

## **ADVICENNE**

French limited company (*société anonyme*) with share capital of 1,277,413 euros  
Registered office: 2, rue Briçonnet, 30000 Nîmes  
497 587 089 R.C.S. Nîmes

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### **RULES OF PROCEDURE**

#### **OF THE ADVICENNE APPOINTMENTS AND COMPENSATION**

#### **COMMITTEE**

After approval by the Board of Directors, the Appointments and Compensation Committee of Advicenne (the "Company"), at its meeting of 29 September 2017, adopted the following rules of procedure.

The members of the Committee are all members of the Company's Board of Directors and are, as such, required to comply with the provisions of Article IV of the Rules of Procedure governing the Board of Directors.

#### **I. MISSION**

The Appointments and Compensation Committee (the "Committee") is responsible in particular:

- for appointments:
  - providing recommendations to the Board of Directors regarding the composition of the Board of Directors and its committees,
  - proposing, on a yearly basis, to the Board of Directors a list of its members who may qualify as "independent members" in line with the criteria defined in the Corporate Governance Code published in September 2016 by MiddleNext,
  - defining a succession plan for the executives of the Company and assisting the Board of Directors in its selection and assessment of Board members,
  - preparing the list of people who may be recommended for appointment as members of the Board of Directors, and
  - preparing the list of members of the Board of Directors who may be recommended for appointment as members of a committee of the Board;
- in terms of compensation:
  - examining the main objectives proposed by the management in terms of the compensation for non-corporate officer executives of the Company, including free share plans and stock options,
  - examining the compensation of non-corporate officer executives, including free share plans

*This is a free translation into English of the Rules of procedure of the appointment and compensation Committee issued in the French language and is provided solely for the convenience of English-speaking readers. In case of discrepancy, the French version prevails.*

and stock options, pension, health and welfare schemes and benefits in kind,

- examining the main objectives of any bonus share plan whose implementation would be considered for the Company's employees,
- providing the Board of Directors with recommendations and proposals for:
  - the compensation, including in respect of specific assignments, pension, health and welfare scheme, benefits in kind and other pecuniary rights, including in the event of the termination of employment, for corporate officers. The Committee proposes compensation amounts and structures and, in particular, rules for setting variable compensation taking into account the strategy, objectives and results of the Company, as well as market practices; and
  - bonus share plans, stock options and all other similar incentive systems, and in particular, nominative allocations to corporate officers eligible for this type of mechanism,
- reviewing the total amount of directors' fees and their allocation among directors, taking into account in particular the attendance of directors and the time they devote to their duties, including, as the case may be, on committees set up by the Board of Directors, as well as the terms for the reimbursement of any expenses incurred by members of the Board of Directors,
- preparing and presenting, where applicable, any reports required by the rules of procedure of the Board of Directors, and
- preparing any other recommendations regarding compensation which may be requested by the Board of Directors.

In general, the Committee will provide any advice and make all appropriate recommendations relevant to the above-mentioned areas.

## II. COMPOSITION

Whenever possible, the Committee comprises at least two directors appointed by the Board of Directors.

It is hereby specified, as necessary, that no director exercising management functions within the Company may be a member of the Committee.

Committee members may receive from the Company and its subsidiaries, in addition to any reimbursement of expenses, only the attendance fees due in respect of their duties as directors and Committee members.

The term of the Appointments and Compensation Committee members may not exceed their term as a Director. The term of the Appointments and Compensation Committee members may be renewed an unlimited number of times. The members of the Appointments and Compensation Committee may have their positions revoked by the Board of Directors at any time without providing a reason.

### III. ORGANISATION OF WORK

The Committee meets at least twice a year based on a schedule set by its Chairman with an agenda approved by its Chairman and sent to Committee members at least seven days prior to the meeting. The Committee also meets each time it believes it is necessary, at the invitation of the Chairman, two of its members, or the Chairman of the Board of Directors.

Notices of meetings may be provided by any means, including verbally.

The Chairman will set the agenda for each meeting and moderate the discussions. Committee members may propose items they would like the Chairman to add to the agenda.

The Committee appoints its Chairman and Secretary from among its members. In the Chairman's absence, the Audit Committee appoints an *ad hoc* meeting Chairman. In the event of a split vote, the oldest candidate will be appointed meeting Chairman.

At least one half of the Committee members must be present for deliberations.

Committee members may not be represented by another person.

The Chairman of the Company's Board of Directors, if not a member of the Appointments and Compensation Committee, may be invited to take part in the Committee's meetings. The Committee will ask him or her to present his or her proposals. He or she does not have the right to vote and may not attend deliberations concerning his or her own situation.

The Committee may request that the Chairman of the Board of Directors make available members of executive management whose competencies may facilitate the handling of an item on the agenda. The Chairman of the Committee or of the meeting must remind everyone taking part in the discussions of the obligation for confidentiality incumbent upon them.

Committee members may validly deliberate by video conference, telephone conference or in writing, including by fax, so long as all members agree to the method.

The Committee may request assistance in the form of advice from external service providers. These services should be approved in advance by the Board of Directors.

The Committee's proposals are submitted to the Board of Directors.

### IV. REPORT

The Chairman of the Committee shall submit to the Chairman of the Board of Directors a written report after each Committee meeting, and the agenda of the Board of Directors' meeting following each Committee meeting shall include an agenda item to enable the Committee to report on its work.

The Chairman of the Committee must ensure that reports on the Committee's activities submitted to the Board of Directors enable the latter to be fully informed and consequently facilitate its deliberations.

The annual report must include a statement on the Committee's activities for the past financial year.

The Committee will, in particular, review the Company's draft report on executive compensation.