



## Compensation elements published in accordance with the AFEP-MEDEF Code of Corporate Governance

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### 2019 variable compensation of Christopher Guérin as Chief Executive Officer

In accordance with the decision of the Board of Directors on January 28, 2019 the amount of Christopher Guérin's 2019 variable compensation as Chief Executive Officer, may vary between 0% and 150% of the 2019 base compensation as Chief Executive Officer and is determined 60% based on the fulfillment of collective objectives and 40% based on the achievement of specific pre-determined individual objectives.

On February 19, 2020, the Board of Directors decided on the amount of Christopher Guérin's variable compensation as Chief Executive Officer for 2019 as follows:

- as regards the collective portion of the variable compensation, under strict application of the level of achievement of the objectives set for 2019 (50% ROCE, 50% EBITDA),
  - The achievement rate for ROCE is 81.2% of the maximum amount, reflecting a significant increase in this indicator compared with 2018.
  - The achievement rate for EBITDA is 82.8% of the maximum amount, this indicator having also improved compared with 2018.

Based on these figures, the Board of Directors noted that the collective portion came to 442,800 euros (relative to a potential maximum amount of 540,000 euros, i.e. 82% of the maximum amount).

- as regards the portion related to individual objectives, they are specific and predetermined and their achievement was assessed on the year 2019. After assessing the extent to which they were achieved, the Board of Directors set them as follows:
  - The achievement rate of rallying the new team and driving a new dynamic with investors is 100% of the maximum amount. New Executive Committee and new dynamic were implemented day one, thanks to succession plan readiness. It has been demonstrated some internal promotion at Executive Committee level. The new organization has been launched in September 2019.
  - The achievement rate of deploying and overseeing projects to boost operating efficiency, and tracking and controlling the related cost is 86.7% of the maximum amount. 1200 initiatives running on weekly routines are managed by an Executive Committee member directly, restructuring management and indirect spend reduction are on time and in line with expectations.
  - The achievement rate of transformation initiatives is 100% of the maximum amount. SHIFT program shows the quality of the methods with positive results in South America and is running in South Korea, China and Morocco.
  - The achievement rate of the Company profile improvement regarding CSR is 66.7% of the maximum amount given the investment made in renewable energies for our factories and consumption reduction in Metallurgy through sensors to reduce electricity consumption.

Based on these figures, the Board of Directors decided that the individual portion came at 333,600 euros (relative to a potential maximum amount of 360,000 euros, i.e. 92.7% of such amount).

The total amount of the variable compensation paid to Christopher Guérin as determined by the Board for 2019 was thus 776,400 euros, being 86.3% of the maximum amount, being specified that the payment of the annual variable compensation due to Christopher Guérin for 2019 is conditional on its approval by the Annual Ordinary General Shareholders' Meeting of May 13, 2020.