

## **ELIS**

A joint-stock corporation (*société anonyme*) with a Management Board and a Supervisory Board  
with capital of €1,399,166,570  
Registered office: 5 boulevard Louis Loucheur – 92210 Saint Cloud  
R.C.S 499 668 440 Nanterre

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### **INTERNAL RULES OF THE SUPERVISORY BOARD**

**as amended by the Supervisory Board on 14 March 2017**

**To be certified compliant**

**Thierry Morin**

**President of the Supervisory Board**

## **INTERNAL RULES OF THE SUPERVISORY BOARD**

These internal rules are intended to specify the manner in which the Company's Supervisory Board functions, and to supplement the legal and regulatory provisions in force and the Company's By-laws.

They have been drafted in the context of the recommendations relating to corporate governance contained in the AFEP-MEDEF Code of Corporate Governance of Listed Companies in its version of November 2016 (the "**AFEP-MEDEF Code**"). They can be amended at any time by a simple resolution of the Supervisory Board.

### **ARTICLE 1 COMPOSITION OF THE SUPERVISORY BOARD**

1.1. In accordance with Article 17 of the Company's By-laws, the Supervisory Board is composed of between three (3) and eighteen (18) members (subject to the derogations provided by law), appointed by the General Meeting.

1.2. In the same manner, the Board complies with legal provisions regarding the representation of men and women, as well as employees and employee shareholders of the Group. It also considers the desirable balance to be achieved in its own membership and that of the internal committees it creates, particularly in terms of diversity (nationality, international experience, expertise, etc.).

1.3. Independence of the members of the Supervisory Board

As far as possible, the Board ensures that the proportion of independent members, in the meaning of the AFEP-MEDEF Code, of the Supervisory Board is at least one third, when the company is controlled within the meaning of Article L. 233-7 of the Commercial Code, and at least half, in the absence of control, and that the Audit Committee and the Appointments and Compensation Committee are composed of at least two thirds, and a majority, of independent members respectively, on the understanding that the status of independent member does not imply a value judgment as to the qualities and skills of the members of the Board.

At the time of each renewal or appointment of a member of the Board, and at least once a year the independence of each member is debated by the Appointments and Compensation Committee having regard to the criteria referred to below and then approved by the Board. The shareholders are informed of the conclusions of this examination in the annual report, and, if applicable, at the General Meeting upon the election of the members of the Board.

The assessment of the independence of each member of the Supervisory Board takes the following criteria into account, in particular:

- not to have been in the previous five (5) years:
  - an employee or Executive Corporate Officer<sup>1</sup> of the Company,

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<sup>1</sup> Under the AFEP-MEDEF Code the "**Executive Corporate Officers**" are considered to be the President-Managing Director, the Managing Director or Deputy Managing Directors of limited companies with a board of directors, the president and the members of the management board of limited companies with management and supervisory boards and the managers of partnerships limited by shares.

- an employee, Executive Corporate Officer or member of the Board of Directors or Supervisory Board of the parent company or of a company that the parent company consolidates,
- not to be an Executive Corporate Officer of a company in which the Company directly or indirectly holds office as a member of the Board of Directors or Supervisory Board or in which an employee appointed as such or an Executive Corporate Officer of the Company (whether currently or having been so in the last five (5) years) holds office as a member of the Board of Directors or Supervisory Board,
- not to be a customer, supplier, corporate banker or investment banker of the Company or of any of its subsidiaries (together the “**Group**”) that is significant or for which the Company or its Group represents a significant proportion of the business;

The assessment of whether business relationships with the Company or Group are material or not must be discussed by the Supervisory Board, and the quantitative and qualitative criteria applied (continuity, economic dependence, exclusiveness, etc.) must be clearly explained in the annual report.

- not to have any close family relationship with a corporate officer of the Company;
- not to have been a Statutory Auditor of the Company in the last five (5) years; and
- not to have been a member of the Supervisory Board of the Company for more than twelve (12) years. The member loses their independence on the twelfth (12<sup>th</sup>) anniversary of their appointment.

In the case of members of the Board holding 10% or more of the Company’s share capital or voting rights, or who represent a legal person holding such a stake, the Board will make a decision on independent status on a report from the Appointments and Compensation Committee, taking particular account of the composition of the Company’s capital and the existence of a potential conflict of interest.

The Board can take the view that a member of the Board, although satisfying the above criteria, must not be classified as independent having regard to his or her particular situation or that of the Company, or having regard to his or her shareholding, or for any other reason. Conversely, the Board can take the view that a member of the Board that does not satisfy the above criteria above is nevertheless independent.

Every member classified as independent shall inform the President of any change in his or her personal situation having regard to these criteria, as soon as he or she becomes aware of such a change.

A Non-Executive Corporate Officer<sup>2</sup> shall not be considered independent if he or she receives variable compensation in cash or in securities or any other type of compensation linked to the performance of the Company or the Group.

1.2 The term of office of members of the Board is four (4) years, expiring at the end of the Ordinary General Meeting convened to approve the financial statements for the previous financial year held in the year in which the term of office of that member expires. The Supervisory Board shall ensure that a system is put in place and maintained for the staggered renewal of its members in fractions that are as equal as possible. For that purpose, the General Meeting may, upon the appointment of certain members of the

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<sup>2</sup> Under the AFEP-MEDEF Code the “**Non-Executive Corporate Officers**” are considered to be the Non-Executive President of the Board of Directors at limited companies with a board of directors and the President of the supervisory board of limited companies with management and supervisory boards or of partnerships limited by shares.

Supervisory Board, provide that their term of office shall be less than four (4) years, in order to allow for the staggered renewal of the terms of office of the members of the Supervisory Board.

In the event of a vacancy due to death, age limit or resignation, the Board shall, if necessary, make appointments on a provisional basis under the conditions provided by law. A member of the Supervisory Board appointed to replace another whose term of office has not expired, will only remain in office for the remainder of his predecessor's term of office.

1.3 The Board shall elect a President and a Vice-President from among its members who are natural persons, for a period not exceeding that of their terms of office as members of the Board.

1.4 The Board can decide to create its own permanent or temporary committees to facilitate the proper functioning of the Board and to make an effective contribution to the preparation of its decisions.

These committees are, under the Board's supervision, responsible for looking into matters that the Board or its President submit for their examination and opinion in order to prepare the work and decisions of the Board. The composition, remit and manner of functioning of these committees are specified in internal rules specific to each committee, approved by the Board.

To date, the Board has decided to create the following permanent committees: (i) an Audit Committee; and (ii) an Appointments and Compensation Committee. The internal rules of each of these committees appear in Schedules 1 and 2.

## **ARTICLE 2 OBLIGATIONS OF THE MEMBERS OF THE SUPERVISORY BOARD**

Acceptance and the exercise of the office of member of the Board, or of President or Vice-President, carries with it the obligation at all times to satisfy the conditions and obligations required by law, by the Company's By-laws and by these internal rules, particularly as regards the total number of offices held. Each member of the Board is also subject to the following principles:

2.1 Before accepting office, each member of the Supervisory Board must familiarize himself or herself with the general or special obligations to which he or she will be subject. In particular, he or she must familiarize himself or herself with the applicable legal or regulatory provisions, with the Company's By-laws, with these internal rules and with the Stock Exchange Code of Conduct (see Schedule 3).

2.2 Each member of the Supervisory Board must act in the Company's best interests and have the following essential qualities:

- to have good judgment, in particular of situations, strategies and people, based particularly on his or her experience;
- to have the ability to anticipate enabling him or her to identify risks and strategic issues;
- to be honest, available, active and involved.

2.3 Acceptance of office as a member of the Supervisory Board implies devoting the necessary time and attention to that function. In particular, each member of the Supervisory Board undertakes not to agree to hold more than four (4) other offices as member of the Board of Directors or Supervisory Board of listed companies outside the Group, including foreign companies, save in the exceptional cases provided by the AFEP-MEDEF Code, subject to the provisions of Article L.225-94-1 1 of the French Commercial Code and must keep the Board informed of any offices held in such other companies, including his or her participation on committees of the Board of companies not belonging to the same

group, so as to be available.

2.4 Each member of the Supervisory Board must be assiduous, and, in the absence of exceptional reasons, attend all meetings of the Board, of the committee or committees of which he or she is a member and the Company's General Meeting. To this end, a schedule of the planned meetings is sent out with sufficient notice for members to attend in-person.

Any member of the Board who, in the absence of exceptional reasons, fails to attend at least half of the meetings of the Board and of the committee or committees of which he or she is a member held during the year, will automatically be deemed to have resigned.

2.5 Each member of the Supervisory Board has an obligation to be informed so as to be able to make a useful contribution on matters on the Board's agenda. Each member has a duty to request any information that he or she considers necessary in order to carry out his or her task, within an appropriate timescale.

2.6 Each member of the Supervisory Board and any other person attending its meetings is bound by strict confidentiality obligation with regard to unpublished information acquired in the meetings of the Board or its committees. However, it is specified that the members of the Supervisory Board may communicate such information to members of the company that employs them or of the organization to which they belong, provided (i) that such communication is necessary for the exercise of their functions; (ii) that the person receiving this information is informed of its confidential nature and of the rules applicable to the use of insider information; and (iii) that such communication takes place in compliance with the applicable regulations, including regulation (EU) No. 596/2014 on market abuse. In these circumstances, the Company shall be informed of the identity of this person(s), which may be recorded on a list of insiders privy to the information in question if said information is considered privileged under the applicable regulations.

2.7 Each member of the Supervisory Board must observe the regulations applicable to market abuses and to the misuse of insider information, and the Stock Exchange Code of Conduct in Schedule 3 of these internal regulations. Furthermore, in accordance with Article 19 of Regulation (EU) No. 596/2014 regarding market abuse, each member of the Supervisory Board shall declare to the Autorité des marchés financiers (French securities regulator) and to the Company any transactions involving securities of the Company within the deadlines and according to the methods described in the stock market code of ethics. The same obligation applies to transactions by closely related persons, as defined by Article 3 of the aforementioned (EU) regulation. The Company prepares the list of persons obliged to disclose securities transactions. For this purpose, the members of the Supervisory Board shall notify to Elis a list of their closely related persons and notify these persons in writing of their obligation to disclose their transactions involving Elis securities.

All members of the Board are reminded of those provisions annually and are kept informed from time to time in the event of any significant changes.

2.8 During the term of office of each member of the Supervisory Board, he or she must own the number of the Company's shares specified in Article 17, iv of the Company's By-laws (i.e. 500 shares) and on their reappointment, each member must hold a significant number of shares equal to one year of the attendance fees received. Upon taking up their functions, the members of the Supervisory Board must ensure that the securities they own are held in registered form. The same applies to any securities acquired subsequently.

2.9 The Company will, subject to the legal or usual limitations, take out appropriate liability insurance policies for the benefit of the members of the Supervisory Board to insure them against the

financial consequences of any civil liability actions capable of being brought against them in respect of their functions on the Board and its committees. The terms and conditions of these insurance policies will be in accordance with market practices.

### **ARTICLE 3 THE MISSIONS OF THE SUPERVISORY BOARD**

3.1 The Board supervises the management of the Company by the Management Board on a permanent basis, under the conditions provided by law, by the Company's By-laws and by the internal rules of the Board and its committees. In the performance of its duties, the Board must ensure that shareholders and investors receive information regarding the strategy, the development model and the consideration given to significant non-financial issues for the Company, as well as its long-term outlook.

At any time of the year, it carries out such verifications and audits as it considers appropriate, and can obtain any documents that it considers necessary for it to carry out its task.

In particular, after the close of each half-year, the Board verifies and audits the bi-annual and annual corporate and consolidated financial statements prepared by the Management Board. The Board presents a report to each Annual Ordinary General Meeting containing its observations on the management report of the Management Board as well as on the corporate and consolidated financial statements for the previous financial year.

It is regularly informed by the Management Board of the Group's management targets and of their achievement (particularly by reference to the annual budget and the investment plan) as well as of the investment, risk management and human resources management policies and their implementation within the Group; insofar as necessary, it is kept informed by the Management Board of any exceptional situations, and in particular as regards the decisions referred to in Article 20-IV of the By-laws.

3.2 The Supervisory Board gives the Management Board its prior approval for the decisions referred to in Article 20-IV of the Company By-laws.

3.3 Each Executive Corporate Officer shall seek the prior opinion of the Supervisory Board before accepting a new term of office in a listed company, in application of recommendation 18.2 of the AFEP-MEDEF Code.

### **ARTICLE 4 INFORMATION PROVIDED TO THE SUPERVISORY BOARD**

4.1 Each member of the Board can, at the time of his or her appointment, be provided with additional training on the specific characteristics of the Company, of the companies that it controls and of their businesses and business sector. The members of the Board are specifically informed of changes in the market, the competitive environment and the main challenges, including those involving the Company's corporate social responsibility.

4.2 The President, or if applicable the Vice-President, provides the members of the Board, within an adequate timescale, with the information or documents in his or her possession that will enable them to carry out their tasks successfully. Any member of the Board who has not been placed in a position to deliberate in full knowledge of the facts is under a duty to inform the Board of this and to ask for the information that is essential to carry out his or her task.

4.3 The Board can hear the members of the Management Board, who can be called upon to attend meetings of the Board, with the exception of Board meetings or deliberations devoted to assessment of the performance of the President of the Management Board, the members of the Management Board and, if applicable, the Managing Director or Managing Directors.

4.4 The Board is regularly informed by the Management Board of the evolution of the business and of the financial results, of the cash flow situation and of the Company's and Group's commitments, in accordance with the legal provisions, the provisions of the By-laws, these internal rules and the internal rules of the Board committees.

In particular, the Management Board provides the Board with the following items of information:

- (i) in general, the Management Board must provide the Supervisory Board with any document or information relating to the Company or to the Group the preparation of which by the Management Board or the publication of which is necessary pursuant to the applicable regulations or in order to keep the market properly informed, as soon as they are prepared and before their publication;
- (ii) within ninety (90) days of the date of settlement of the annual financial statements, the Company's certified consolidated financial statements comprising, in particular, a balance sheet, an income statement, a cash flow statement and the notes thereto, together with the Company's certified corporate financial statements comprising, in particular, a balance sheet, an income statement and the notes thereto, accompanied by the reports of the Statutory Auditors;
- (iii) twice a year, a table summarizing the distribution of the Company's securities;
- (iv) once a month, a summary of the main financial and operational information relating to the Company and the Group;
- (v) at least once per quarter, and in any event whenever the Board so requests or the Management Board considers it appropriate, the Management Board shall present the Board with a report on the conduct of the business of the Company and the Group;
- (vi) within two months of the close of the first half-year, the Management Board shall present the Audit Committee and then the Supervisory Board with the corporate and consolidated financial statements of the Company, together with the management report relating thereto for the purposes of verification and audit;
- (vii) within two months of the end of the year, the Management Board shall present the Audit Committee, then the Supervisory Board, with the consolidated financial statements of the Company, together with the management report relating thereto for the purpose of verification and audit;
- (viii) the Management Board shall provide the Audit Committee and then the Board with the management forecast documents and with the report analyzing those documents referred to in Articles L. 232-2 and L. 232-3 of the Commercial Code, within eight (8) days of their preparation;
- (ix) the Management Board shall present the Board, for its approval, with the annual budget and with the investment and medium or long-term financial plan of the Company and the Group, and the Supervisory Board may ask the Management Board for a follow-up report on those items on a monthly basis;
- (x) the Management Board shall inform the Audit Committee of any significant alteration in the chain of control of shareholdings or in the level or manner of exercise of control of the Company's subsidiaries and/or consolidated entities;

- (xi) in accordance with the internal rules of the Audit Committee and at least once a year, the Management Board shall present the Audit Committee with its policy for managing and monitoring risks of any nature to which the Company and the Group are exposed, together with the programs and resources deployed, with a status report on the effectiveness of the Group's internal control, internal audit and risk management systems;
- (xii) in accordance with the internal rules of the Appointments and Compensation Committee and at least once a year, the Management Board shall inform the Appointments and Compensation Committee, for the purposes of its report thereon to the Supervisory Board and if applicable for the purposes of obtaining the Board's prior authorization, of all items of fixed and variable compensation and benefits including those that are deferred or conditional, of the members of the Management Board, together with of the policies relating thereto; under the same conditions, the Management Board shall ensure that the Appointments and Compensation Committee is regularly informed of the succession plan for members of the Management Board and members of the Management Committee;
- (xiii) The Management Board must provide the Board with any other information and any other documents that it considers necessary for the Board to carry out its task; in particular, the Management Board shall provide the Board, at any time and without delay, with any information relating to the Company or the Group, if its importance or the urgency of the case so requires.

4.5 Each member of the Board has the possibility of meeting the members of the Management Committee without the members of the Management Board being present, subject to having first informed one of the latter in advance. These meetings are purely informational in nature and shall not call into question the hierarchical relationships to which the senior executives heard may be subject.

## **ARTICLE 5 MEETINGS OF THE SUPERVISORY BOARD**

5.1 Meetings of the Board are convened by its President or, in the event that he or she is unable to do so, by its Vice-President, by any means, including orally.

However, when at least one member of the Management Board or at least a third of the members of the Board present him with a reasoned request in writing to do so, the President must convene a meeting of the Board within fifteen (15) days of receipt of that request. If this request is not met, its authors can issue a notice of meeting themselves, stating the agenda for the meeting.

5.2 The Board shall meet at least four times a year, particularly to examine the quarterly report that must be presented to it by the Management Board on a report, where necessary, from the Audit Committee, and to verify and audit the documents and information referred to in Article 4 above, and at any other time according to the Company's interests. The frequency and duration of meetings must be such as to enable detailed examination and discussion of matters within the Board's remit.

5.3 Meetings of the Board are chaired by the President or, in the event of his or her absence, by the Vice-President; in the event of the absence of the President and of the Vice-President, meetings are chaired by a member of the Board nominated by the Board.

5.4 A member of the Supervisory Board can, by letter, fax or e-mail, give a proxy to another member of the Board to represent him or her at a meeting, provided that each member of the Board can only hold one proxy per meeting.

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



5.5 The Board is only quorate if at least half of its members are present or represented. Decisions are taken by a majority of the members present or represented. In the event of a tied vote, only the President of the Supervisory Board has a casting vote, and the person chairing the meeting does not have a casting vote if he or she is not the President.

5.6 The Board appoints a secretary, and if necessary, a deputy secretary, who need not be members of the Board.

5.7 Each meeting of the Supervisory Board and of the committees set up by it must be of sufficient duration to allow for useful and detailed discussion of the agenda.

5.8 The Statutory Auditors are heard at the meetings convened to examine the financial statements.

5.9 The meetings of the Board are recorded in an attendance register and in minutes prepared in the manner provided by law and regulations, including a detailed summary of the discussions including the questions asked, the proposals and opinions/reservations expressed and the position taken by each member on each point on the agenda. The minutes are signed by the person chairing the meeting and by a member of the Supervisory Board, and are transcribed into a special register kept at the Company's registered office, or in the event that the President the Supervisory Board is unable to do so, by at least two members. Copies or extracts of these minutes can validly be certified by the President, by the Vice-President or by the Board secretary.

#### **ARTICLE 6 USE OF VIDEOCONFERENCING OR TELECOMMUNICATIONS FOR MEETINGS AND DELIBERATIONS OF THE SUPERVISORY BOARD**

6.1 The use of videoconferencing or telecommunications is authorized for any meeting of the Supervisory Board, in compliance with the applicable legal and regulatory provisions. The means used must allow the continuous transmission in real time of the spoken word and, if applicable, of live images of the members visible to all. They must also allow each of the members to be identified and guarantee their effective participation in the meetings.

6.2 For the purposes of calculating the quorum and the majority, members of the Supervisory Board who take part in Board meetings using videoconferencing or telecommunications are deemed to be present under the conditions provided above.

6.3 The attendance register shall record the names of members taking part in meetings of the Supervisory Board by such means.

6.4 The minutes of meetings must state the names of members of the Supervisory Board deemed to be present in this way. They must also record any technical hitches that may have disrupted the conduct of the meeting.

6.5 In accordance with Article L. 225-82 of the Commercial Code and Article 19-III of the Company's By-laws, participation in meetings of the Supervisory Board using videoconferencing or telecommunications is not possible for the adoption of decisions relating to the following matters:

- the appointment or replacement of its President or Vice-President;
- the appointment or dismissal of members of the Management Board;

6.6 Decisions relating to (i) the settlement of the annual financial statements; (ii) the settlement of the consolidated financial statements; and (iii) the examination of the Company's and Group's management reports; will only be valid if at least half of the members of the Board are physically present.

## **ARTICLE 7 COMPENSATION OF THE MEMBERS OF THE SUPERVISORY BOARD AND OF THE COMMITTEES**

7.1 Upon a recommendation from the Appointments and Compensation Committee, the Supervisory Board:

- shall freely distribute between its members the directors' fees allocated to the Board by the General Meeting. A proportion fixed by the Board and deducted from the amount of the directors' fees allocated to the Board shall be paid to the members of the committees, particularly on the basis of their attendance at meetings of the said committees;
- shall determine the amount of the President's and Vice-President's compensation;
- can, in addition, award exceptional compensation to some of its members in respect of tasks or offices entrusted to them.

7.2 When the terms of office concerned begin or end during the financial year, the amounts allocated by way of fixed compensation will be paid *pro rata temporis*.

7.3 Directors' fees will be paid annually in arrears.

7.4 The rules of distribution of directors' fees and the individual amounts of the payments made to the members in this respect will be set out in the annual report, on the understanding that the global amount paid to the members of the Supervisory Board, including in respect of their tasks on the committees, but excluding the reimbursement of justified expenses, may not exceed the overall amount authorized by the General Meeting.

## **ARTICLE 8 ASSESSMENT OF THE FUNCTIONING OF THE SUPERVISORY BOARD**

8.1 The Supervisory Board must assess its ability to respond to shareholders' expectations by periodically analyzing its composition, organization and functioning (including a review of the Board committees). For this purpose, the Board must, once a year, and on a report from the Appointments and Compensation Committee, devote an item on its agenda to assessing the manner in which it functions.

8.2 At least every three years, a formal assessment of the Supervisory Board and of the committees shall be carried out, potentially under the direction of the Appointments and Compensation Committee or an independent member of the Supervisory Board, and if applicable, with the assistance of an external consultant. In particular, it will examine the following points:

- whether the frequency and duration of the Board's meetings are sufficient for it to carry out its tasks and whether the information available to the Board and to each of its members is sufficient for them to deliberate properly;
- the quality of the preparatory work for meetings and of the committees and their composition, which must be such as to guarantee the objectivity of their enquiries into the matters that they examine;

- the appropriateness of reserving certain categories of decisions to the Supervisory Board;
- on a proposal from the Appointments Committee, the independence of the members of the Supervisory Board;
- any breaches of their duties by the members of the Supervisory Board.

8.3 The annual report shall inform the shareholders of the assessments made and of the actions taken as a result.

## **ARTICLE 9 CREATION OF COMMITTEES – COMMON PROVISIONS**

At its meeting on September 5, 2014, the Supervisory Board decided to create two permanent committees, the Audit Committee and the Appointments and Compensation Committee, and laid down certain terms and conditions relating to their organization and functioning.

The internal rules of each of the Board committees are included in a schedule to this document.

Each committee has between three and seven members, appointed on a personal basis, and who cannot be represented. They are chosen freely by the Board from among its members, and the Board ensures that they include independent members.

The term of office of a committee member is the same as his or her term of office as a member of the Supervisory Board, on the understanding that the Supervisory Board can at any time alter the composition of the committees and consequently end the term of office of a committee member.

The Board appoints the Chairmen of committees from among their members, and for their term of office as members of that committee.

Each committee reports on the performance of its tasks and work done to the next meeting of the Supervisory Board.

The annual report shall also include a summary of the business of the Supervisory Board and of the committees during the previous financial year, and shall provide information on the members' effective participation in those meetings.

Each committee determines the frequency of its meetings, which are held at the registered office or in any other place decided by the Chairman, who also determines the agenda of each meeting.

The Chairman of a committee can decide to invite all the members of the Supervisory Board to attend one or more of its meetings. Only the members of the committee take part in its deliberations.

Each committee can invite any person of its choice to its meetings.

In the absence of special provision, the minutes of each meeting are prepared by the secretary of the meeting nominated by and acting on the authority of the Chairman of the committee. These minutes are sent to all the members of the committee. The Chairman of the committee decides on the manner in which it reports its work to the Board.

Each committee issues proposals, recommendations or opinions on matters within its remit. For this purpose, it can prepare or arrange for the preparation of any studies likely to inform the deliberations of the Supervisory Board.

The compensation of the members of each committee is fixed by the Supervisory Board, and is deducted from the global annual amount of directors' fees.

## **ARTICLE 10 DUTY OF LOYALTY – CONFLICTS OF INTEREST**

The members of the Supervisory Board are bound by a duty of loyalty, which requires that they act in the corporate interest of the Company under all circumstances and avoid conflicts of interest.

The members of the Supervisory Board undertake to abide by:

- the rules relating to the multiple appointments;
- the rules relating to "related party" agreements and transactions regulated by Articles L. 225-86 et seq. of the French Commercial Code, namely those taking place directly or by means of an intermediary between the Company and a member of the Board.

In any situation that gives rise to an actual or potential conflict between the interests of the Company and his or her direct or indirect personal interests, or those of the shareholder or the group of shareholders that he or she represents, the member in question shall inform the Board of this, as soon as he or she becomes aware of it, and bear all the consequences in relation to his or her office. This may mean, depending on circumstances, that he or she shall:

- abstain from participating in the vote on the corresponding deliberations;
- or shall not attend the meeting of the Supervisory Board during the period during which he or she will be subject to a conflict of interest;
- or shall resign as a member of the Supervisory Board.

Failure to comply with these abstention or recusal rules may render the member of the Supervisory Board liable under law.

Furthermore, the President of the Supervisory Board shall not be required to communicate to any member(s) of the Supervisory Board whom he or she has substantial grounds to believe has a conflict of interest any information or documents related to the investment or the signing of the agreement causing the conflict of interest, and shall inform the Board of this non-communication.

## **ARTICLE 11 AMENDMENT OF THE INTERNAL RULES**

The Supervisory Board can, at any time, decide to amend these internal rules.