

ELIS

Public limited company with a Management Board and a Supervisory Board
with share capital of 236,664,445 euros
Registered office: 5, boulevard Louis Loucheur - 92210 Saint Cloud - France
R.C.S 499 668 440 Nanterre

RULES OF PROCEDURE OF THE SUPERVISORY BOARD

Amended on 30 July 2025 by the Supervisory Board

For certification of conformity

Thierry Morin
Chairman of the Supervisory Board

RULES OF PROCEDURE OF THE SUPERVISORY BOARD

The purpose of these Rules of Procedure is to set out the operating procedures of the Company's Supervisory Board, in addition to the legal and regulatory provisions in force as well as the Company's Articles of Association.

It is in line with the recommendations on corporate governance set out in the December 2022 version of the AFEP-MEDEF Code of corporate governance for listed companies (the "**AFEP-MEDEF Code**"). It may be amended at any time by simple resolution of the Supervisory Board.

ARTICLE 1 COMPOSITION OF THE SUPERVISORY BOARD

1.1. In accordance with Article 17 of the Company's Articles of Association, the Supervisory Board comprises between three (3) and eighteen (18) members (subject to the exceptions provided for by law) appointed by the General Meeting.

1.2. Similarly, the Supervisory Board complies with the legal provisions on the representation of men and women, as well as employees and employee shareholders within the Group. It also considers the desirable balance in its composition and that of the committees it sets up, particularly in terms of diversity (nationalities, international experience, expertise, etc.).

1.3. Independence of Supervisory Board members

The Supervisory Board ensures that the proportion of independent members within the meaning of the AFEP-MEDEF Code is, as far as possible, at least one third when the company is controlled within the meaning of Article L. 233-7 of the French Commercial Code, and of at least half of the members of the Supervisory Board when the company is not controlled, and that the Audit Committee and the Appointments, Compensation and Governance Committee include at least two thirds and a majority of independent members respectively, bearing in mind that the qualification of independent member does not imply any value judgement on the qualities and skills of Supervisory Board members.

Each time a member of the Supervisory Board is re-elected or appointed, and at least once a year, the Appointments, Compensation and Governance Committee discusses whether a director qualifies as an independent director in the light of the criteria set out below. The conclusions of this review are brought to the attention of the Company's shareholders in the annual report and at the General Meeting when Supervisory Board members are elected.

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

- Not be, or have been in the previous five (5) years :
 - Employee or Executive Corporate Officer¹ of the Company ;

¹ Within the meaning of the AFEP-MEDEF Code, "**Executive Corporate Officers**" means the Chairman and Chief Executive Officer, the Chief Executive Officer, the Deputy Chief Executive Officer(s) of public limited companies with a Board of Directors, the Chairman and members of the Management Board of public limited companies with a Management Board and a Supervisory Board and the managers of limited partnerships with shares.

- Employee, Executive Corporate Officer or member of the Board of Directors or Supervisory Board of any company that the Company consolidates;
- Employee, Executive Corporate Officer or member of the Board of Directors or Supervisory Board of the parent company of the Company or of a company consolidated by the parent company ;
- Not to be an Executive Corporate Officer of a company in which the Company directly or indirectly holds a seat on the Board of Directors or Supervisory Board or in which an employee designated as such or an Executive Corporate Officer of the Company (currently or within the last five (5) years) holds a seat on the Board of Directors or Supervisory Board;
- Not be a significant customer, supplier, investment banker or commercial banker of the Company or any of its subsidiaries (together the "**Group**") or for which the Company or the Group represents a significant part of its business.

The assessment of whether or not the business relationship with the Company or the Group is significant must be discussed by the Supervisory Board and the quantitative and qualitative criteria used to make this assessment (continuity, economic dependence, exclusivity, etc.) must be explained in the annual report.

- Have no close family ties with a corporate officer of the Company;
- Not to have been the Company's statutory auditor for the last five (5) years; and
- He must not have been a member of the Company's Supervisory Board for more than twelve (12) years. The loss of independent status occurs on the date of the twelve (12) years.

For Supervisory Board members holding ten percent (10%) or more of the Company's capital or voting rights, or representing a legal entity holding such a stake, the Supervisory Board, on the basis of a report from the Appointments, Compensation and Governance Committee, decides whether to classify them as independent members, taking particularly into account the composition of the Company's capital and the existence of a potential conflict of interest.

The Supervisory Board may consider that a member of the Supervisory Board, although fulfilling the above criteria, should not be qualified as independent in view of his particular situation or that of the Company, or in view of its shareholding or for any other reason. Conversely, the Supervisory Board may consider that a Supervisory Board member who does not meet the above criteria is nevertheless independent.

Each member qualified as independent informs the Chairman, as soon as he is aware of it, of any change in his personal situation with regard to these same criteria.

A Non-Executive Director² cannot be considered independent if he receives variable compensation in cash or securities or any compensation linked to the performance of the Company or the Group.

The Supervisory Board considers the desirable balance of its membership and that of the committees it sets up, particularly in terms of diversity (age, qualifications and professional experience). It publishes a description of its diversity policy in its corporate governance report.

1.4. The term of office of Supervisory Board members is four (4) years, expiring at the close of the

² Within the meaning of the AFEP-MEDEF Code, "**Non-Executive Corporate Officers**" means the Chairman of the Board of Directors of public limited companies with a Board of Directors and the Chairman of the Supervisory Board of public limited companies with a Management Board and Supervisory Board and of limited partnerships with shares.

Ordinary General Meeting called to approve the financial statements for the previous financial year and held in the year in which the term of office of the said member expires. The Supervisory Board shall ensure that a system is in place for the gradual renewal of its members in as equal proportions as possible.. To this end, when appointing certain members of the Supervisory Board, the General Meeting may stipulate that their term of office shall be less than four (4) years to allow the gradual renewal of the terms of office of Supervisory Board members.

In the event of a vacancy caused by death, age limit or resignation, the Supervisory Board may make provisional appointments in accordance with the conditions laid down by law. A Supervisory Board member appointed to replace another whose term of office has not expired only remains in office for the remainder of his predecessor's term.

1.5. The Supervisory Board elects a Chairman and a Vice-Chairman from among its individual members, for a term that may not exceed their term of office as Supervisory Board members.

1.6. The Supervisory Board may decide to set up permanent or temporary committees from among its members to facilitate the smooth running of the Board and to contribute effectively to the preparation of its decisions.

These committees are responsible, under the Board's authority, for examining matters submitted to them by the Supervisory Board or its Chairman for their opinion, in order to prepare the Supervisory Board's work and decisions. The composition, powers and operating procedures of these committees are set out in rules of procedure specific to each committee and approved by the Supervisory Board.

To date, the Supervisory Board has decided to set up the following standing committees: (i) an Audit Committee, (ii) an Appointments, Compensation and Governance Committee and (iii) a Social, Environmental and Corporate Responsibility (CSR) Committee. The rules of procedure of each of these committees are set out in Appendices 1, 2 and 3.

ARTICLE 2 OBLIGATIONS OF SUPERVISORY BOARD MEMBERS

Acceptance and performance of the duties of Supervisory Board member, Chairman or Vice-Chairman entail an undertaking to comply at all times with the conditions and obligations required by law, the Company's Articles of Association and these Rules of Procedure, particularly with regard to multiple directorships. Each member of the Board is subject to the following principles:

2.1. Before accepting his duties, each member of the Supervisory Board must familiarise himself with his general and specific obligations. In particular, they must familiarise themselves with the applicable laws and regulations, the Company's Articles of Association, these Rules of Procedure and the Market Ethics Charter (set out in Appendix 3).

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

- Judgement, particularly of situations, strategies and people, based on experience ;
- The ability to anticipate and identify risks and strategic issues;
- Be honest, present, active and involved.

2.3. Acceptance of the office of member of the Supervisory Board implies devoting the necessary time and attention to it. In particular, each member of the Supervisory Board undertakes not to agree to hold more than four (4) other directorships or supervisory board positions in listed companies outside the Group, including foreign companies, save as otherwise provided in the AFEP-MEDEF Code, subject to the provisions of Article L.225-94-1 paragraphs 1 and 3 and article L.225-95-1 paragraph 1 of the French Commercial Code, and must keep the Supervisory Board informed of any directorships held in such other companies, including his or her membership of the board committees of these companies not belonging to the same Group, so that he or she is available.

2.4. Each member of the Supervisory Board must attend all meetings of the Supervisory Board and the committee(s) of which he or she is a member, as well as the Company's General Meeting, except in exceptional circumstances. To this end, a calendar of planned meetings is circulated, after consultation, sufficiently in advance to enable effective attendance at these various meetings.

Any member of the Supervisory Board who, save for exceptional reasons, fails to attend at least half of the meetings held during the year by the Supervisory Board and the committee or committees of which he is a member shall be deemed to have resigned automatically.

2.5. Each member of the Supervisory Board has a duty to keep himself informed so that he can make a useful contribution on the subjects on the Supervisory Board's agenda. They have a duty to request, within the appropriate timeframe, any useful information they consider they need to carry out their duties.

2.6. Each member of the Supervisory Board and any person invited to attend meetings of the Supervisory Board or its committees are bound by a strict obligation of confidentiality with regard to information provided to the Supervisory Board or its committees. However, Supervisory Board members may disclose such information to members of the company employing them or of the organisation to which they belong, provided that such disclosure (i) is necessary for the performance of their duties, (ii) the person receiving the information is informed of its confidential nature and of the rules applicable to the use of insider information and (iii) is made in compliance with the applicable regulations, and in particular Regulation (EU) No. 596/2014 on market abuse. In this event, the Company must be informed of the identity of such person or persons, who may be entered on an insider list dedicated to the information concerned if it qualifies as inside information within the meaning of the applicable regulations.

2.7. Each member of the Supervisory Board must comply with the applicable regulations on market abuse and insider information and with the stock market code of conduct set out in Appendix 3 to these Rules of Procedure. In addition, in accordance with Article 19 of Regulation (EU) No. 596/2014 on market abuse, each member of the Supervisory Board must report to the *Autorité des marchés financiers* and the Company any transactions involving the Company's securities within the time limits and in accordance with the procedures described in the Market Ethics Charter. This also applies to transactions carried out by persons closely linked to the Company within the meaning of Article 3 of the aforementioned EU Regulation. The Company draws up a list of persons subject to the obligation to report securities transactions. To this end, the members of the Supervisory Board communicate to Elis the list of persons closely linked to them and notify them in writing of their obligations to report their transactions in Elis securities.

All members of the Supervisory Board are reminded of these provisions on an annual basis and are informed of any significant changes on an ad hoc basis.

- 2.8. During their term of office, each member of the Supervisory Board must own a number of shares in the Company in accordance with Article 17, iv of the Company's Articles of Association (i.e. 500 shares), it being stipulated that when their term of office comes up for renewal, each member must hold a significant number of shares corresponding to one year's attendance fees. On taking up their duties, Supervisory Board members must register the shares they hold. The same applies to any shares acquired subsequently.
- 2.9. The Company will take out appropriate liability insurance policies for the members of the Supervisory Board to insure them, within the legal or usual limits, against the financial consequences of civil liability claims that may be brought against them in respect of their duties on the Supervisory Board and its committees. The terms and conditions of such insurance policies shall be in line with market practice.

ARTICLE 3 DUTIES OF THE SUPERVISORY BOARD

3.1 The Supervisory Board exercises ongoing control over the management of the Company by the Management Board, in accordance with the conditions laid down by law, the Company's Articles of Association and the rules of procedure of the Supervisory Board and its committees. As part of its duties, the Supervisory Board must ensure that shareholders and investors are provided with information on the Company's strategy, business model and consideration of significant non-financial issues, as well as on its long-term prospects.

At any time of the year, it carries out the checks and controls it deems appropriate and may request any documents it deems useful for the performance of its duties.

In particular, after the close of each half year, the Supervisory Board verifies and audits the half-yearly and annual company and consolidated financial statements prepared by the Management Board. At each Annual General Meeting, the Supervisory Board presents a report containing its observations on the Management Board's management report and on the parent company and consolidated financial statements for the year just ended.

It is regularly informed by the Management Board of the Group's management objectives and their achievement (in particular in relation to the annual budget and the investment plan), as well as investment and human resources management policies and their implementation within the Group. It is consulted by the Management Board as necessary on any exceptional situation, and in particular on the decisions referred to in Article 20-IV of the Articles of Association.

Each year, on the recommendation of the Appointments, Compensation and Governance Committee, the Supervisory Board reviews and sets compensation policy for the current year and the variable or exceptional compensation components for the previous year (within the framework of compensation policy set for the year in question). These compensation items are submitted to the vote of the Ordinary General Meeting.

Through its Audit Committee, the Supervisory Board regularly examines, in relation to the strategy it has defined, opportunities and risks such as financial, legal, operational, social and environmental risks, and the measures taken as a result. To this end, the Board receives all the information it needs to carry out its duties, in particular from the members of the Management Board.

Where appropriate, the Supervisory Board ensures that a system is in place to prevent and detect corruption and influence peddling. It receives all the necessary information for this purpose.

The Supervisory Board defines the company's strategy in terms of social and environmental responsibility, particularly with regard to climate change, for which the strategy is accompanied by precise objectives. It instructs the Management Board to implement this strategy, together with an action plan and the timeframes within which these actions must be taken. Each year, the Supervisory Board examines the results achieved and any necessary adjustments to the strategy and/or action plan. The climate strategy and action plan are submitted to the company's Ordinary General Meeting at least every three years.

The Supervisory Board also ensures that the executive directors implement a policy of non-discrimination and diversity, in particular with regard to the balanced representation of men and women on management bodies.

3.2 The Supervisory Board gives the Management Board its prior approval for the decisions referred to in Article 20-IV of the Company's Articles of Association.

3.3 Each Executive Corporate Officer must obtain the prior opinion of the Supervisory Board before accepting a new mandate in a listed company, in accordance with recommendation 18.2 of the AFEP-MEDEF Code.

ARTICLE 4 INFORMATION FOR THE SUPERVISORY BOARD

4.1 Each member of the Supervisory Board may, on his or her appointment and whenever he or she deems it necessary, receive additional training on the specific characteristics of the Company and the companies it controls, their business lines and sectors of activity and the challenges they face in terms of social and environmental responsibility, particularly with regard to climate issues. In particular, Supervisory Board members are kept informed of market trends, the competitive environment and the main challenges, including in the area of the Company's social and environmental responsibility.

4.2 The Chairman, or where applicable the Vice-Chairman, shall provide Supervisory Board members, within a sufficient period of time, with the information or documents in his possession enabling them to carry out their duties effectively. Any member of the Supervisory Board who has not been able to deliberate in full knowledge of the facts has a duty to inform the Supervisory Board of this fact and to demand the information essential to the performance of his/her duties.

4.3 The Supervisory Board may hear members of the Management Board, who may be asked to attend Board meetings, with the exception of Board meetings or deliberations devoted to assessing the performance of the Chairman of the Management Board, members of the Management Board and, where applicable, the Managing Director(s).

4.4 The Management Board keeps the Supervisory Board regularly informed of developments in the business and financial results, the cash position and the commitments of the Company and the Group, in accordance with the provisions of the law, the Company's Articles of Association, these Rules of Procedure and rules of procedure of the Board Committees.

The Management Board provides it with the following information in particular:

- (i) In general, the Management Board must communicate to the Supervisory Board any document or information relating to the Company or the Group which preparation by the Management Board or publication is necessary by virtue of the applicable regulations or for the proper information of the market, as soon as they are prepared and before they are published;
- (ii) Within ninety (90) days of the date on which the annual accounts are closed, the company's certified consolidated accounts, comprising in particular a balance sheet, an income statement, a cash flow

statement and the notes thereto, and the company's certified accounts, comprising in particular a balance sheet, an income statement and the notes thereto, together with the auditors' reports;

- (iii) Twice a year, a summary table showing the distribution of the Company's shares ;
- (iv) Once a month, a summary of the main financial and operating data for the Company and the Group;
- (v) At least once a quarter, and in any event whenever the Supervisory Board so requests or deems it appropriate, the Management Board presents a report to the Supervisory Board on the progress of the Company's and the Group's business;
- (vi) Within two months of the end of the first half of the year, the Management Board presents the Company's consolidated financial statements and the half-yearly financial report to the Audit Committee and then to the Supervisory Board for verification and control;
- (vii) Within two months of the end of the financial year, the Management Board submits the Company's annual and consolidated financial statements, together with the related management report, to the Audit Committee and then to the Supervisory Board for verification and control;
- (viii) The Management Board provides the Audit Committee, and subsequently the Board, with the Management Planning Documents (*documents de gestion prévisionnelle*) and the report analysing these documents referred to in Articles L. 232-2 and L. 232-3 of the French Commercial Code, within eight (8) days of their preparation;
- (ix) The Management Board submits the annual budget and the medium and long-term investment and financial plan for the Company and the Group to the Supervisory Board for approval, and the Supervisory Board may request monthly updates from the Management Board;
- (x) The Management Board informs the Audit Committee of any significant change planned in the chain of control of shareholdings or in the rates or methods of exercising control over the Company's subsidiaries and/or consolidated entities;
- (xi) At least once a year, in accordance with the Audit Committee's rules of procedure, the Management Board presents to the Audit Committee its policy for controlling and monitoring the risks of all kinds to which the Company and the Group are exposed, together with the programmes and resources implemented, and a report on the effectiveness of the Group's internal control, internal audit and risk management systems;
- (xii) In accordance with the rules of procedure of the Appointments, Compensation and Governance Committee and at least once a year, the Management Board informs the Appointments, Compensation and Governance Committee, for the purposes of a report to the Supervisory Board and, where applicable, for the purposes of prior authorisation by the Board, of all the components of compensation and fixed and variable benefits, including deferred or conditional benefits, of Management Board members, as well as the corresponding policies; under the same conditions, the Management Board ensures that the Appointments, Compensation and Governance Committee is regularly informed of the succession plan for members of the Management Board and members of the Executive Committee;
- (xiii) Each year, the Management Board presents to the Supervisory Board the results achieved in implementing the action plan defined as part of the CSR strategy, particularly with regard to climate change.
- (xiv) The Management Board must provide the Supervisory Board with all other information and documents that it considers useful for the performance of its duties; in particular, the Management Board must provide the Supervisory Board, at any time and without delay, with any information relating to the Company or the Group, if its importance or urgency so requires.

4.5 Each member of the Supervisory Board may meet the members of the Executive Committee, without the members of the Management Board being present, provided that they have informed one of these members in advance. These meetings are purely informative in nature and in no way call into question the hierarchical authority to which the executives interviewed may be subject.

ARTICLE 5 SUPERVISORY BOARD MEETINGS

5.1 The Supervisory Board is convened by its Chairman or, if he is unable to attend, by its Vice-Chairman, by any means, including verbally.

However, the Chairman must convene a meeting of the Supervisory Board if at least one member of the Management Board or at least one third of the members of the Supervisory Board submit a reasoned written request to this effect within fifteen (15) days of receipt of the request. If this request is not acted upon, the authors of the request may convene the meeting themselves, indicating the agenda for the meeting.

5.2 The Supervisory Board meets at least four times a year, in particular to examine the quarterly report to be presented to it by the Management Board on the basis of a report from the Audit Committee, if necessary, and to verify and check the documents and information referred to in Article 4 above, and at any other time in the interests of the Company. The frequency and duration of meetings must be such as to allow in-depth examination and discussion of the matters falling within the Board's remit.

5.3 Supervisory Board meetings are chaired by the Chairman or, in his absence, by the Vice-Chairman; in the absence of both the Chairman and the Vice-Chairman, they are chaired by a Board member appointed by the Supervisory Board.

5.4 A member of the Supervisory Board may, by letter, fax or electronic message, give a proxy to another member of the Supervisory Board to represent him at a meeting, but each member of the Supervisory Board may hold only one proxy at any one meeting.

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

5.5 The Supervisory Board may only validly deliberate 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 tie, only the Chairman of the Supervisory Board has a casting vote, and the Chairman of the meeting does not have a casting vote if he is not the Chairman of the Supervisory Board.

5.6 The Supervisory Board appoints a Secretary and, if necessary, an Assistant Secretary, who may be chosen from outside the Supervisory Board.

5.7 Each meeting of the Supervisory Board and of the committees set up by it must be of sufficient duration to enable the agenda to be properly and thoroughly discussed.

5.8 The Statutory Auditors are invited to attend meetings at which the accounts are examined.

5.9 At Supervisory Board meetings, an attendance register is kept and minutes are drawn up in accordance with legal and regulatory requirements. These minutes contain a detailed summary of the discussions, including questions asked, proposals and opinions/reservations expressed, as well as the position taken by each member on each item on the agenda.

The minutes are drawn up in French. An English version is also made available to members of the Supervisory Board for translation purposes; French version prevailing however over the English version.

The French version of the minutes is signed by the Chairman of the meeting and a member of the Supervisory Board and transcribed in a special register kept at the Company's registered office, or if the Chairman of the Supervisory Board is unable to attend, by at least two members. Copies or extracts of these minutes are validly certified by the Chairman, the Vice-Chairman or the Secretary of the Board.

ARTICLE 6 USE OF VIDEOCONFERENCING OR TELECOMMUNICATIONS FACILITIES FOR SUPERVISORY BOARD MEETINGS AND DELIBERATIONS

6.1 In compliance with the applicable legal and regulatory provisions, the use of video-conferencing or telecommunication facilities is authorised for all Supervisory Board meetings: the facilities used must allow, in real time and continuously, the transmission of the spoken word and, where applicable, the moving image of members who must be able to be seen by all. These means must also enable each member to be identified and guarantee their effective participation in meetings.

6.2 For the purposes of calculating the quorum and majority, Supervisory Board members who take part in Supervisory Board meetings by videoconference or other means of telecommunication, in accordance with the conditions set out above, are deemed to be present.

6.3 The attendance register shall mention the names of members who attend Supervisory Board meetings by such means.

6.4 The minutes of the meeting must indicate the names of the members of the Supervisory Board who are deemed to be present. They must also mention any technical incident that disrupted the meeting.

6.5 In accordance with Article L. 225-82 of the French Commercial Code and Article 19-III of the Company's Articles of Association, Supervisory Board meetings may not be attended by videoconference or other means of telecommunication for the purpose of adopting decisions relating to the following matters:

- The appointment or replacement of its Chairman and Vice-Chairman;
- Appointment or dismissal of members of the Management Board ;

6.6 Decisions relating to (i) the approval of the annual financial statements, (ii) the approval of the consolidated financial statements and (iii) the review of the Company's management report and the Group's management report will only be validly adopted if at least half of the Board members are physically present.

ARTICLE 7 COMPENSATION OF SUPERVISORY BOARD AND COMMITTEE MEMBERS

7.1 On the recommendation of the Appointments, Compensation and Governance Committee, the Supervisory Board:

- freely distributes among its members compensation for the activities of Board members (formerly directors' fees) allocated to the Supervisory Board by the General Meeting of shareholders. A proportion set by the Board and deducted from compensation allocated to the Supervisory Board is paid to committee members, depending in particular on their attendance at committee meetings;
- Determines compensation of the Chairman and Vice-Chairman;

- May also allocate exceptional compensation to some of its members for assignments or mandates entrusted to them.

7.2 The amounts allocated as a fixed part will be paid *pro rata temporis* when the mandates begin or end during the financial year.

7.3 Compensation of Supervisory Board members will be paid annually, at maturity, in accordance with current regulations.

7.4 The rules for allocating directors' fees and the individual amounts paid to members in this respect will be set out in the annual report, on the understanding that the total amount paid to Supervisory Board members, including for their duties on committees, but excluding the reimbursement of justified expenses, may not exceed the total amount authorised by the General Meeting of Shareholders.

ARTICLE 8 ASSESSMENT OF THE OPERATION OF THE SUPERVISORY BOARD

8.1 The Supervisory Board must assess its ability to meet shareholders' expectations by periodically analysing its composition, organisation and operation (which also involves a review of the Board's committees). To this end, once a year, the Board must, on the basis of a report from the Appointments, Compensation and Governance Committee, devote an item on its agenda to assessing its operating procedures.

8.2 A formal evaluation of the Supervisory Board and its committees is carried out at least every three years, possibly under the direction of the Appointments, Compensation and Governance Committee or an independent member of the Supervisory Board, and where appropriate, with the help of an external consultant. In particular, it will examine the following points

- The frequency and duration of its meetings and the information available to it and to each of its members to enable it to carry out its duties effectively;
- The quality of the preparatory work for its meetings and those of the committees and their composition, which must be such as to guarantee the objectivity of the investigation of the matters they examine;
- Whether certain categories of decisions should be reserved for the Supervisory Board;
- On the recommendation of the Appointments, Compensation and Governance Committee, the independence of Supervisory Board members;
- Any breaches of duty by Supervisory Board members.

8.3 The annual report informs shareholders of the assessments carried out and the action taken.

ARTICLE 9 CREATION OF COMMITTEES - COMMON PROVISIONS

At its meeting on 5 September 2014, the Supervisory Board decided to create two standing committees, the Audit Committee and the Appointments, Compensation and Governance Committee (originally called the Appointments and Compensation Committee), for which it laid down certain organisational and operating procedures. At its meeting on 3 March 2020, the Supervisory Board also decided to create a third standing committee, the Social, Environmental and Corporate Responsibility (CSR) Committee, for which it also laid down certain organisational and operating procedures.

The rules of procedure of each of the Board's committees are appended to this document.

Each committee comprises between three and seven members, appointed in a personal capacity, who may not be represented by others. They are freely chosen from among its members by the Board, which ensures that they include independent members.

The term of office of a committee member is equal to his or her term of office as a member of the Supervisory Board, it being understood that the Supervisory Board may change the composition of any committee at any time and consequently terminate the term of office of a committee member.

The Supervisory Board appoints the Chairman of the Committee from among its members for the duration of his term of office as a member of the Committee.

Each committee reports on the performance of its duties and the work carried out at the next meeting of the Supervisory Board.

The annual report will also include a report on the activities of the Supervisory Board and its committees during the past financial year and will provide information on the actual attendance of members at these meetings.

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

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

Each committee may invite any person of its choice to attend its meetings.

The minutes of each meeting are drawn up, unless otherwise specified, by the meeting secretary appointed by the Committee Chairman, under the authority of the Committee Chairman. The minutes of Committee meetings are drawn up in French; an English version may also be made available for translation purposes (the French version prevailing in that case). They are sent to all committee members. The Chairman of the Committee decides the conditions under which it reports to the Board on its work.

Within its area of competence, each committee issues proposals, recommendations or opinions. To this end, it may carry out or commission any studies likely to inform the deliberations of the Supervisory Board.

Compensation of the members of each committee is set by the Supervisory Board and deducted from the total annual amount of directors' fees.

ARTICLE 10 DUTY OF LOYALTY - CONFLICTS OF INTEREST

Supervisory Board members are bound by a duty of loyalty, which requires them to act in all circumstances in the Company's best interests and to avoid situations of conflict of interest.

The members of the Supervisory Board undertake to comply with :

- Rules on holding multiple offices ;
- The rules governing "regulated" agreements and transactions within the meaning of Articles L. 225-86 et seq. of the French Commercial Code, i.e. those entered into directly or through an intermediary between the Company and a member of the Board.

If a situation arises or may arise in which there is a conflict between the interests of the Company and his direct or indirect personal interests, or those of the shareholder or group of shareholders he represents, the member concerned must inform the Supervisory Board as soon as he is aware of the situation and draw all the necessary conclusions as to the performance of his duties. Accordingly, as the case may be, they must:

- Either abstain from taking part in the vote on the corresponding resolution and not take part in any Supervisory Board discussions relating to the conflict of interest situation during the period in which he/she is in a conflict of interest situation;
- or resign as a member of the Supervisory Board.

Failure to comply with these abstention or withdrawal rules may render the Supervisory Board member liable.

In addition, the Chairman of the Supervisory Board will not be obliged to pass on to any member(s) of the Supervisory Board whom he has serious grounds for believing to be in a situation of conflict of interest any information or documents relating to the participation in or conclusion of the agreement giving rise to the conflict of interest, and will inform the Supervisory Board of this non-transmission.

ARTICLE 11 OBSERVERS

On the recommendation of its Chairman, the Supervisory Board may appoint one or more non-voting observers (*censeurs*), of whom there may be a maximum of three, who may be natural persons or legal entities, and who may or may not be chosen from among the shareholders on the basis of their expertise.

Non-voting observers are appointed for a fixed term, which may not exceed four (4) years. They may be dismissed at any time by the Supervisory Board, without notice or compensation.

The observers may be consulted by the Supervisory Board on any matter relating to the organisation or affairs of the Company. They may be given specific assignments.

Non-voting observers of the Supervisory Board are invited to attend Supervisory Board meetings in an advisory capacity, but their absence may not affect the validity of the Board's deliberations. Non-voting observers are invited to attend Supervisory Board meetings under the same conditions as Supervisory Board members and receive the same information and documents as Supervisory Board members. The chairmen of the committees may also seek their opinion on matters falling within their respective remits.

Observers are not remunerated by the Company but are entitled to reimbursement of expenses on the same terms as Supervisory Board members.

The observers act in all circumstances in the Company's corporate interests. They are subject to the same obligations of confidentiality, loyalty, prevention of conflicts of interest, prevention of market abuse and professional ethics as Supervisory Board members. Article 2 (*Obligations of Supervisory Board members*), Article 4 (*Information to be provided to the Supervisory Board*) and Article 10 (*Obligation of loyalty - Conflicts of interest*) of these Rules of Procedure apply to the non-voting members of the Supervisory Board, *mutatis mutandis*, subject to the provisions of this Article 11. The Company's stock market code of conduct also applies to non-voting observers, subject to its provisions.

ARTICLE 12 AMENDMENT TO THE RULES OF PROCEDURE

The Supervisory Board may decide to amend these Rules of Procedure at any time.