

**APPOINTMENT, REMUNERATION AND GOVERNANCE COMMITTEE CHARTER**

The Appointment, Remuneration and Governance Committee was created on March 15, 2000 by the Board of Directors. The composition, operating procedures and role and responsibilities of the Committee are now described in this Charter as initially adopted by the Board of Directors in its meeting held on July 30, 2008.

## **1. Composition**

### **1.1 Members**

The Committee consists of at least three (3) directors appointed by the Board of Directors to serve until a new Committee is appointed. The Committee appoints its Chairman by choosing one of its directors.

It may also appoint a secretary from outside the ranks of its members.

The Committee shall be composed of a majority of independent directors<sup>1</sup>.

### **1.2 External advice**

The Committee may be assisted by an independent external compensation consultant.

## **2. Operating procedures**

### **2.1 Meetings**

The Committee is to meet at its Chairman's initiative or at the request of the Chairman of the Board of Directors. Furthermore, each Committee member may propose the Chairman to hold a Committee meeting, if he/she deems necessary to discuss a specific issue.

The documentation relating to the agenda shall be provided to the members of the Committee reasonably in advance.

Members may be convened by all means, including by verbal notice, reasonably in advance. The meetings may be held by telephone conference or by videoconference.

A quorum of at least half of the members present is required for a meeting of the Committee to take place.

The Committee Secretary is any person designated by the Committee.

The recommendations, proposals, conclusions or comments of the Committee are decided by the majority of its members attending the meeting, each member holding one vote.

The Committee is to meet at least three (3) times a year in order to consider:

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<sup>1</sup> The Board of Directors annually determines which directors meet the independence criteria pursuant to the AFEP-MEDEF code of corporate governance for listed companies.

- the compensation paid to the Chairman of the Board of Directors, the Chief Executive Officer and to any other senior executive officer considered as “*mandataire social*”;
- the allocation of long-term incentives; and
- the evaluation of the Board of Directors and Chief Executive Officer.

In performance of its work, the Committee may hear the Chairman of the Board of Directors or any person designated by him/her.

## 2.2 Reporting process

The Committee debate and decisions are described in minutes drafted by the Secretary of the Committee.

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.

The Board of Directors reviews the operating procedures of the Committee in the course of the annual review of its own performance.

The Committee shall submit to the Board of Directors' approval any amendment to the Charter.

## **3. Role and responsibilities**

The Committee is mainly responsible for assisting the Board of Directors in preparing its assignments, especially with respect to the determination of the senior executive officers considered as “*mandataires sociaux*” compensation packages and the installation of equity based plans. In particular, it must ensure that these compensation packages and equity based plans are consistent with the shareholders’ interests and the company’s performance. The Committee also has additional responsibilities as defined in the present charter.

### 3.1 Propositions and/or recommendations to the Board of Directors

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

1. the global compensation policy applicable to the “*mandataires sociaux*”, including but not limited to:
  - a. the procedures for setting the variable part thereof and the grant of possible benefits in kind; and
  - b. the maximum amount of the total annual compensation allocated to the Directors and the relate allocation rules;
2. all provisions relative to the retirement of “*mandataires sociaux*”;
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 for *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 realization of capital increases reserved for the employees; and
9. the installation of equity-based plans (stock options, performance shares...).

### 3.2 Additional responsibilities

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

1. examining the compensation of the Executive Leadership team;
2. carrying out the performance evaluation of the Board and its committees;
3. carrying out the performance evaluation of the Chairman of the Board of Directors and of the Chief Executive Officer;
4. reviewing the succession planning process of the Executive Leadership team;
5. 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.

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.

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