report to the committee any suspected fraud of a significant amount so that the committee may proceed with any verification that it deems appropriate.

Sessions of the Audit Committee are open to the members of the Executive Committee, including the Chief Financial Officer, the external auditors (in order to report on their audit reviews) and the Senior Vice-President, corporate internal audit (in order to review important assignments at least twice a year).

The Audit Committee customarily meets before each board meeting. In addition, the members of the audit committee are systematically invited to attend strategic planning committee meetings.

During 2008, the Audit Committee reviewed draft versions of the annual consolidated financial statements for 2007, the consolidated financial statements for the first quarter, the first semester and the third quarter of 2008 before these were presented to the Board. It also reviewed the 2008 forecasts. The Audit Committee also provided to the Board its recommendations concerning these financial statements. The audit committee reviewed the 20-F Report and the "*Document de Référence*".

Further to the merger with Veritas DGC Inc., the Audit Committee also reviewed the final version of the Group's opening balance sheet as well as the allocation of the purchase price of Veritas DGC Inc. to the different balance sheet items. Impairment tests carried out in 2007 were also presented to the Audit Committee.

It examined the work to be performed by the statutory auditors in the scope of their audit on the 2008 financial statements and approved their fee estimates for this work. In compliance with the Audit Committee's procedures providing for its prior approval of non-audit services provided by the members of our auditors' network, the Audit Committee reviewed the services so performed in 2008 and approved them as necessary.

The Audit Committee reviewed the activities of the internal audit team, which acts on the basis of a plan established by the Executive Committee and presented to the Audit Committee. This plan is established in light of perceived operational and financial risks and with the goal of systematically reviewing the major entities of each business division every three years.

The Audit Committee was also kept regularly informed on the development of the assessment of internal control procedures pursuant to section 404 of the Sarbanes-Oxley Act and of the results thereof. The external auditors and the internal audit presented their respective conclusions.

Finally, the Audit Committee also follows the Group's tax strategy and the rationalization program of the Services legal structures. In this respect, it was consulted in particular regarding the valuations for the transfers of the subsidiaries to the Services holding company incorporated in the Netherlands, based on an external evaluation report. Besides, it carried out at year end a detailed review of the multi-client library and was regularly kept informed of the Group's situation with respect to cash, debt, cash flow forecasts and Group's hedge policy.

Disclosure

Within the framework of the implementation of the Sarbanes-Oxley Act, the Chairman-CEO and Chief Financial Officer created a Disclosure Committee to assure they will be able to properly issue the certificate provided for by section 302 of the Sarbanes-Oxley Act which must accompany annual financial statements filed by the Company with the Securities and Exchange Commission.

The principle functions of this Committee are to:

- analyze the importance of information and determine the appropriateness of a disclosure, and if so according to what schedule, and to this purpose:
  - review all information to be published and their draft wording,
  - oversee disclosure procedures and coordinate disclosures to external parties (shareholders, market authorities, investors, the press etc.).

- provide guidelines for internal control procedures to ensure the reporting of material information to be disclosed within the framework of quarterly, semiannual or annual communications to market authorities or destined for financial markets,

- inform the Chairman and CEO and the Group Chief Financial Officer of any changes, deficiencies or material weaknesses pointed out by the Committee in the process of the reporting of information.

On the date of this report, the Committee was chaired by the Group Senior Executive Vice-President. The other members of the Committee are:

- the President, Geophysical Services,
- the Chief Executive Officer of Sercel,
- the Group Deputy Chief Financial Officer,
- the Chief Financial Officers, Services and Equipment,
- the Senior Vice-President corporate internal audit,
- the Chief Accounting Officer,
- the Investor Relations Officer,
- the Corporate General Counsel.

The Committee meets quarterly before periodic disclosures of the Company are published. The first meeting of the Committee was held on February 11, 2003. Further to the results of the evaluation of the Committee operating procedure in February 2005, the information reporting process has been modified in order to increase its efficiency and to give the committee reasonable assurance as to the fact that all significant information is brought to its attention. This self-evaluation is performed each year and is adjusted for ongoing improvement of the committee functioning.

Delegation of powers and areas of responsibility

General instructions which are widely distributed, set forth rules for the delegation of powers, the approval of offers and contracts, investment authorizations and the budget allocation authorities. Such delegations are granted with the aim to permit and facilitate the management of the business of the Company and its subsidiaries.

The internal process for preparing offers, and controlling and approving contracts signed between the Company (or Group companies) on the one hand, and their customers, partners or subcontractors on the other hand, is well defined. Such process includes authorization rules in respect to contractual commitments and in particular the limits at which prior authorization by the Executive Committee is required.

Approval levels for investments, leases, sale-and-lease back transactions, expenses are also defined.

Human resources policy

The Group's human resources policy, set forth in a charter, is based on recruitment and development of expertise through regular training and on career management.

The Group seeks to identify and effectively match the knowledge and expertise of personnel with the needs of the Company, and to develop training plans to meet such needs.

The Group devotes considerable percentage of its training budget to improving technical and trade expertise. An increasing share of training is devoted to the management of personnel and projects, risks and performance. The personnel of the Group has access to a dedicated training structure through CGGVeritas University which includes an exhaustive range of training performed within the University and through well-known partners.

Integration works of CGGVeritas were continued in 2008 and specially lead to establish a new common policy for rewarding individual performance (bonus), on one hand, and a tool for appraisal the individual expertise and performance, including formal individual development plan, on the other hand. Other works related in 2008 to the development of a competency model for the managers and a job mapping, which will be used for the purposes of career management and succession planning as from 2009.

c) Assessment of risks

Market risks:

- Loan agreements may limit the Company's ability to react to market trends or finance its growth. If the Group is not able to comply with the restrictions and provisions imposed under its loan agreements, an event of default vis-à-vis its contractual obligations may exist. This could accelerate the maturity of loan repayments.
- The Group invests important amounts to acquire and process seismic data for multi-client surveys and its data library based on assumptions than cannot be verified. The Group is required to incur high fixed costs regardless of the level of commercial activity.
- Earnings from operations may be materially impacted by foreign exchange fluctuations.
- Financial needs and, in particular, working capital requirements may significantly vary within a short period, resulting in a need for additional financing. Such financing may not be possible to obtain or could be granted at unsatisfactory conditions.
- The significant debt of the Group could adversely affect its financial situation and prevent it from meeting these obligations.

Interest-rate risks: the Company resorting in part to indexed floating-rate debt results in global interest charge of the Group being subject to credit market general conditions.

Environmental risks: frequent changes in environmental laws and regulations, which the Company undertakes to comply with in all of its activity zones, could make it difficult for the Company to forecast precisely the cost and impact of such changes in future operations.

Insurance risks: the Company may be required to carry risks resulting from its operations which may have an adverse impact on activity and operating results.

The Company subscribed insurance coverage presented in the "*Document de Référence*" and the 20-F Report.

The Company has implemented mechanisms for identifying both external and internal risks. The principal risks which the Company incurs are analyzed in the "*Document de Référence*" and the 20-F Report.

The Company has mechanisms to identify changes which could have an impact on the Company's ability to meet its objectives and requiring the intervention of management for an immediate response.

The Company has an Entreprise Risk Manager who conducted in 2008 a new mapping of the strategic and operational risks within the Services Division and made recommendations accordingly. These assignments will be continued in 2009 and extended to all Group's activities under this new format.

At the time of its quarterly review, the Executive Committee and the main managers of the Group (approximately a total of 20 persons), evaluates most particularly risks related to the Company's dependence on capital spending of oil companies, certain major customers, competitors, seasonal trends, technology trends, the qualification of its personnel, its operational surroundings, its investments in multi-client surveys, the level of its debt, currency fluctuations, evolution of environmental regulations and integration of both Groups.

The Executive Committee also ensures a follow-up of action plans and results on the basis of a monthly review.

It may also be noted that:

- Every legal entity of the Group is positioned in a matrix in terms of risk exposure and volume of financial transactions. About fifteen risks have been listed for this classification; they are risks related to the internal structure of the entity on the one hand, such as the size of the entity, the turn over of key staff, the level of skills of the employees, the existence of an information system, etc. and risks related to the environment of the entity on the other hand, such as the context of the country, the complexity of laws, etc. Integration in the pre-existing matrix of the new entities of the Group as a result of the merger with Veritas allows since 2008 to ensure a follow-up on a systematic basis of all the entities of the Group under a homogeneous format.

- The sales process for geophysical services includes a phase devoted to identifying and evaluating operational, customer, country, environmental risks, etc. The results of the evaluation are reviewed at different hierarchical levels up to the Executive Committee if necessary.

- A risks assessment is made for each project to be conducted in terms of health, security, safety and environment. Those risks are classified according to their impact and likelihood and, based on their matrix position; the mitigating actions to be implemented are defined. In the context of the merger with Veritas, the pre-existing assessment systems were merged in 2008.

d) Risks Management

The Company set up tools and procedures to manage the identified risks.

The Company makes available to employees and has posted on its intranet all its charters, objectives, general instructions, procedures and other guidelines. The requirement to make legal, tax and accounting decisions in accordance with applicable laws and regulations is clearly established.

Within CGGVeritas University, the Company started deploying in 2008 an awareness training program for the senior managers, in relation with the governance, the risks and liabilities of the directors and officers and the good practices in the field of Finance, Tax and Human Resources. This program is complementary to the training on financial security already implemented for several years.

Commercial Risks

- Solvency risks and risks of non-payment by clients are reviewed at the offer stage through solvency surveys and the request, if necessary, of payment guarantees.

  Furthermore, receivables are followed by the finance departments of the Group and payment delays are reviewed by the financial committees of the Divisions for analysis of the delays' reasons and decision regarding the appropriate measures.

Hygiene, safety and the environment (HSE)

- The Company has an integrated system for health (H), safety and security (S), environment protection and social responsibility (E), and quality (Q), included in the sustainable development program (PRISM) which is based on the management line commitment, the publication of best practices and their ongoing improvement. New computer and communication tools have been developed since the merger and are available to all actors to improve follow-up and foster experience sharing.

  Reallocation of the Q and HSE resources to both a specialists' pool and the product lines and the regions, allows an optimized management of those risks through the centralization and pooling of the experts and the presence on the production sites of Q and HSE advisors, ensuring that prevention, training and risks evaluation be perfectly adapted to the local production conditions, on one hand, and that risks, accidents and incidents management be the most efficient, on the other hand.

- Political and security risks are followed by the HSE experts through a permanent monitoring of the countries and the operations and the setting-up and up-dating of prevention, protection and evacuation plans adapted to the risks and their possible evolution.

- The Group has a health, safety and environmental charter which stipulates that the protection of the environment and health and safety of its employees, subcontractors, and neighboring communities as a fundamental prerequisite ahead of any other work objective.

- The Group has a quality charter which stipulates that quality is, in the same way as security and environmental protection, a permanent priority of all Group's personnel.

- Every year the Company defines general objectives in the area of health, safety, the environment and quality and social responsibility. They are developed and adapted to the different activity Divisions.

- A 24-hour notification system exists to report accidents and incidents to provide better protection for persons and Company assets and to implement support and improvement actions without delay.

  Such accidents and incidents, whether true or not, are systematically investigated to determine their causes and to propose additional mitigation controls. The syntheses of those investigations are periodically reviewed by the Executive Committee of the Group and the executive management of the Divisions.

Operational risks

- The company has in place procedures to survey, before the commencement of an acquisition campaign, the conditions prevailing in the area in order to :

  - Adjust its production resources to the area;
  - Ensure the protection of its assets and employees;
  - Allocate appropriate resources to monitor the area, to inform third-parties about the seismic equipment and to protect them;
  - Prevent damage to third-parties.

- In addition to the existing preventive and control measures, continuity activity plans were implemented for sedentary production sites (Sercel and data processing), in order to be able to resume or reduce production as soon as possible after occurrence of a damage.

Financial information

- Key processes such as the preparation of consolidated financial statements, documents for the Board of Directors and the Audit Committee, the preparation of budgets, etc., are formally described.

- Instructions of the Group General Management with respect to financial security principles and objectives are regularly renewed to remind all financial and operational managers of each unit, the importance of internal control and the necessity to constantly see to its implementation.

  In 2005, the Company launched a dedicated action program joining all financial and operational managers in the achievement of annual objectives clearly defined and consistent with the Group financial security policy. This program is now fully deployed within the entire CGGVeritas Group's perimeter.

  This program was deployed together with training sessions for all the senior managers regarding the financial security and the accounting good practices and was fully completed in November 2008.

- The Company has an accounting manual which sets forth Group accounting practices and instructions and Group reporting rules. This manual applies to all Group entities and is destined to ensure that the accounting rules are applied across the Group in a reliable and homogeneous way. It details procedures for closings, the preparation of the income statement, balance sheet, cash flow statement as well as the consolidation process and the principles for producing the notes to the consolidated financial statements.

- The procedures regarding Delegations of Authorities within the Divisions are supervised by the Divisions legal departments and ensure risks management in terms of commitments through limitation of the granted powers.

- To limit risks of fraud, processes of segregation of duties are in place from approval of the orders to payment of the vendors and suppliers.

- All Group companies process their consolidated accounts in the format chosen by the Group using a standardized package. All reclassifications from the corporate accounts to the consolidated accounts are documented using a specific standard format.

- Intercompany transactions are carried out in various areas (different services, geophysical equipment sales, software licenses). The corresponding payments for fees vary according to the nature of the transaction and in compliance with market conditions.

- Management software packages implemented in the Group in finance, logistics and procurement are critical organizational components of the internal control system as they define in detail processes to be applied in these areas. A convergence project of the management software existing within CGG and Veritas was initiated in 2007 with the objective to have a unified system operational in 2010. Until then and starting 2007, the existing systems were brought together in order to ensure for the Group a consistent and global overview of all its operations.

- Control of the external disclosure of information:

  - The Company has a procedure which specifies rules for preparing, validating and approving press releases by the Executive Committee.

  - The Company follows a pre-determined process for the preparation and distribution of its regulatory documents.

- Information technology infrastructure and information systems security:

  - Access to the internal networks of the Group's companies and information systems are regulated.
  - The networks are protected by firewalls and antivirus systems. External access is possible through secure and encrypted connections.
  - Users are duly authenticated before being granted access to the system.
  - Data backup, archiving and recovery systems have been put into place. Procedures are created, modified and updated by competent personnel and approved by the appropriate management. Once a year, an internal audit is carried out to test the effectiveness of such procedures.

e) Control activities

Processes implemented by the Company to identify necessary control procedures are based on its risks assessment and on the measures to be implemented in order to fulfill the Group's objectives.

<u>Internal control procedures</u>

The control procedures of the Company are implemented according to the hierarchical levels of the personnel involved and the principles of materiality and the separation of functions. Control procedures are implemented in light of the identification of risks.

<u>System of evaluation of internal control</u>

About thirty prerequisites have been defined as far as financial security is concerned both for Group operations and support functional departments. These prerequisites must be entirely observed (100%). An evaluation questionnaire was sent to the persons in charge of the various entities of the Group for a self-evaluation. In addition, every manager who visits an entity shall ensure by means of interviews and tests that the prerequisites are observed. This tool has been implemented in all Group entities in the course of 2005 and was fully operational in 2006. Further to the merger with Veritas, such questionnaire was adapted in order to ensure both a convergence with the Sarbanes-Oxley system of reference with which the Group has to comply and also adaptability to the new organizational structure of the Group. During the first half of 2007, the pre-existing system of reference was kept, then gradually replaced by the new one (ICAF) which is now fully applicable to the whole Group. The financial security objectives of the Group define since 2006 the minimum frequency of these evaluations. The follow-up of the objectives achievement is reviewed quarterly by the Executive Committee.

Financial and accounting controls

Internal control procedures in force in the Company are destined principally to ensure that accounting, financial and management information communicated to corporate bodies of the Company provide a fair presentation of the activity and situation of the Company.

- The financial statements of all Group's subsidiaries in activity are reviewed by the finance departments of each Group's division. Inventories are carried out on a regular basis at each site, comparing the balance sheet values of inventories with actual values and to correct eventual variances.
- Access to the accounting information systems is formally restricted in accordance with the function and responsibilities of each user.
- Current management information systems make it possible to record transactions in a complete and exact manner, to trace them and regularly back them up.
- The Company formally evaluates on specific dates the financial data which is correctly aggregated and presented in financial statements.
- All intercompany transactions are documented and reconciled on given dates according to the transactions.
- The Company monitors its off-balance sheet commitments.
- Comparisons and reconciliations are performed at various levels, particularly between reporting and consolidation. The consolidated financial statements are reviewed by the Group Chief Financial Officer and the Chief Financial Officers of the divisions.
- In the scope of the provisions of the Sarbanes-Oxley Act relating to internal control, the Group has put in place in 2005 an evaluation system of the efficiency of the controls put in place within the Group on all significant processes leading to the preparation of the consolidated financial statements. This system, operational in 2006, was brought together with the existing system of Veritas (a company which was also subject to the Sarbanes-Oxley Act) further to the merger and the resulting system is now fully operational.

Miscellaneous controls

- Management frequently visits the Company's hubs, wherever located. Onsite tests are conducted and reports distributed to concerned parties and the General Management on their return.

- Interviews for the evaluation of expertise and individual and collective performance and definition of objectives are carried out on an annual basis, based upon a common tool for appraisal the individual expertise and performance and defining the personal development plan.

- Health, safety, environmental and quality audits are conducted on a regular basis by auditors having expertise in those files to ensure that Company standards are complied with and to recommend ways of improvement.

- Results of audits are presented to the concerned management teams and a summary is presented to the Executive Committee. Business divisions are responsible for monitoring actions to be implemented.

On the basis of objectives defined by the Executive Committee, key performance indicators have been implemented in the areas of quality, health, safety and the environment, as well as in the operational, financial and commercial areas. These indicators are monitored on a quarterly basis.

f) Information and Disclosure

Company's management and progress in meeting its objectives depend on effective dissemination of information at all levels of the Company.

Quality standards, security requirements or legal and professional obligations demand that the procedures be accessible and documented. The Company undertakes to foster the sharing of knowledge and practices. Company intranet sites make available to personnel the charters and Group policies, annual objectives, general instructions, procedures, standards and other documents on which the Company Management System is based. The pre-existing intranet systems of both CGG and Veritas were interconnected upon merger of both companies in order to ensure a global communication of information. Works were done in 2008 to have a common intranet tool “In Site” at the beginning of 2009. Besides, the Company publishes an internal newsletter, with the objective to reach a better communication and cooperation between the entities of the Group and among the operating and support functions of the whole CGGVeritas Group. This newsletter focused on integration issues in 2007 and 2008 under the name of “Pegasus”, will resume its regular communication role under the name of “Pulse” at the beginning of 2009.

The Group undertakes, through its communication and human resources strategy, to develop and exploit all vectors of communications upward, downward and on a transversal basis, to share knowledge and practices. This commitment is pursued through the Company's intranet sites by sharing knowledge bases, the electronic management of documents through secured access and the organization of forums on specific subjects relating to each business. Besides, a perception survey is conducted within the whole Group on a yearly basis. For the first time in 2008, this survey was sent to most permanent employees and a systematic program for analyzing results and communication was implemented.

The Company organizes an annual seminar for senior management and the Executive Committee. Seminars' frequency was significantly increased since 2007 to facilitate the integration process.

The Company has implemented a weekly, monthly and quarterly reporting system according to the hierarchical levels and relevance, to ensure that management can obtain and exchange information necessary to carry out, manage and control operations. The data distributed concerns operations, finance, or legal and regulatory compliance issues. It includes not only data produced by the Company but also data related to the external environment.

Management evaluates the performances of the Company on the basis of both internal and external information.

g) Steering

The Company's business environment is by nature changing, the internal control system is therefore continuously adapted taking into account the environmental conditions and the capitalization on its experience. In the context of the merger between CGG and Veritas in 2007, management paid particular attention to the monitoring of internal control in the integration phase as well as to the adaptability and convergence of the pre-existing systems to the context of the new Group.

Managing and supervising day-to-day operations, comparative analyses and the comparison of information and other day-to-day tasks of employees enable the Company to ensure the pertinence of internal controls. Management carries out periodic evaluations, taking into account the nature and importance of changes which may have occurred.

h) Conclusion

Every system of internal control, however well-designed and effective, has inherent limitations, and notably the possibility to circumvent or bypass controls put into place. This means that the internal control system can offer only a reasonable assurance as to the reliability and sincerity of financial statements. Furthermore, the effectiveness of internal control procedures may vary over time, in response to new circumstances.

In order to evaluate the efficiency and the compliance with internal control procedures on a regular and formal basis and beyond the related actions undertaken by the internal audit management, the Company puts in place a tool for internal control self-evaluation for all units of the Group. This tool includes improving evidence of the controls implemented. At the Group level and within both Group segments (Services and Equipment), a compliance officer has been appointed thus showing the Group commitment to good corporate governance rules.

The Executive Committee fully supports this project as a contribution to a proper business' control, which is also in line with the implementation of values and the application of the financial security program with our personnel.