SCHNEIDER ELECTRIC SE

MEMORANDUM AND ARTICLES OF ASSOCIATION

European company with a Board of directors and a capital of Euros 2,414,421,452
Registered Office: 1884 Boulevard de la Défense, 92000 Nanterre.
Listed on the Companies Register for Nanterre under the number 542 048 574

Updated on November 3, 2026

ARTICLES OF ASSOCIATION

PART I
NATURE - OBJECTIVES - NAME
DURATION AND REGISTERED OFFICE OF THE COMPANY

Article 1

The Company is a French limited liability a European company with a Board of Directors.

The Company was founded on 2 and 4 December 1871 and, as stated in article 6 below, continues to exist between the owners of the shares comprising its registered capital after a merger with SCHNEIDER S.A., a company which had itself absorbed its industrial subsidiary founded on 21 October 1836 as a partnership limited by shares. This company was converted into a limited liability company on 31 May 1966, re-using its original name and converted into a European company by decision of the Ordinary and Extraordinary Annual General Meeting of 6 May 2014.

It is governed by the applicable laws and regulations and by these bylaws.

Article 2

The Company has the following objectives, directly or indirectly, in any form, in France and elsewhere:

(i) the design, development and sale of products, equipment and solutions related to the metering, management and use of energy in all its forms and delivering reliability, efficiency and productivity, in particular through the pursuance, whether by creating, acquiring or otherwise, of all activities related to:

- Electrical equipment manufacturing, electrical distribution and secured power supply.
- Building control, automation and safety.
- Industrial control and automation, including software.
- Management of all types of data centers, networks, equipment and other infrastructure.

(ii) The acquisition, purchase, sale and use of any intellectual or industrial property rights relating to these industries.

(iii) Involvement in any way in any enterprise, company or consortium, whatever the type, undertaking activities related to the Company's business or such as to encourage its industry and commerce, and, more generally, all industrial, commercial and financial, asset and real estate operations related directly or indirectly in any way to the above objective.

The Company may perform any operations that fall within the scope of its objectives either alone for its own benefit or on behalf of third parties, either by having an interest in, or by the purchase, subscription, contribution or exchange of company shares, partnership shares and the purchase of any company, irrespective of their type, in pursuance of a similar or related objective, or such as to encourage its expansion or development.

Article 3

The name of the Company is: SCHNEIDER ELECTRIC SE.

Article 4

The duration of the Company, which was due to expire on 1 January 1887, has been extended by successive decisions taken by General Meetings of the Shareholders on 8 December 1880, 17 December 1887, 19 December 1896, 29 October 1908 and 20 November 1928 until 1 July 2031, unless there is a further extension or early wind-up of the company.

Article 5

The registered office is located at 1884 Boulevard de la Défense, 92000 Nanterre.

The registered offices may be transferred within the same *département* or to an adjoining *département* by the Board of Directors, under the condition that the decision to do so is ratified at the next Ordinary General Meeting of the shareholders.

The Board of Directors may establish and close down offices, branches or other entities wherever it deems fit.

PART II
REGISTERED CAPITAL - SHARES

Article 6

The registered capital of the company is set at €2,414,421,452 and divided into 603,605,363 paid up shares with a nominal value of €4.

The registered capital was increased:

- to the sum of FF 6,364,233,100 in application of a decision taken by the Extraordinary General Meeting of 27 June 1995 approving the merger of the Company with SCHNEIDER SA by taking over SCHNEIDER SA and ordering that the shareholders receive 122,175,958 shares with a nominal value of FF 50 in payment for their contribution;

- to the sum of FF 6,890,007,300 in application of a decision taken by the Extraordinary General Meeting of 10 June 1997 approving the merger of the Company with MERLIN GERIN and TELEMECANIQUE by taking them over them and ordering that the TELEMECANIQUE shareholders receive 117,840 shares with a nominal value of FF 50 in payment for their contribution;

- to the sum of €1,921,198,912 in application of a decision of 7 August 2001 taken by the Chairman of the Board of Directors, acting within the framework of the decisions of the Board of Directors of 7 June and 11 June 2001, to increase the capital so as to remunerate the shareholders of the company Legrand who contributed their shares to the public exchange offer initiated by Schneider Electric SA on the capital of the company Legrand.

This capital increase corresponds to the issuance of 43,755,369 shares with a nominal value of €8 so as to remunerate the shareholders of Legrand who contributed their shares to the principal public offer, to the issuance of 27,389,408 shares with a nominal value of €8 so as to remunerate the shareholders of Legrand who contributed their ordinary shares to the subsidiary public offer, to the issuance of 13,096,278 shares with a nominal value of €8 so as to remunerate the shareholders of Legrand who contributed their priority dividend shares to the public exchange offer;

- to the sum of €2,277,271,000 in application of a decision of 5 May 2022 taken by the Chairman of the Board of Directors, acting within the framework of the decision of the Extraordinary General Meeting and the decisions of the Board of Directors of 5 May 2022, noting the final completion of the merger of the company with IGE+XAO by way of its absorption and the remittance to the shareholders of IGE+XAO of 284,308 shares with a nominal value of €4 in payment for their contribution;

- to the sum of €2,296,471,452 pursuant to the decision taken on May 22, 2024 by the Chief Executive Officer, acting under the delegation of authority granted by the Board of Directors on October 21, 2020, in accordance with the twentieth resolution of the Annual General Meeting of April 25, 2019, to issue 1,281,979 new shares with a par value of €4 each following the exercise of the conversion option on the OCEANE bonds issued on November 17, 2020;

- to the sum of €2,296,602,092 pursuant to the decision taken on June 7, 2024 by the Chief Executive Officer, acting under the delegation of authority granted by the Board of Directors on October 21, 2020, in accordance with the twentieth resolution of the Annual General Meeting of April 25, 2019, to issue 32 660 new shares with a par value of €4 each following the exercise of the conversion option on the OCEANE bonds issued on November 17, 2020;

- to the sum of €2,296,607,548 pursuant to the decision taken on July 8, 2024 by the Chief Executive Officer, acting under the delegation of authority granted by the Board of Directors on October 21, 2020, in accordance with the twentieth resolution of the Annual General Meeting of April 25, 2019, to issue 1,364 new shares with a par value of €4 each following the exercise of the conversion option on the OCEANE bonds issued on November 17, 2020;

- to the sum of €2,302,508,104 pursuant to the decision taken on July 22, 2024 by the Chief Executive Officer, acting under the delegation of authority granted by the Board of Directors on October 21, 2020, in accordance with the twentieth resolution of the Annual General Meeting of April 25, 2019, to issue 65,444 new shares with a par value of €4 each following the exercise of the conversion option on the OCEANE bonds issued on November 17, 2020;

- to the sum of €2,302,512,148 pursuant to the decision taken on September 11, 2024 by the Chief Executive Officer, acting under the delegation of authority granted by the Board of Directors on October 21, 2020, in accordance with the twentieth resolution of the Annual General Meeting of April 25, 2019, to issue 1,011 new shares with a par value of €4 each following the exercise of the conversion option on the OCEANE bonds issued on November 17, 2020;

- to the sum of €2,302,526,704 pursuant to the decision taken on December 5, 2024 by the Chief Executive Officer, acting under the delegation of authority granted by the Board of Directors on October 21, 2020, in accordance with the twentieth resolution of the Annual General Meeting of April 25, 2019, to issue 3,639 new shares with a par value of €4 each following the exercise of the conversion option on the OCEANE bonds issued on November 17, 2020;

- to the sum of €2,308,576,004 pursuant to the decision taken on July 7, 2026 by the Chief Executive Officer, acting under the delegation of authority granted by the Board of Directors on August 28, 29, and 30, 2023, in accordance with the twenty-first resolution of the Annual General Meeting of May 4, 2023, to issue 21,489 new shares with a par value of €4 each following the exercise of the conversion option on the OCEANE bonds issued on November 27, 2023.

Article 7

The shares may be registered shares or bearer shares as the shareholder wishes. The ownership of both types is acquired by the shareholders' names being entered on the register according to the terms and conditions required by the legal and regulatory provisions in force.

When a shareholder, whether a corporate entity or individual, increases its direct or indirect interest, within the meaning of article L. 233-9 of the French Commercial Code to 1% or more of the Company's capital or voting rights, or any multiple thereof, the shareholder concerned shall notify the Company, within five 5 trading days of the threshold being crossed, by registered letter with return receipt requested, of the total number of shares, share equivalents and voting rights that it controls, either alone (directly or indirectly) or in concert. In addition, as of 1 November 2009, the shareholder shall notify the Company, in the disclosure letter, of the number of existing shares it is entitled to acquire by virtue of agreements or financial instruments referred to in point b) of the third paragraph of article L. 233-7 of the French Commercial Code as well as the number of existing shares covered by any agreement or financial instrument referred to in point c) of the third paragraph of this article. This disclosure requirement shall also apply when the percentage of the share capital or voting rights falls below the thresholds stipulated above. In the case of failure to comply with these disclosure rules, at the request of one or several shareholders together representing at least 2.5% of the Company's capital, made at a General Shareholders Meeting, the undisclosed shares will be stripped of voting rights, subject to the conditions set down by law.

The Company may, subject to the conditions laid down by the legal and regulatory provisions in force, ask that any information relating to its shareholders or those holding shares giving an immediate or future right to vote, their identity and the number of shares they hold be given to any organization or authorized intermediary.

In the case of failure by shareholders or their bank or broker to make the disclosures required in the above paragraph, the undisclosed shares may be stripped of voting and dividend rights, temporarily or permanently, in accordance with the provisions of the law.

Article 8

Shares in the company are freely negotiable and transferable.

Article 9

Each share confers rights to a share in the ownership of the company's assets, to a share in the profits and the liquidation bonus. This share is in proportion to the number of shares in existence, taking into account, where appropriate, of redeemed and unredeemed capital, whether paid up or not, of the nominal value of the shares and rights to shares in different categories.

All the shares which now or in the future make up the registered capital shall always be included for taxation purposes. Consequently all taxes and dues that, for whatever reason, may, by virtue of the reimbursement of the share capital, fall due for some shares only, either during the existence of the Company or upon its liquidation, shall be divided up between all the shares making up the capital during such reimbursement or reimbursements, so that all current or future shares confer on their owners, while taking into consideration where appropriate the nominal unredeemed value of the shares and rights to shares in different categories, the same effective advantages by giving them the right to receive the same net sum.

Whenever it is necessary to hold several shares to exercise a right, single shares or groups consisting of a number lower than that required give their owners no rights over the Company. In this situation it is up to individual shareholders to organize groupings of the number of shares required.

Article 10

All sums remaining due on shares payable in cash are called up by the Board of Directors.

The number of shares called up and the date by which payments for such shares must be received are notified to shareholders either by means of an advertisement published at least fifteen clear days in advance in a publication authorized to carry legal notices in the *département* in which the Company has its registered office, or by registered letter sent to each shareholder giving the same period of notice.

Shareholders who fail to make payments for shares they hold by the due date become automatically and without prior notice liable to the Company for payment of late penalties calculated on a daily basis as of the due date, at the legal rate of interest, without prejudice to the forced execution measures laid down by law.

PART III
MANAGEMENT OF THE COMPANY

Article 11: Composition of the Board of Directors

1. The Board of Directors has at least three and a maximum of eighteen members. In the event of a merger, this number may be increased within the limits and conditions prescribed by law.

Each Director must hold at least two hundred and fifty shares during the period he/she is in office.

2. Directors are appointed for four-year terms (renewable).

   However, the first Directors who were members of the Company's Supervisory Board and who will be appointed at the Annual General Shareholders Meeting of April 25, 2013 will remain on the Board of Directors until the end of their term as members of the Company's Supervisory Board, with the exception of the first Director representing employee shareholders, who will be appointed for a period of four years.

   Furthermore, and as an exception to the provision above, the term given to a person aged 70 or more is of two years (renewable). In addition, when an appointment is made of a Director who will reach the age of 70 before the expiry of his/her term, its duration is limited to the period expiring at the close of the Ordinary General Shareholders Meeting called to approve the previous year's financial statements and held in the year during which such Director will reach the age of 70. The Ordinary General Shareholders Meeting may then reappoint such Directors for a two-year (renewable) term.

   In the event that all of the members of the Board of Directors were due for reappointment, the term of half of the elected Directors, rounded down if necessary, expires at the end of two years and the terms of the other members at the end of four years, based on a random draw to be performed at a meeting of the Board of Directors. The duties of the Directors cease at the close of the Ordinary General Shareholders Meeting called to approve the previous year's financial statements and held in the year during which their appointments expire.

   No more than a third of the Directors may be aged 70 or more. In the event of this limit being exceeded, and in the absence of any voluntary resignation of a Director aged 70 or more, the oldest Directors shall be deemed to have resigned. However, should this limit be exceeded as a result of a decrease in the total number of Directors in office, the above requirement shall be waived in the event that, within three months, the departed members are replaced in such a manner as to enable the number of Directors in office aged 70 or more to be maintained.

3. The Board of Directors shall include one member representing employee shareholders, who shall be elected by the shareholders in the General Meeting according to a process determined by the Board of Directors.

   If, however, employees of the company and of related companies (within the meaning of article L. 225-180 of the Commercial Code) hold over 3% of the company's capital - as evidenced by the disclosures made in the annual report in application of article L. 225-102 of the Commercial Code - such member shall be elected for a four-year term by the Ordinary General Shareholders Meeting voting on a motion tabled by the shareholders referred to in article L. 225-102 of the Commercial Code on the basis defined in paragraphs (i) to (iii) below. The Board of Directors may decide that such a director will be appointed while the level of shareholding by the company's employees is slightly less than 3%, and/or consider the shares held by the company's personnel as extended manner, taking into account the structure of its employee shareholding plans.

(i) The member of the Board of Directors representing employee shareholders shall take up his/her seat on the Board of Directors on the date of his/her election by the general meeting. Where applicable, he/she shall replace the incumbent member elected based on the conditions set by the Board of Directors, whose term shall be considered as having expired. His/her term shall end at the close of the shareholders' Ordinary General Shareholders Meeting called during the final year of the period for which he/she was elected.

However, his/her term shall end *ipso jure* and he/she will be considered as having resigned if he/she is no longer i) an employee of the company or a related company within the meaning of article L. 225-180 of the Commercial Code, ii) a shareholder or a holder of units in a mutual fund invested in the company's shares, iii) a member of the supervisory board of the company mutual fund that proposed him or her as a candidate.

Besides, if employees of the company and of related companies within the meaning of article L. 225-180 of the Commercial Code hold less than 3% of the company's capital as evidenced by the disclosures made in the annual report prepared by the Board of Directors in accordance with article L. 225-102 of the Commercial Code, the Board of Directors may decide that his/her mandate ends at the end of the General Meeting where the said report will be presented.

(ii) The General Shareholders Meeting shall vote on the list of candidates presented by employee shareholders, selected as follows:

a) When the voting rights attached to shares held by the employees and former employees referred to in article L. 225-102 of the Commercial Code are exercised by the supervisory boards of mutual funds invested in the company's shares, each of these supervisory boards shall designate a maximum of two candidates, selected at their discretion. The company's Chief Executive Officer may, however, decide to require two or more supervisory boards to consult together and to jointly designate a maximum of two candidates.

b) When the voting rights attached to shares held directly by employees or indirectly by employees or former employees through mutual funds invested in the company's shares, are exercised directly by such employees or former employees, the candidates shall be designated through a written consultation process initiated by the Chief Executive Officer. Only candidates endorsed by a group of employee shareholders together representing at least 5% of the shares held by employees who exercise their voting rights directly shall be eligible for election.

c) Candidates for election to become a representative of employee shareholders on the Board of Directors must be employed under an employment contract that qualifies them to sit for a four-year term and must hold at least 25 Company shares or an equivalent number of units in a mutual fund invested in the Company's shares.

d) The conditions and procedures for the designation of candidates not specified by the applicable laws and regulations and these articles of association shall be determined by the Chief Executive Officer, particularly as regards the timeline for the selection of candidates.

e) The list of duly designated candidates shall be drawn up by the Chief Executive Officer and appended to the notice of meeting for the General Meeting during which the member of the Board of Directors representing employee shareholders is to be elected.

(iii) The candidate who receives the greatest number of votes cast by the shareholders present and represented at the general meeting shall be elected.

If the seat on the Board of Directors reserved for a representative of employee shareholders becomes vacant, in order to ensure the continuity of the representation of employee shareholders until the end of the latter's mandate, the Board of Directors may replace him/her, in compliance with the obligation of gender balance in the composition of the board of directors, for the duration of the remaining term of office (a) by way of co-optation among the members of the body which initially presented his/her candidacy to the General Meeting, in which case the ratification of the co-optation will be submitted to the next General Meeting or (b) under the conditions defined in paragraphs (i) to (iii) above at the latest before the next General Meeting or, if this is held within less than five (5) months following the vacancy, at following General Meeting.

Until the date of replacement of this member of the Board of Directors, the Board of Directors may meet and deliberate validly. It is specified that in the absence of ratification by the General Meeting of the Director co-opted by the Board of Directors, the deliberations taken and the acts previously carried out by the said Board remain valid.

4. The Board of Directors shall also include members representing employees, pursuant to Article L. 225-27-1 of the French Commercial Code, whose status shall be governed by applicable laws and regulations and by the present Articles of Association.

The number of Directors representing employees shall be one if the number of Directors referred to in Articles L. 225-17 and L. 225-18 of the French Commercial Code is equal to or less than eight at the time of appointment of the said Director and shall be two if such number is more than eight. The Director representing employee shareholders is not included in the minimum and maximum number of directors specified in Article L. 225-17 of the French Commercial Code.

When only one Director representing employees is to be appointed, he/she is designated by the trade union organisation which obtained the highest number of votes during the first round of the elections mentioned in Articles L. 2122-1 and L. 2122-4 of the Labor Code in the Company and its direct or indirect subsidiaries, having their registered office in France. When two Directors representing employees are to be appointed, the second is designated, pursuant to Article L.225-27-1, III, 4° of the French Commercial Code, by the European Works Council (employees representative body set up in application of Article L.2352-16 of the French Labor Code).

Directors representing employees are appointed for a term of four years (renewable). Their duties cease at the close of the Ordinary General Shareholders Meeting called to approve the previous year's financial statements and held in the year during which their appointments expire.

In case the office of a Director representing employees becomes vacant for any reason whatsoever, such vacancy office shall be filled in accordance with the provisions of Article L. 225-34 of the French Commercial Code.

As an exception to the second paragraph of Article 11.1 of these Articles of Association, the Directors representing employees are not required to hold a minimum number of shares.

Subject to the provisions of this Article or law, Directors representing the employees shall have the same status, rights and liabilities than the other Directors.

This Article shall cease to apply when, at the end of a financial year, the Company no longer meets the prerequisites for the appointment of Directors representing employees, being specified that the office of any Director representing employees will cease at the end of the Annual Shareholders' Meeting ruling upon the accounts of said financial year.

Article 12: Chairman of the Board of Directors – Office of the Board of Directors

1. The Board of Directors shall appoint, among its members, a Chairman, for whom the term of office is determined, within the limits of his/her term as a Director, as well as his/her compensation.

   The Chairman of the Board of Directors may be re-elected. The age limit of the Chairman of the Board of Directors is set at [70] years; and the Chairman's functions expire no later than at the end of the first Board meeting after he/she reaches the age of [70] years.

   The Chairman represents the Board of Directors. He organizes and directs the work of the latter, which he reports to the General Assembly. He ensures the smooth functioning of the bodies of the Company, and in particular ensures that the Directors are able to fulfil their missions.

2. In addition, the Board of Directors shall, at its discretion, appoint among its members a Vice-Chairman for whom the term of office is determined, within the limits of his/her term as a Board Member.

   As an exception to the foregoing, the appointment of a Vice-Chairman is required if the positions of Chairman and Chief Executive Officer of the Board of Directors are exercised by the same person. In this case, the Vice-Chairman shall also serve as Senior Independent Director. The duties of the Senior Independent Director shall be prescribed by the rules of procedure of the Board of Directors. If the first Board of Directors to be held after the Combined General Shareholders Meeting of April 25, 2013 chooses to appoint a Chief Executive Officer, the first Vice-Chairman/Senior Independent Director will be the former Chairman of the Supervisory Board, for the remaining duration of his/her term.

3. The Board of Directors shall appoint a Secretary who may be chosen outside of the Directors and shareholders, who, along with the Chairman and Vice-Chairman, will form the Secretariat. If in the event the Secretary is absent, the Board of Directors will design one of its members or a third party to replace him/her.

4. The Board of Directors is chaired by the Chairman. In the event the Chairman is absent, the Board will be chaired by the Vice-Chairman, or by default, a Director designed by the Board at the beginning of the meeting.

Article 13: Powers and Duties of the Board of Directors

1. The Board of Directors shall determine the activities of the Company and oversee their implementation. It shall examine any and all matters related to the efficient operation of the business and make decisions about any and all issues concerning the Company, within the limits of the corporate purpose and except for those matters which, by law, can only be decided on by the shareholders in the General Shareholders Meetings.

   In dealing with third parties, the Company is bound by acts of the Board of Directors that fall outside of the corporate purpose, unless it proves that the third party knew that the act went beyond this purpose or could not have been unaware thereof given the circumstances, mere publication of the Articles not being sufficient to constitute such proof.

2. The Board of Directors shall perform any controls and verifications that it considers appropriate. The Board of Directors shall be provided with all necessary information to accomplish its tasks and may receive any documents that it deems necessary.

3. In addition, the Board of Directors may give special authority to one or several Directors or to any other third party, who may or may not be a shareholder, to fulfill one or several specific purposes, and may or may not authorize such person to delegate all or part of their authority to another person.

4. The Board of Directors may authorize the Chief Executive Officer to give sureties, endorsements or warranties on behalf of the Company, within a limit determined by the Board of Directors.

5. In accordance with article L. 229-7 of the French Commercial Code, the rules set forth in articles L. 225-38 to L. 225-42 of said Code concerning regulated agreements subject to prior approval of the Board of Directors are applicable to the Company.

6. In addition to the specialized committee provided for in Article L. 823-19 of the Commercial Code, the Board of Directors may appoint among its members one or more specialized committees, of which it determines the composition and responsibilities, and which function under the supervision of the Board of Directors. Each committee shall report its missions at the next Board meeting.

7. The Board of Directors shall adopt its own rules of procedure governing its operation.

Article 14: Meetings of the Board of Directors

1. The Board of Directors shall meet as often as is required in the interest of the Company, and as often at it sees fit at the Registered Office or at any other location indicated in the convening notice.

2. It is convened by the Chairman, or, in the absence of the Chairman by the Vice-Chairman by any means, even verbally, or at the request of the Chief Executive Officer or of at least one third of the Directors if the Board of Directors has not met for more than two (2) months.

3. Except in the case provided for in Article 15 of the Articles of Association, decisions are taken with the quorum and majority prescribed by law. In the event of a tie, the Chairman of the meeting has the deciding vote. An attendance list of the Directors that is signed by those who have attended the meeting will be maintained.

   The decisions of the Board of Directors may be taken by videoconference or by conference call in accordance with the regulations and the rules of procedure of the Board of Directors.

   With the exception of (i) the approval of the statutory and consolidated annual financial statements and (ii) the appointment or dismissal of the Chairperson of the Board of Directors or the Chief Executive Officer, the decisions of the Board of Directors may be taken by written consultation, including by electronic means.

   A proposal for a decision accompanied by the background necessary to understand the subject will be sent by the Chairman to all the Directors in writing, including by electronic means. This proposal should allow each Director to respond "for", "against", to abstain or to make any observations. The deadline for the Directors' response may not exceed two (2) working days or any other shorter period set by the Chairman if the context and nature of the decision so require.

   Any Director may object to this decision-making method, within the period indicated in the sending of the above-mentioned proposal.

4. Minutes are drawn up and copies or extracts of the proceedings are issued and certified in accordance with the law.

Article 15: General Management

1. The general management of the Company is undertaken by the Chairman of the Board of Directors who will then hold the title of Chairman and Chief Executive Officer, or by another person, whether or not a member of the Board of Directors, named by the Board of Directors, and bearing the title of Chief Executive Officer.

The choice between these two forms of General Management shall be made by the Board of Directors, provided that:

- The agenda of the meeting at which such decision is made is sent to all the Directors at least 15 days in advance of the meeting, provided that, as an exception to the foregoing, the choice between the two forms of General Management may be made by the first Board Meeting that will be held after the Combined General Shareholders Meeting of April 25, 2013 without conditions as to time limits.

- At least two-thirds of the Directors are present or represented at the meeting.

Shareholders and third parties shall be notified of the Board's decision in accordance with the applicable regulations.

If the general management of the Company is undertaken by the Chairman, all of the provisions of these bylaws concerning the Chief Executive Officer shall apply to the Chairman. In this case, the appointment of a Vice-Chairman of the Board of Directors is mandatory, in accordance with the provisions of Article 12.2 of the Articles of Association.

2. The Chief Executive Officer shall have the widest powers to act in all circumstances in the name and on behalf of the Company, within the limits of its corporate purpose and except for those matters which, by law, can only be decided on by the shareholders in General Shareholders Meetings or by the Board of Directors.

   The Chief Executive Officer shall represent the Company in its dealings with third parties. In dealing with third parties, the Company is bound by acts of the Chief Executive Officer that fall outside of its corporate purpose, unless it proves that the third party knew that the act went beyond this purpose or could not have been unaware thereof given the circumstances, mere publication of the Articles not being sufficient to constitute such proof.

   The Board of Directors shall determine the compensation of the Chief Executive Officer and his/her term of office, which may not exceed either the period for which the decision has been made to separate the functions of Chairman and Chief Executive Officer or his/her term as Director, where applicable.

   The age limit of the Chief Executive Officer is 65 years old. His/her functions will expire at the latest at the end of the Board meeting during the year in which he/she reaches the age of 65.

3. At the Chief Executive Officer's proposal, the Board of Directors can engage one or several people to assist under the title of Deputy Managing Director. In agreement with the Chief Executive Officer, the Board of Directors shall determine the extent and duration of the powers delegated to any Deputy Managing Directors. Deputy Managing Directors have the same powers as the Chief Executive Officer, with regard to third parties. The Board of Directors shall determine the compensation of the Deputy Managing Directors.

   If the Chief Executive Officer ceases or is unable to perform his duties, the Deputy Managing Directors will retain their functions and powers until the nomination of the new Chief Executive Officer, unless the Board of Directors decides otherwise.

Article 16: Compensation Payable to Directors

1. The General Assembly may grant Directors, as remuneration for their work, a fixed annual sum the amount of which is charged to the Company's general expenses.

2. The Board of Directors allocates this remuneration among the Directors as it deems fit.

3. The Board of Directors may allocate exceptional remuneration for missions or mandates given to Directors. Should this be the case, the payments are charged to operating expenses and subject to the approval of the Ordinary General Assembly, following the procedure prescribed by law.

The above provisions are not applicable to agreements relating to current operations entered into under normal conditions.

Article 17: Censors

The Board of Directors may appoint a maximum of three Censors. Censors are invited to Board meetings in which they participate in a consultative capacity. They may take part in Committees created by the Board of Directors, except for the Audit Committee. They may be selected from among the shareholders or non-shareholders and will receive an annual remuneration to be set by the Board of Directors.

Censors are appointed for a maximum of four years. However, there shall not be more than two Censors appointed for four years. Censors appointed for more than one year may have their appointments renewed. Their terms may be terminated at any moment.

PART IV
AUDITORS

Article 18

The General Shareholders Meeting appoints incumbent and deputy auditors in conformity with the conditions prescribed by law.

PART V
GENERAL SHAREHOLDERS MEETINGS

Article 19

General Shareholders Meetings are called and run in conformity with the conditions prescribed by law and regulations.

Meetings are held at the Company's registered office or at any other place specified in the notice of meeting.

All shareholders may attend a General Shareholders Meeting, in person or by proxy, after providing proof of identity and share ownership in accordance with applicable laws and regulations.

Shareholders may also participate and vote at General Shareholders Meetings by any means of telecommunication authorized by the legislative and regulatory provisions in force under the conditions set out therein.

Remote voting procedures, including electronic voting before the Meeting, is carried out according to the conditions and procedures set out by legislative and regulatory provisions.

Meetings shall be chaired by the Chairman of the Board of Directors or in his absence by the Vice-Chairman, or in his absence by a member of the Board of Directors specially appointed for that purpose by the Board of Directors. If no such member is appointed by the Board of Directors, the Meeting shall elect its own Chairman.

The two shareholders present who hold the largest number of votes and who accept shall act as scrutineers.

The Board appoints a secretary to the Meeting, who is not required to be a shareholder.

As required by law, a register of attendance is kept.

Copies or extracts of the minutes of the Meeting may validly be signed by the Chairman of the Board of Directors, the Vice-Chairman of the Board of Directors, or by the Secretary to the Meeting.

Article 20

The Ordinary and Extraordinary General Meetings of shareholders, subject to the conditions of quorum and majority laid down by the provisions that respectively govern them, exercise the powers conferred on them by law.

The voting rights conferred by the shares are in proportion to the capital they represent at equal nominal value. Each capital share or dividend share confers the right to one vote except where compulsory legal provisions limit the number of votes a shareholder may have.

The provisions of the previous paragraph are subject to the following exceptions:

1/ fully paid-up shares entitle their owners to double votes. Shareholders claiming this right must, at the end of the calendar year before the date of the Meeting in question, have been registered for at least two years under the conditions prescribed by law. Furthermore, in the event of an increase in capital by capitalization of reserves, profits or share premiums, the right to a double vote is conferred, as soon as they are issued, on registered shares allocated free by virtue of existing shares held to which this right is attached.

2/ at shareholders meetings, no shareholder may exercise, either in person or through a proxy, by virtue of single voting rights conferred by the shares he/she holds directly and indirectly and by virtue of the proxy votes entrusted to him/her, more than 10% of the total number of the voting rights conferred by shares in the Company. However, if a shareholder also holds double voting rights directly or indirectly and/or as proxy, the limit set may be exceeded taking into consideration only the resulting additional voting rights, without the total voting rights thereby held exceeding 15% of the total number of the voting rights conferred by the shares in the Company.

In order to apply the above provisions:

* the total number of voting rights allowed are calculated as of the date of the General Shareholders Meeting and announced to the shareholders at the beginning of such General Shareholders Meeting;

* the number of voting rights held directly and indirectly are understood to include those conferred by shares held personally by a shareholder, those conferred by shares held by a legal entity controlled by a shareholder as defined by article L. 233-3 of the Commercial Code, and those shares that are assimilated to the shares owned, as defined by the provisions of articles L. 233-7 et seq. of the Code;

* all shareholder's proxy forms returned to the Company without any indication of the person appointed as proxy will be subject to the above limitations. These limitations shall not, however, apply to the chairperson of the Meeting using votes by virtue of such proxies.

The limitations set out above become null and void, without the need for an Extraordinary General Meeting of shareholders to vote a new decision, once an individual or legal entity, either alone or together with one or more individuals or legal entities, holds at least two-thirds of the total number of shares in the Company following a public procedure to exchange or acquire all of the shares in the Company. The Board of Directors takes note of this nullity and undertakes the formalities necessary to change the Memorandum and Articles of Association of the Company.

The limitations set out in the above paragraphs have no effect when calculating the total number of voting rights, including double voting rights conferred by shares in the Company that must be taken into consideration when applying legal, regulatory or statutory provisions creating special obligations with reference to the number of voting rights existing in the company or the number of shares conferring a right to vote.

PART VI
COMPANY ACCOUNTS AND ALLOCATION OF PROFITS

Article 21

The Company's accounting period lasts one year starting on 1 January and ending on 31 December.

Article 22

The net income for each financial year, after deduction of operating expenses and the Company's other charges, including all amortizations and provisions, constitutes the net profits or losses for the financial year.

The nets profits for each financial year, minus any losses from previous years, are first subject to a 5% deduction to constitute the legal reserve. This deduction ceases to be compulsory when such reserve reaches a sum equal to one tenth of the registered capital. It comes back into force when, for whatever reason, the legal reserve drops below this figure.

The distributable income composed of the profits for the financial year, less losses from previous years and the above deduction, plus profits carried over, is available to General Shareholders Meetings of the shareholders. The Board of Directors may carry forward all or part of this sum, allocate it to general or special reserve funds or distribute it to the shareholders as a dividend.

In addition, the General Meeting of shareholders may decide to distribute sums taken from the optional reserves, either to provide or top up a dividend, or as a one-off distribution. In this event, the decision must expressly state from which reserves the sums are be taken.

The General Meeting of shareholders has the power to award each shareholder the choice of opting for payment of dividends in shares or cash subject to the terms and conditions laid down by law.

The reserve, contingency and sinking funds, together with share and contribution premiums, may, irrespective of the purpose for which they were originally allocated, be allocated for any purpose and be used in particular to fund the legal reserve, to amortize and buy back shares or be distributed among the shareholders, as decided by the Ordinary General Shareholders Meeting.

PART VII
WINDING-UP - LIQUIDATION

Article 23

Upon the expiry of the Company or in the event of an early winding-up, a General Shareholders Meeting will decide what type of liquidation is appropriate and appoint one or more liquidators whose powers it will determine and who will operate as prescribed by law.

PART VIII
DISPUTES

Article 24

Any disputes arising during the duration of the Company or its liquidation, whether between the shareholders, between the Company and the shareholders themselves, regarding the interpretation or performance of the present Memorandum and Articles of Association, or more generally regarding the Company’s business, shall be subject to judgment by the Courts having jurisdiction in the place where the Company has its registered office.

To this end, in the event of a dispute, any shareholder may choose his/her address for service within the judicial district of the Court having jurisdiction in the place where the Company has its registered office, and any summonses and services shall be considered duly served at this address.

Where no address for service is given, summonses and services shall be considered valid if served at the Prosecutor's Office at the *Tribunal de Grande Instance* (High Court) in the place where the Company has its registered office.