

The Board may decide that directors who participate in meetings by videoconference or any other appropriate telecommunications media in accordance with applicable laws and regulations shall be deemed to be physically present for purposes of calculating quorum and voting majority.

Any director may give a written proxy form to another director to represent him or her in a Board meeting; each director may only have one proxy form per session.

Decisions are made based on a majority vote of the members present or represented.

In the event of an even vote, the vote of the Chairman of the meeting will prevail.

Deliberations of the Board of Directors (Article 15 of the bylaws)

The Board of Directors shall meet as often as is required to serve Company's interests. Meetings shall be convened by the Chairman.

Meetings will be held either at the Company's head office or any other place specified in the meeting notice.

Meetings may be convened by any appropriate method, including orally, by the Chairman or by the Secretary of the Board at the Chairman's request.

Meetings may also be held at the request of at least one-third of the directors or of the Chief Executive Officer, to discuss a specific matter.

If the Chairman is prevented from convening a meeting, it may be convened by a director designated as acting Chairman, by the Vice-Chairman or Chairmen or by the Chief Executive Officer if he or she is a member of the Board.

Board meetings shall be chaired by the Chairman of the Board or, in his or her absence, the Vice-Chairman or Chairmen, or any other director designated by the Board.

On the initiative of the Chairman of the Board of Directors, the Chief Executive Officer, the Deputy Chief Executive Officers, members of management, the Statutory Auditors or any other persons with specific knowledge or experience concerning the matters to be discussed, may be invited to attend a Board meeting.

Directors as well as any person requested to attend the Board meeting must keep confidential any information given in the course of the discussion. They are also subject to a general obligation of discretion.

5.1.2.2. Board of Directors' internal code

It is expected that at its meeting of June 29, 2010, the Company's Board of Directors will adopt an internal code to define the terms and conditions of its operation, in addition to the Company's legal and regulatory provisions and bylaws. This internal code will define the organization and operation, powers and duties of the Board of Directors and the committees that have been established by it (see paragraph 5.1.2.5 "Board of Directors' committees" for a description of the different committees that will be set up).

Independent directors (Article 1 of the internal code of the Board of Directors)

At least half of the directors on the Board of Directors must be independent within the meaning of the criteria set forth in the AFEP/MEDEF Corporate Governance Code for listed companies as amended in December 2008.

Every year, the Board of Directors shall determine which of the directors are independent according to the above-mentioned criteria. The conclusions of this assessment shall be disclosed to the shareholders and to the public in the Annual Report.

Meetings of the Board of Directors (Article 2 of the internal code of the Board of Directors)

As a rule, the Board of Directors shall hold at least five meetings per year, of which one shall be devoted to reviewing the budget and one of which shall be devoted to a strategic review of the Group's operations. The proposed dates of each year's meetings shall be sent to the directors no later than November 30 of the previous year. Notices of Meeting shall be sent by mail, e-mail or fax or given verbally by the Board's Secretary.

A part of at least one meeting each year shall be devoted to assessing the Board's efficiency and effectiveness in order to identify possible areas for improvement. In addition, the Board of Directors shall conduct a formal self-assessment at least every three years.

For the purpose of calculating quorum and majority, directors who participate in meetings by any means allowing them to be identified and enabling them to participate pursuant to current statutes and regulations shall be deemed to be in attendance.

Information of the Board of Directors (Article 3 of the internal code of the Board of Directors)

The directors shall be provided with all the information necessary for them to carry out their duties.

Except when compliance with confidentiality or physical obstacles make it impossible, a file pertaining to the items on the agenda that require prior consideration shall be sent to the directors in a timely manner prior to the meetings.

In addition, the directors shall be kept periodically informed between meetings of all events or transactions that are significant for the Group. To this end, they shall be provided with all the press releases issued by the Company and a periodic summary of financial analysts' research reports on the Group and, when necessary, the actual reports.

At least once a year, the Board shall be informed of the Group's strategy and main policies in the areas of human resources, organization and information systems and shall discuss them periodically. The Board of Directors is also regularly informed of the financial communication strategy adopted by the Company.

The directors shall be entitled to require the provision of any document necessary for the proceedings of the Board that has not been submitted to them. Any such requests shall be sent to the Chairman and Chief Executive Officer who may submit it to the Board for a decision.

The directors shall have the right to meet with the Group's main executives, including without the presence of the executive directors. To do so, they must first file a request with the Chairman and Chief Executive Officer.

Limitations to the powers of the executive management (Article 4 of the internal code of the Board of Directors)

With the exception of the prior authorizations expressly required by law, particularly in Articles L. 225-35 and L. 225-38 of the French Commercial Code, the Board of Directors is expected to make the following decisions subject to its prior authorization:

- ▶ the approval of the annual budget;
- ▶ any financial commitment (i.e., the acquisition or sale of assets or shareholdings in companies, any direct property investment, any rental investment, any loan, any current account advance and any capital increase in companies in which there is no majority shareholding) of over €50 million. The Chairman and Chief Executive Officer may enter into, without the prior authorization of the Board of Directors, any bank loan for an amount equal to or less than €250 million as part of the Group's financing policy as approved by the Board of Directors;
- ▶ any operation affecting the Group's strategy or scope of business;
- ▶ any share buyback in an amount over €1 billion per year; and
- ▶ bond issuances pursuant to Article L. 228-40 of the French Commercial Code in an amount over €1 billion.

Vice-Chairman of the Board of Directors (Article 5 of the internal code of the Board of Directors)

Article 14 of the bylaws states that the Board of Directors may appoint, from among its members, one or two Vice-Chairmen who may preside over the meetings of the Board of Directors in the absence of the Chairman.

Article 5 of the Board of Directors' internal code is expected to provide that one or two Vice-Chairmen must be appointed from among its independent directors for his or her term of office as a Director.

In addition to the responsibilities provided in the Company's bylaws, the Vice-Chairman shall act as the key contact for the other independent directors. When he deems appropriate and at least once a year, he or she shall convene and chair a meeting reserved exclusively for independent directors during which such directors may discuss matters that they prefer to bring up outside of a full Board Meeting.

The Vice-Chairman shall ensure that requests from shareholders not represented on the Board are answered, and shall make him or herself available to hear their comments and suggestions and, where necessary, answer their questions, after having consulted the Chief Executive Officer. The Vice-Chairman shall inform the Board of Directors about such contact with the shareholders.

5.1.2.3. Chairmanship of the Board of Directors

Appointing the Chairman of the Board of Directors (Article 14 of the bylaws)

The Board of Directors elects a Chairman from among its members, a natural person who is appointed for the duration of their term as director. The Chairman can be reappointed.