

SOFINA S.A.

INTERNAL RULES OF PROCEDURE OF THE REMUNERATION COMMITTEE

1. NUMBER OF DIRECTORS AND THEIR TERM OF OFFICE

The Remuneration Committee is composed of a minimum of three non-executive directors, among whom a majority of independent as defined by the Company Code (art.526 ter). They are appointed by the Board of Directors. The term of the mandate of the Remuneration Committee members corresponds to their mandate as director. The end of a director's mandate automatically involves the end of his/her membership of the Remuneration Committee.

The Board of Directors also appoints the Chairman of the Remuneration Committee being a non-executive director. The Chairman will make sure that each new member receives a description of the Committee's responsibilities and of its functioning.

The Remuneration Committee appoints its secretary amongst internal or external persons possessing the relevant expertise.

2. MISSIONS

The Remuneration Committee has been assigned by the Board the following competences:

- Analyse the general remuneration policy of the company's management including share incentive schemes. The controlling shareholders will be consulted before the relevant recommendations are submitted to the Board of Directors.
- Make proposals to the Board of Directors on the remuneration policy of the company's Chairman, the Directors, the members of the Committees of the Board, the Chief Executive Officer and the members of the Executive Committee.
- Make proposals to the Board of Directors on the individual remuneration of the Company's Chairman, the Directors, the Chief Executive Officer and the members of the Executive Committee, the term 'remuneration' being taken in the broadest sense of the word.
- Make proposals to the Board of Directors on all forms of retributions of the honorary positions held within the context of the Board.
- Prepare the remuneration report which is inserted by the Board of Directors in the annual financial statement according to article 96 §3 of the Company Code.
- Comment on the remuneration report during the General Annual Shareholders' meeting.
- Generally speaking, fill in all competences and/or missions as allocated by the law or the regulations in force in relation to the remuneration policy of the Directors, members of the Board Committees and those responsible for the daily management.

In executing these missions, as set forth above, the Committee reviews the recommendations of the concerned parties. The Company's Chairman and the Chief Executive Officer have the power to submit proposals to the Committee and to be duly consulted by the latter.

3. MEETINGS

The Remuneration Committee meets upon convening of its Chairman or at the request of two of its members, at least twice a year. Convening notices can be sent by letter, mail or fax. The Committee can only validly deliberate if at least a majority of its members are present or represented. Each member of the Committee may, including by simple letter, mail or fax,

assign to one of his/her colleagues the power to represent him/her and vote on his/her behalf at a specific meeting of the Committee; a member of the Committee cannot hold more than one proxy form. The agenda is determined by the Committee's Chairman who includes the items to be discussed at the request of his/her colleagues, the Board of Directors, the Chairman and the Chief Executive Officer. The Chief Executive Officer naturally participates to the meetings where the Committee deals with the remuneration of the Executive Committee members.

The Company's Chairman and Vice-Chairman are invited to assist the meetings on a regular basis, except on topics that personally concern them.

The agenda of each meeting, as well as the possible concerned working documents, must be sent to the members of the Remuneration Committee at least three working days before the meeting.

The decisions of the Committee are taken at the majority of the votes by the members present or represented. In the event of a tied vote, the vote of the Chairman shall be decisive.

The Committee may make use of services of internal or external experts at the expense of the company after priori notice to the Company's Chairman and to the Chief Executive Officer.

The Committee regularly reviews its internal rules of procedure, its own effectiveness practices and where appropriate recommends to the Board the necessary modifications.

4. [REPORTS](#)

The meeting minutes of the Remuneration Committee are prepared by the secretary of the Committee and made available to its members as well as to the members of the Board of Directors after the Committee's approval.

The Chairman of the Remuneration Committee reports to the Board of Directors on how the Committee fulfilled its duties.

* * *