



COMPAGNIE PLASTIC OMNIUM

Internal Regulations of the Board of Directors

(adopted by a decision of the Board of Directors dated 17 September 2004, and as amended by decisions of the Board of Directors dated 24 July 2007, 17 December 2010, 13 December 2013, 22 July 2014 and 15 December 2017)

PREAMBLE

These internal regulations are intended to specify the manner in which the Board of Directors of Compagnie Plastic Omnium (the “Company”) functions, and to supplement the legal and regulatory provisions and the Company’s Articles of Association.

They are intended for every member of the Company’s Board of Directors and for every permanent representative of any member of the Board that is a legal person.

These internal regulations fall within the framework of the general principles of corporate governance. The terms directors and officers, executive directors and officers and non-executive directors and officers refer to the persons designated as such by the AFEP-MEDEF Code of Corporate Governance for Listed Companies.

ARTICLE 1 – THE MISSIONS OF THE BOARD OF DIRECTORS

The principal missions of the Board of Directors are:

- to decide the significant strategic objectives of the Company and to satisfy itself that adequate financial resources are put in place to achieve those objectives.
- to take charge of any matter concerning the successful running of the business and to discuss it;
- to carry out such checks and controls as it may consider appropriate to monitor the general consistency of the accounts and of the accounting principles applied;
- to settle the annual parent company and consolidated accounts presented by the Chairman of the Board of Directors, as previously audited and commented upon by the Statutory Auditors and certified by them for presentation to the General Meeting of Shareholders;
- to settle the half-yearly accounts;
- to ensure the accuracy of the financial information provided to the shareholders and to the market;
- to ensure that the shareholders and investors receive relevant, balanced and informative information on the Company’s strategy and development model, the account taken of its significant extra-financial challenges and its long-term prospects;
- to determine the Company’s major business policies and to monitor their implementation;
- to authorize, in advance, the conclusion of related-party agreements;
- to choose the way in which General Management is organised: separation or combination of the functions of Chairman and Chief Executive Officer;
- to appoint and dismiss the Chairman, the Chief Executive Officer and the Deputy Chief Executive Officers;
- to define the remuneration policy for General Management and, if applicable, to distribute between the directors the overall amount of directors’ fees decided upon by the General Meeting;
- to co-opt members of the Board of Directors under the conditions defined by the regulations in force;

- to create specialised committees, appoint their members and determine their missions and how they shall function;
- to prepare management forecast documents;
- to convene and set the agenda for General Meetings;
- in the event of allocation of options or bonus shares, to determine the number of bonus shares or shares resulting from the exercise of options which Directors and Officers are obliged to retain until the end of their term of office;
- to give an account of its activities in the report to the General Meeting;
- to approve the report of the Chairman of the Board of Directors.

The Board of Directors collectively represents all the shareholders and it must carry out its missions in the corporate interest.

It shall ensure that the special committees that it has formed function correctly, and shall keep itself informed of the effectiveness of internal control bodies.

Every year, the Board of Directors shall authorise the bonds, securities and guarantees given by the Company, in accordance with Article L. 225-35 of the Commercial Code.

ARTICLE 2 – MEETINGS OF THE BOARD OF DIRECTORS

2.1 Frequency

The Board of Directors shall meet at least four times a year and as often as necessary in the interests of the Group.

Every year, a meeting shall be organised that is not attended by executive Directors and Officers or by officers with family connections with Directors and Officers.

2.2 Notices of meetings

Notices of meetings may be issued by any means, including by word of mouth. However, except in special circumstances, they shall be sent out in writing at least 15 days before each meeting. They may be sent by the Chairman of the Board of Directors, or, at his request, by the Secretary of the Board of Directors or by the General Counsel.

2.3 Use of videoconferencing or telecommunication

Meetings may take place by way of videoconferencing or using electronic means of telecommunication or broadcasting under the conditions laid down by the legislation or regulations in force.

The means used must transmit at least the voice of the participants and have the necessary technical characteristics to allow continuous and simultaneous retransmission of the proceedings.

The minutes of the proceedings shall mention the participation of directors by means of videoconferencing or telecommunication, and if applicable, the occurrence of any technical incidents if they disrupted the conduct of the meeting.

2.4 Minutes – Attendance register

The minutes of meetings shall summarise the discussions and the questions raised and shall mention the decisions taken and any reservations expressed.

An attendance register shall be kept at the administrative headquarters which shall be signed by the members of the Board of Directors taking part in the meeting, on their own behalf or on behalf of the other members of the Board of Directors whom they represent. Proxies given in writing shall be attached to the attendance register.

2.5 Assessment

The Board of Directors shall periodically assess its ability to respond to shareholders' expectations, by reviewing its composition and the way in which it is organised and functions. Once a year, the Board of Directors shall devote an item on its agenda to a debate on the way in which it functions.

It shall also carry out a formal assessment at least every three years.

The purpose of the assessment shall be to check that important matters are suitably prepared and debated, and to measure the contribution of each member to the work of the Board of Directors.

At the time of each annual assessment, the Board of Directors shall also carry out an assessment of the committees. In this context, it shall assess the tasks actually carried out by the committees having regard to the objectives set for them.

Every year, the shareholders shall be informed in the registration document that the assessments have been carried out.

ARTICLE 3 – THE CHAIRMAN'S EXERCISE OF HIS POWERS

At least once a year, the Chairman shall submit to the Board of Directors forecasts of the income statement, of investments, of changes in borrowing and of working capital requirements, as well as significant transactions, the draft management report, the financial statements and the report relating to the composition of the Board of Directors, the manner of preparation and organisation of its work, internal control and risk management procedures, and the status of the lines of bank credit available to the Company.

The members of the Board of Directors shall also be informed of developments in the markets, in the competitive environment and in the main challenges facing the Company, including in the area of the Company's corporate social responsibility.

Significant transactions liable to affect the Group's strategy or to substantially alter its financial structure or the scope of its business shall be subject to prior deliberation by the Board of Directors; such transactions will include:

- acquisitions, mergers, spin-offs, equity investments and disposals liable to materially alter the financial structure;
- global investments;

- any significant transactions falling outside the Company's published strategy.

The Chairman of the Board of Directors will be responsible for assessing the significance of such transactions.

Notwithstanding the foregoing, when a sale is envisaged, in one or more transactions, of at least half of the Company's assets in the last two financial years, the Board of Directors must, prior to the completion of such a sale, present the General Meeting with a report on the background to the transactions and how they will be conducted. This presentation shall be followed by a consultative vote of the shareholders under the quorum and majority conditions applicable to Ordinary General Meetings. If the General Meeting votes against the proposal, the Board of Directors must meet as soon as reasonably practicable and immediately publish a communiqué on the Company's website stating how it intends to proceed with the transaction.

ARTICLE 4 – DIRECTORS' OBLIGATIONS

4.1 General obligations

Every director of the Company and every permanent representative of a legal person that is a director undertakes to take note of and comply with the legal and regulatory provisions relating to his or her office, as well as the particular provisions contained in Company's Articles of Association and in these Internal Regulations.

More specifically, the directors undertake to keep up-to-date with and to apply:

- the rules limiting the accumulation of offices (see the paragraph "obligation of diligence" below);
- the rules relating to agreements and transactions concluded directly or indirectly between directors and the Company.

Every member of the Board of Directors expressly undertakes to comply with the professional conduct obligations set out below:

4.2 Obligation of loyalty and non-competition

Directors undertake to act in good faith in all circumstances and in the Company's corporate interests. They undertake to ensure that decisions of the Board of Directors do not tend to favour one category of shareholders to the detriment of another.

This duty of loyalty imposes a non-competition obligation on the directors. Throughout their term of office, every member of the Board of Directors must refrain from exercising any function in a business in competition with the Company and with the companies that it controls.

In any situation in which it appears or could appear that there is a conflict between the corporate interest and a director's direct or indirect personal interest or the interest of the shareholder or group of shareholders that a director represents, the director concerned must:

- inform the Board of Directors of that situation as soon as he or she becomes aware of it; and

- draw the necessary conclusions with regard to the exercise of his or her office. Thus, he or she must, as the case may be:
 - refrain from taking part in the discussion or voting on the relevant decision; or
 - not attend meetings of the Board of Directors during the period in which he or she is in a situation of conflict of interest; or
 - resign from office as a director.

4.3 Obligations relating to the ownership of financial instruments issued by the Company

Directors must be shareholders and own a relatively substantial number of shares having regard to the directors' fees received. In that respect, they must own at least nine hundred shares in accordance with Article 11 of the Articles of Association. They undertake to keep them throughout their term of office. If they do not own them at the time of taking office, they shall have three months in which to comply with this obligation.

Directors undertake to arrange for Company shares held by them and by any associated person to be in registered form.

4.4 Obligation of diligence

Directors must devote the necessary time and attention to their functions. The annual report shall state the offices held, not renewed or accepted by each director during the financial year.

Executive Directors and Officers must not hold more than two other offices as director in listed companies outside the Group, including foreign companies. Furthermore, they must obtain the opinion of the Board of Directors before accepting a new corporate office in a listed company.

Directors must not hold more than four other offices in listed companies outside the Group, including foreign companies. Directors must keep the Board of Directors informed of the offices and functions they hold in other companies, including their participation in the committees of such companies (see the paragraph "disclosure obligation").

Every member of the Board of Directors undertakes to be diligent and:

- to attend all meetings of the Board of Directors in person, unless prevented from doing so;
- insofar as possible, to attend all General Meetings of Shareholders; and
- to attend the meetings of any committees created by the Board of Directors of which he or she is a member.

4.5 Confidentiality obligation

Every member of the Board of Directors and any person invited to attend meetings of the Board of Directors shall be bound by an obligation of discretion regarding the conduct and content of the Board of Directors' deliberations.

A confidentiality obligation must be observed with regard to inside financial and stock market information and with regard to information relating to dealings in company securities that have not yet been published or that are confidential in nature and are provided as such by the Chairman.

Every director undertakes to comply with the current legal and regulatory obligations, with market recommendations and regulations (and in particular the legislation relating to insider dealing), with the recommendations of the French Financial Markets Authority (AMF) and with the rules specific to the Company contained in the Prevention of Insider Dealing Code of Conduct.

In this respect, every director shall appear on the list of permanent insiders drawn up by the Company and made available to the AMF. Furthermore, every director must comply with the legal provisions and with the recommendations of the AMF regarding the obligations to report dealings in the Company's securities.

4.6 Individual qualities

The Board of Directors is composed of at least three and of no more than eighteen members.

Directors are elected by the General Meeting of Shareholders, on a proposal from the Board of Directors, for a period of three years (which may be renewed without limitation), by reason of their skills, the contribution that they can make to the work of the Board, their ability to work together with mutual respect for each other's opinions while asserting what may be a minority position, their integrity and their sense of responsibility to the shareholders.

They must exercise their powers in accordance with the rules and with the independence, ethics and integrity expected of them.

The functions of the directors shall expire at the end of the Ordinary General Meeting of Shareholders convened to approve the accounts for the previous financial year held in the year in which their respective term of office expires.

At least one third of the members of the Board of Directors shall be in the category of independents having regard to the definition and criteria set out below by the Company.

In accordance with the AFEP-MEDEF Corporate Governance Code, directors are independent when they have no relationship of any kind with the Company, its Group or its management that could compromise the exercise of their freedom of judgment. Thus, the term "independent director" means any non-executive director of the Company or its Group who does not have any particular connections of interest (as a significant shareholder, employee or otherwise) with them.

Independence is assessed having regard to the following criteria laid down in paragraph 8.5 of the said Corporate Governance Code:

- not to be or not in the previous five years to have been:
 - an employee or executive Director and Officer of the Company;
 - an employee, executive Director and Officer or director of a company consolidated with the Company;
 - an employee, executive Director and Officer or director of the parent company of the Company or of a company consolidated with that parent company;

- not to be an executive Director and Officer of a company in which the Company directly or indirectly holds office as a director or in which an employee appointed as such or an executive Director and Officer of the company (whether currently or within the last five years) holds office as a director;
- not to be a customer, supplier, commercial banker or financing banker:
 - that is significant for the Company or its Group;
 - or of which the Company or its Group represents a significant proportion of the business;
- not to have any close family relationship with a corporate officer;
- not to have been a statutory auditor of the company in the last five years;
- not to have been a director of the company for more than twelve years. A director shall cease to be categorised as independent on the date of expiry of a period of twelve years.

It shall be for the Board of Directors, on a proposal from the Appointments Committee, to examine on a case by case basis the situation of each of its members having regard to the said criteria, (i) upon the appointment of a director; and (ii) annually for all directors. The shareholders shall be informed of the conclusions of this examination in the report of the Chairman of the Board of Directors.

The Board of Directors can take the view that a director, although satisfying the independence criteria, must not be categorised as independent having regard to his or her particular situation or that of the Company, or having regard to his or her shareholding, or for any other reason. Conversely, the Board of Directors can take the view that a director who does not satisfy those criteria is nevertheless independent.

4.7 Age limit

In accordance with the provisions of the Articles of Association (Article 11), the number of directors who are natural persons and of permanent representatives of directors that are legal persons who are more than seventy-five years of age cannot exceed half the number of directors in office (rounded up to the nearest whole number).

In addition, the term of office of directors who have attained the age of eighty years will not be proposed for renewal at the General Meeting convened to make a decision in this regard.

ARTICLE 5 – DIRECTORS’ INFORMATION

The Chairman of the Board of Directors must satisfy himself that every director has adequate information, in good time, so that the Board of Directors can validly deliberate. For this purpose, the Chairman, several days before the date of the meeting of the Board of Directors, shall send every director all the documents that will be studied by the Board.

In the case of meetings of the Board of Directors convened to approve the half-yearly accounts, the Chairman shall also send a summary document prepared by the Statutory Auditors.

It shall be the responsibility of each director or of each permanent representative of a director that is a legal person, to ask the Chairman for additional items if they regard them as essential in order to be properly informed within the appropriate time limits.

Each member of the Board of Directors may receive any training necessary for the proper exercise of his or her functions as a director, and if applicable, as a committee member, which shall be provided by the Company or approved by the Company.

ARTICLE 6 – REMUNERATION

6.1 Directors' remuneration

Pursuant to Article 14 of the Articles of Association, the amount of directors' fees shall be determined by the General Meeting on a proposal from the Board of Directors, after the Remuneration Committee has expressed an opinion.

This amount will be distributed by the Board of Directors between its members, according to their potential membership of one or more committees, their responsibility, the time devoted to their functions and their regular attendance at meetings of the Board of Directors and such committees.

Every director shall be entitled to the reimbursement of travelling expenses incurred in the exercise of his or her functions.

6.2 Remuneration of executive Directors and Officers

The Board of Directors shall be responsible for determining the fixed and variable remuneration, benefits in kind, and, if applicable, pension rights or severance pay allocated to Directors and Officers: Chairman and Chief Executive Officer and Deputy Chief Executive Officers.

The Board of Directors shall take these decisions on the basis of proposals from the Remuneration Committee, making a global assessment of the remuneration of each director and seeking to strike a fair balance between the general interests of the Company, market practices and the director's performance.

ARTICLE 7 – THE ACCOUNTS COMMITTEE

7.1 Composition

The Accounts Committee shall be composed of a minimum of three members.

The members of the Accounts Committee shall be appointed by the Board of Directors from among its members who are independent directors and who have financial, accounting or account auditing skills.

Their term of office shall coincide with their term of office as directors. Their term of office can be renewed at the same time as their term of office as directors.

On the opinion of the Appointments Committee, the Accounts Committee shall appoint its Chairman for a term of three financial years, unless his term of office as a director is shorter and is not renewed. In that case, the term of office of the Chairman of the Accounts Committee shall be equal to the remainder of his term of office as a director.

7.2 Functioning

The Accounts Committee shall meet at least twice a year, before the meetings of the Board on whose agenda it includes examination of the annual and half-yearly accounts and/or a proposal to appoint Statutory Auditors. It shall determine the calendar for its meetings. Outside that calendar, the Committee can meet at any time at the request of the Chairman and Chief Executive Officer, the Chairman of the Committee or at least two of its members.

The members of the Committee can be invited to meetings by any means, including by word of mouth, either by the Chairman of the Board of Directors, or by the Chairman of the Committee, or by the two members calling for the meeting.

The author of the notice of meeting shall draw up the agenda for the meeting.

Meetings shall take place at the Company's registered office or in any other place indicated in the notice of meeting.

In order for it to deliberate validly, at least half of the Committee's members must be present. Members of the Committee cannot arrange to be represented.

On the invitation of its Chairman, the following persons can attend meetings of the Accounts Committee:

- the Chairman and Chief Executive Officer
- the Deputy Chief Executive Officers
- the Statutory Auditors
- the Chief Financial Officer
- the General Counsel
- the Board Secretary
- the Chief Risks Officer
- the Head of Internal Audit
- any person that the Committee wishes to hear

The Accounts Committee shall interview the Statutory Auditors at least once a year.

The Committee must have sufficient time to examine the accounts.

The Accounts Committee's examination of the accounts must be accompanied by a presentation by the management describing the Company's risk exposure and significant off-balance sheet commitments and the accounting options adopted.

7.3 Mission

The Accounts Committee shall assist the Board of Directors to ensure the proper application of the accounting rules and the relevance and permanence of the accounting methods.

In particular, the Accounts Committee shall be asked by the Board of Directors to carry out the following tasks:

- to examine the annual and half-yearly accounts prepared and presented by the Chairman of the Board of Directors and audited and commented upon by the Statutory Auditors, and to examine certain items in more detail before their presentation to the Board of Directors;

- to satisfy itself that the process of preparation of financial information has been followed, and in particular to study the accounting principles and rules used in the preparation of the accounts and prevent any breaches of the accounting rules;
- to manage the procedure for the selection of Statutory Auditors and to issue a recommendation on the proposal of the Chairman and Chief Executive Officer relating to the appointment of the Statutory Auditors and the potential renewal of their term of office;
- to examine the conclusions reached by the Statutory Auditors, their potential recommendations and their follow-up;
- to ensure observance of the rules guaranteeing the independence of the Statutory Auditors and the performance of their mission in satisfactory conditions; for this purpose, the Committee shall, in particular, examine the detail of the fees paid to each Statutory Auditor and to its network by the Company and by Group companies, including in respect of services other than the certification of the accounts;
- to approve the provision of services other than the certification of the accounts that may be provided by the Statutory Auditors or the members of their network;
- to satisfy itself that the effectiveness of the internal control and risk management systems put in place by General Management, and that could have an impact on the accounts, is monitored;
- to monitor the Group's main risk exposure and sensitivities;
- to examine matters liable to have a significant financial impact for the Group.

In order to carry out its mission, the Committee can, if it considers it appropriate, request an interview with any responsible person within the Group (and in particular the Statutory Auditors, managers and directors responsible for the preparation of the accounts, for cash balances and internal control) without corporate officers being present, and can, if necessary, call upon outside experts at the Company's expense.

The Committee shall inform the Chairman of the Board of Directors in advance of the interviews and experts' reports requested, and shall satisfy itself that such internal or external investigations cannot give rise to a conflict of interest or of strategy prejudicial to the Company.

The Committee shall report the result of these examinations to the Board of Directors, in the manner which appears to it to be most appropriate.

The Chairman of the Committee or one of its members appointed by the Committee, shall report the Committee's opinion and recommendations to the Board of Directors in order for the Board of Directors to discuss them.

ARTICLE 8 – THE REMUNERATION COMMITTEE

8.1 Composition

The Remuneration Committee shall be composed of a minimum of two members.

The members of the Remuneration Committee shall be appointed by the Board of Directors from among its independent members.

Their term of office shall coincide with their term of office as directors. Their term of office can be renewed at the same time as their term of office as directors.

The Committee shall appoint its Chairman for a term of three financial years, unless his term of office as a director is shorter and is not renewed. In that case, the term of office of the Chairman of the Remuneration Committee shall be equal to the remainder of his term of office as a director.

8.2 Functioning

The Remuneration Committee shall meet at least once a year before the meeting of the Board of Directors convened to examine the remuneration of the Chairman and of General Management or to settle the agenda for a General Meeting convened to approve draft resolutions relating to matters within the scope of its competence.

It shall determine the calendar for its meetings. Outside that calendar, the Committee can meet at any time at the request of the Chairman and Chief Executive Officer or of the Chairman of the Remuneration Committee.

The members of the Committee can be invited to meetings by any means, including by word of mouth, either by the Chairman of the Board of Directors, or by the Chairman of the Committee.

The author of the notice of meeting shall draw up the agenda for the meeting.

Meetings shall take place at the Company's registered office or in any other place indicated in the notice of meeting.

In order for it to deliberate validly, half of the Committee's members must be present. A member of the Committee cannot arrange to be represented.

8.3 Mission

The Remuneration Committee must put the Board of Directors in the best position to determine the distribution of directors' fees between the directors as well as all the (fixed and variable) remuneration and benefits of any kind of Directors and Officers, whether those items are paid, allocated or assumed by the Company, by the company that controls it or by a company that it controls, the whole of the Board of Directors, in deliberations conducted without the Directors and Officers being present, being responsible for that decision.

Its recommendations shall also cover the balance between the various elements comprising the global remuneration and the conditions governing their allocation, particularly in terms of performance.

In order to carry out its mission, the Committee can, if it considers it appropriate, request an interview with any responsible person within the Group without the other members of General Management being present, and can, if necessary, call upon outside experts at the Company's expense.

The Committee shall inform the Chairman of the Board of Directors in advance of the interviews and experts' reports requested, and shall satisfy itself that such internal or external investigations cannot give rise to a conflict of interest or of strategy prejudicial to the Company.

The Committee shall report the result of its mission to the Board of Directors, in the manner which appears to it to be most appropriate. The Chairman of the Committee or one of its members appointed by the Committee, shall report the Committee's opinion and

recommendations to the Board of Directors in order for the Board of Directors to discuss them.

ARTICLE 9 – THE APPOINTMENTS COMMITTEE

9.1 Composition

The Appointments Committee shall be composed of a minimum of two members appointed by the Board of Directors, and the majority of its members must be independent directors. None of the members of the Appointments Committee can be an executive Director and Officer.

Their term of office shall coincide with their term of office as directors. Their term of office can be renewed at the same time as their term of office as directors.

The Committee shall appoint its Chairman for a term of three financial years, unless his term of office as a director is shorter and is not renewed. In that case, the term of office of the Chairman of the Appointments Committee shall be equal to the remainder of his term of office as a director.

9.2 Functioning

The Appointments Committee shall meet at least once a year. It shall determine the calendar for its meetings. Outside that calendar, the Committee can meet at any time at the request of the Chairman and Chief Executive Officer or of the Chairman of the Appointments Committee.

The members of the Committee can be invited to meetings by any means, including by word of mouth, either by the Chairman of the Board of Directors, or by the Chairman of the Committee.

In accordance with the AFEP-MEDEF Code, the Chairman and Chief Executive Officer shall be involved in the work of the Appointments Committee and may therefore attend meetings of the Committee. In the event of separation of the functions of Chairman and Chief Executive Officer, the Chairman can be a member of this Committee.

The author of the notice of meeting shall draw up the agenda for the meeting.

Meetings shall take place at the Company's registered office or in any other place indicated in the notice of meeting.

In order for it to deliberate validly, half of the Committee's members must be present. A member of the Committee cannot arrange to be represented.

9.3 Mission

The Appointments Committee must organise a procedure intended to select any applications for an office of independent director, Director and Officer or member of one of the Committees, and must carry out its own investigations of potential candidates before any approach is made to them. This Committee shall be responsible for making proposals to the Board of Directors after having carried out a detailed examination of all the information that it must take into account in its decision.

The Appointments Committee must ensure that a succession plan is in place for Directors and Officers, so that it is in a position to propose succession solutions to the Board of Directors, particularly in the event of unforeseen vacancies.

In order to carry out its mission, the Committee can, if it considers it appropriate, request an interview with any responsible person within the Group without the other members of General Management being present, and can, if necessary, call upon outside experts at the Company's expense.

The Committee shall inform the Chairman of the Board of Directors in advance of the interviews and experts' reports requested, and shall satisfy itself that such internal or external investigations cannot give rise to a conflict of interest or of strategy prejudicial to the Company.

The Committee shall report the results of its mission to the Board of Directors, in the manner which appears to it to be most appropriate. The Chairman of the Committee or one of its members appointed by the Committee, shall report the Committee's opinion and recommendations to the Board of Directors in order for the Board of Directors to discuss them.

**ARTICLE 10 – ADAPTATION, AMENDMENT
AND PUBLICATION OF THE INTERNAL REGULATIONS**

These Internal Regulations may be adapted and amended by a decision of the Board of Directors taken in the manner laid down in the Articles of Association.

These internal regulations shall be published on the Company's website.

