

# 5. CORPORATE GOVERNANCE REPORT

73

## CONTENTS

5.1. GOVERNANCE IN 2017	74
5.2. EXECUTIVE BODIES	83
5.3. COMPENSATION PAID TO THE BOARD OF DIRECTORS AND EXECUTIVE BODIES	84
5.4. INFORMATION CONCERNING THE CAPITAL	90

## 5.1. GOVERNANCE IN 2017

Since August 2010, the company has been adhering to the MiddleNext Code of Corporate Governance for Mid-caps. This Code can be found on the Internet at [www.middlenext.com](http://www.middlenext.com).

The group's corporate governance complies with the MiddleNext Code. In addition, the Board of Directors has taken note of the items presented under the heading "Points to be watched", which are the key provisions of the Code.

The governance system is organised so that there is no overlap between the functions of a non-executive Chairman of the Board of Directors and a Chief Executive Officer, the only permanent representative with executive power. This report sets out in detail the three key governance powers, as defined in the MiddleNext Code.

All the rules of procedure for the Board of Directors are set out in an internal regulation establishing four specific committees:

- the Strategic Committee;
- the Compensation Committee;
- the Audit Committee;
- the Development Committee.

### GOVERNANCE CHANGES IN 2017

Following the Annual General Meeting of 8 June 2017, Manitou's Directors elected the new Chairman of the Board of Directors, Jacqueline Himsworth, the former Deputy Chairman of the Board, as confirmed in the new Shareholder Agreement signed between the Braud and Himsworth family branches on 3 May 2017.

After more than 60 years devoted to developing Manitou, Marcel Braud, Manitou's founder, has retired from all administrative offices and has become Honorary President of the group.

Renewal of the Michel Denis' term of office as CEO:

At the meeting of the Board of Directors of Manitou BF on 5 December 2017, it was unanimously decided to renew early the term of office of Michel Denis as CEO. The new term of office will come into effect from the date of the 2018 Annual General Meeting convened to approve the financial statements for the financial year ended 31 December 2017 and is renewed for a term of four years, that is to say until the 2022 Annual General Meeting convened to approve the financial statements for the financial year ending 31 December 2021.

### 5.1.1. OPERATION OF THE BOARD OF DIRECTORS AND SPECIALIST COMMITTEES

#### OPERATION OF THE BOARD OF DIRECTORS

The internal regulation sets out the way in which the Board of Directors is organised and operates. In particular, it specifies the role and operational procedures of the Board of Directors and its specialist committees, established in accordance with the statutory provisions and the provisions of the Articles of Association. The regulation also details the roles and powers of the Chairman and the Executive Management, as well as their respective obligations. In this regard, it includes a Directors' Charter setting out the rights and obligations incumbent on Manitou's Directors to ensure good corporate governance. These principles are based on the duties of due diligence, independence, transparency and confidentiality.

In 2017, the members of the Board of Directors met ten times as a Board. During these meetings, the group's activities, strategic focuses and current projects were reviewed. Particular attention was focused throughout 2017 on the organisation for the new governance system, the proposed acquisitions of Terex Equipment Private Limited in India and Marpoll Pty Ltd (LiftRite Hire & Sales) in Australia, as well as the group's new strategic roadmap.

Meetings of the Board are held, when convened by the Chairman, at the head office or, on an exceptional basis and for a portion of the members, over a secure telephone link.

Each member of the Board of Directors, and all staff representatives convened, received, in advance of the meetings, all the documents and information required by law and necessary for them to accomplish their tasks.

Minutes are drawn up systematically for each Board Meeting and granted to each member for approval. The average attendance rate at Board of Directors meetings for 2017 was 95.8%.

The statutory auditors were convened to Board meetings involving the examination of the half-yearly and annual accounts, in accordance with Article L.823-17 of the Code of Commerce.

The Directors are remunerated in the form of attendance allowances, the allocation of which is decided by the Board of Directors on the advice of the Compensation Committee, based on the diligence of the Directors and the time they devote to their office, including attendance at specialist committees. The Chairman of the Board receives compensation in accordance with the provisions of article L.225-47 of the Code of Commerce as well as attendance allowances. Details of all such compensation are given in paragraph 5.3.

In accordance with its internal regulation and in accordance with Recommendation R7 of the MiddleNext Code, the Board undertook a formal self-evaluation of its operation. Each Director presented his own evaluation based on a questionnaire drawn from the MiddleNext Code of Governance. The evaluation cover the operation of the Board and its committees in terms of their preparation, proceedings and follow-up, the objective being to monitor the points for improvement identified in January 2017. These contributions were analysed and summarised by an independent director. Various exchanged during the Board meeting on 6 March 2018 led to an action plan being proposed and those points applying to the Board were unanimously approved by the Board of Directors and the group's Executive Management.

#### SPECIALIST COMMITTEES

The Board of Directors has set up four specialist committees responsible for investigating matters falling within their remit and for submitting advice and recommendations to the Board.

##### THE STRATEGIC COMMITTEE

Its principle responsibilities are to assist the Board in drawing up strategy. It prepares the work of the Board in relation to the strategic plan, to any proposal for a strategic agreement, technological cooperation, industrial partnership, diversification or the range of activities, and all major investment or disposal transactions.

The Strategic Committee met three times in 2017.

##### THE AUDIT COMMITTEE

The members of the Committee have special skills for dealing with financial or accounting matters. These skills are assessed on the basis of their training and professional experience.

The key tasks of the Audit Committee are to:

- Monitor the process of drawing up financial information and, where appropriate, to formulate recommendations to guarantee their integrity;
- Analyse the financial impact of investment or disposal transactions;
- Check the efficacy of internal control and risk management systems and, where appropriate, internal audit in terms of the procedures for drawing up and processing accounting and financial information, without this impinging on its independence;
- Issue a recommendation on the statutory auditors nominated by the Annual General Meeting. This recommendation, which is submitted to the Board, is drawn up in accordance with the law. The Committee also issues a recommendation to the Board when the renewal of mandate, or reappointment, of the statutory auditors is envisaged under the terms and conditions laid down by law;
- Monitor the performance by the Statutory Auditors of their mandate and to take into account the statements and conclusions of the French supervisory body for the auditing profession, the Haut Conseil du Commissariat aux Comptes, in the wake of any audits conducted pursuant to legislative and regulatory provisions;
- Ensure compliance by the statutory auditors with the criteria for independence in accordance with the terms and conditions laid down by law;
- Approve the provision of services other than certification of the accounts in accordance with the applicable legislation and regulations;

- Report regularly to the Board on the performance of its tasks. It also reports on the findings of the certification of accounts process, on the way in which this process contributes to the integrity of the financial information and on the role that it plays in this process. It informs the Board without delay of any difficulty encountered.

Since the auditing reform in June 2016, the Audit Committee has stepped up its work. It therefore met ten times in 2017. Each meeting was the subject of minutes and the Audit Committee regularly spoke at the Board of Directors meetings to present its recommendations and conclusions. These recommendations were followed by the Board of Directors. The speeches made by the Audit Committee are set out in the minutes for the Board meetings.

In 2017, the Audit Committee met with the statutory auditors before the annual and half-yearly close of the accounts. These meetings gave rise to detailed exchanges between the Audit Committee and the statutory auditors when the new report by the statutory auditors was drawn up and presented.

It also verified the independence of the statutory auditors and took note of all the internal audit reports on the internal control tools and procedures put in place, that were presented by the Audit and Internal Control Officer. During these meetings, it met regularly with the CEO-CFO and the Financial Director, principally to deal with financial issues, taxation, funding tools and compliance.

## THE COMPENSATION COMMITTEE

Its principal responsibilities are to prepare the work of the Board relating to the compensation of:

- The Directors, by making proposals on the allocation of attendance allowances based on the criteria laid down in the internal regulation, on the compensation of the Chairman of the Board of Directors and on the compensation granted to any directors assigned to certain tasks;
- Of the CEO by expressing an opinion on his total compensation, pension and healthcare schemes, fringe benefits and sundry rights, by proposing rules on variable compensation consistent with the group's strategy and the corresponding areas for evaluation as well as checking that they are applied in accordance with the company's duty of transparency as regards such compensation, the details of this compensation being set out in the annual report. In-depth work was also undertaken in respect of the renewal of the CEO's term of office.

More generally, the Committee is informed on an annual basis of the compensation policy applying within the group to the various salaried populations and draws up the "Say on pay" report.

The Compensation Committee met 8 times during the course of 2017 and its work was the subject of feedback from the Board of Directors.

## THE DEVELOPMENT COMMITTEE

The Development Committee is composed of Directors who are members of the shareholding families. It did not meet in 2017.

## 5.1.2. COMPOSITION OF THE BOARD OF DIRECTORS OF MANITOU BF

Since 8 June 2017, the company has been governed by a Board of Directors composed of ten members. The terms of office as Directors of Jacqueline Himsworth, Gordon Himsworth, Marcel-Claude Braud, Sébastien Braud, Christopher Himsworth, Emilie Braud, Carole Lajous and Cécile Helme-Guizon are four years from the Annual General Meeting of 8 June 2017 until the 2021 Annual General Meeting convened to approve the financial statements for the financial year ending 31 December 2020. The terms of office as Directors of Dominique Bamas and Pierre-Henri Ricaud are two years from the Annual General Meeting on 8 June 2017 to the 2019 Annual General Meeting convened to approve the financial statements for the financial year ending 31 December 2018. Some Directors have been appointed for a shorter term so that the offices can be staggered in accordance with Recommendation R9 of the MiddleNext Code.

Until the Annual General Meeting on 8 June 2017, the company was governed by a Board of Directors composed of nine members. The terms of office of Marcel Braud, Jacqueline Himsworth, Gordon Himsworth, Marcel-Claude Braud, Sébastien Braud, Christopher Himsworth, Agnès Michel-Ségalen, Dominique Bamas and Pierre-Henri Ricaud was four years up to the 2017 Annual General Meeting convened to approve the financial statements for the financial year ending 31 December 2016.

The Board of Directors appoints from among its members a Chairman of the Board of Directors, who must be a natural person.

### COMPOSITION OF THE BOARD OF DIRECTORS

08.06.2017 to 31.12.2017			01.01.2017 to 08.06.2017		
DIRECTORS			DIRECTORS		
Himsworth family branch	Jacqueline Himsworth, Chair of the Board of Directors	Himsworth family branch	Jacqueline Himsworth, Deputy Chair of the Board of Directors	Himsworth family branch	Jacqueline Himsworth, Deputy Chair of the Board of Directors
	Gordon Himsworth		Gordon Himsworth		
	Christopher Himsworth		Christopher Himsworth		
Braud family branch	Marcel-Claude Braud	Braud family branch	Marcel Braud, Chairman of the Board of Directors	Braud family branch	Marcel Braud, Chairman of the Board of Directors
	Sébastien Braud		Sébastien Braud		
	Emilie Braud		Marcel-Claude Braud		
INDEPENDENT DIRECTORS			INDEPENDENT DIRECTORS		
Dominique Bamas			Dominique Bamas		
Pierre-Henri Ricaud			Pierre-Henri Ricaud		
Carole Lajous			Agnès Michel-Ségalen		
Cécile Helme-Guizon					

Following the renewal of the terms of office of the Board of Directors, four of its ten members are women, that is to say a ratio of men to women that complies with the statutory obligations. This renewal made it possible for the group to apply the principle of balanced representation of men and women on the Board of Directors.

Four members of the Board of Directors are independent, as confirmed by the evaluation made in accordance with the third recommendation of the MiddleNext Code. (It should be noted that there were three independent directors until the Annual General Meeting on 8 June 2017.) This independence is based, in particular, on the absence of any material financial, contractual or family relationship that could affect their independent judgement.

COMPOSITION OF THE BOARD OF DIRECTORS' COMMITTEES

		08.06.2017 to 31.12.2017			01.01.2017 to 08.06.2017
<b>STRATEGIC COMMITTEE</b>					
Members	Jacqueline Himsworth, Chair	Members	Marcel Braud, Chairman		
	Sébastien Braud		Marcel-Claude Braud		
	Marcel-Claude Braud		Gordon Himsworth		
	Christopher Himsworth		Dominique Bamas		
	Gordon Himsworth				
	Dominique Bamas				
Alternate members	Carole Lajous	Alternate members	Sébastien Braud		
			Christopher Himsworth		
<b>AUDIT COMMITTEE</b>					
Members	Pierre-Henri Ricaud, Chairman	Members	Jacqueline Himsworth, Chair		
	Emilie Braud		Pierre-Henri Ricaud		
	Cécile Helme-Guizon		Agnès Michel-Segalen		
	Gordon Himsworth				
Alternate members	Sébastien Braud	Alternate members	Sébastien Braud		
	Christopher Himsworth				
<b>COMPENSATION COMMITTEE</b>					
Members	Dominique Bamas, Chair	Members	Dominique Bamas, Chair		
	Carole Lajous		Christopher Himsworth		
	Christopher Himsworth		Sébastien Braud		
	Sébastien Braud				
Alternate members	Pierre-Henri Ricaud	Alternate members	Pierre-Henri Ricaud		
	Marcel-Claude Braud				
<b>DEVELOPMENT COMMITTEE</b>					
Members	Jacqueline Himsworth, Chair	Members	Marcel Braud, Chairman		
	Gordon Himsworth		Jacqueline Himsworth		
	Christopher Himsworth				
	Marcel-Claude Braud				
	Sébastien Braud				
	Emilie Braud				
		Alternate members	Sébastien Braud		
			Gordon Himsworth		

\* This Committee did not meet in 2017.

**MARCEL BRAUD**

HONORARY PRESIDENT OF THE GROUP FROM 8 JUNE 2017  
(NON-EXECUTIVE) CHAIRMAN OF THE BOARD  
OF DIRECTORS UNTIL 8 JUNE 2017

Nationality: French

Born on: 25 July 1932

Business address: 430 Rue de l'Aubinière - BP 10249 - 44158 Ancenis Cedex France

Experience and management expertise

CEO of Manitou, then Chairman of the Board of Directors for more than 50 years.

**Other offices currently held (Manitou Group):**

- Chairman of the Strategic Committee until 8 June 2017.
- Chairman of the Development Committee until 8 June 2017.

**Offices expired during the last five years (Manitou Group):**

- Chairman of the Board of Directors from December 2009 to June 2013;
- Chairman of the Strategic Committee until June 2013.
- Chairman of the Development Committee until June 2013.

**Other offices held in companies related to the group**

- Manager of HB-Holding Braud (France) since 1997.

**JACQUELINE HIMSWORTH**

DEPUTY CHAIRMAN OF THE BOARD OF DIRECTORS UNTIL  
8 JUNE 2017, THEN CHAIRMAN OF THE BOARD OF DIRECTORS  
SINCE 8 JUNE 2017 FOR A FOUR-YEAR TERM

Nationality: French

Born on: 27 May 1943

Business address: 430 Rue de l'Aubinière - BP 10249 - 44158 Ancenis Cedex  
France

Experience and management expertise

A graduate of the ESSCA French business college; Chair of Ets Marcel Braud  
from 1986 to 2000; Managing Director of SFERT from 1984 to 2009 and Chief  
Executive Officer of SFERT from 2009 to 2011.

**Other offices currently held (Manitou Group):**

- Chair of the Strategic Committee since 8 June 2017.
- Chair of the Development Committee since 8 June 2017.

**Offices expired during the last five years (Manitou Group):**

- Chair of the Audit Committee until 8 June 2017.
- Member of the Development Committee until 8 June 2017.
- Chair of the Audit Committee until June 2013.
- Member of the Development Committee until June 2013.

**Other offices held in companies associated with the group:**

- Manager of the civil-law partnership Ancemat since 2008.

**Other offices in companies related to the group that expired during the last five years:**

- None

**Other offices held in companies independent of the group:**

- Manager of Tamecna since 2011

**Other offices in companies independent of the group that expired during the last five years:**

- None

**GORDON HIMSWORTH**

MEMBER OF THE BOARD OF DIRECTORS  
DIRECTOR SINCE 1998. RE-ELECTED IN JUNE  
2017 FOR A TERM OF FOUR YEARS

Nationality: British

Born on: 4 September 1938

Business address: 430 Rue de l'Aubinière - BP 10249 - 44158 Ancenis Cedex France

Experience and management expertise

Former CEO of Braud SA, Director of Manitou Finance Ltd (UK), Graduate of the  
School of Management (UK)

**Other offices currently held (Manitou Group):**

- Member of the Strategic Committee since 8 June 2017.
- Member of the Audit Committee since 8 June 2017.
- Member of the Development Committee since 8 June 2017.
- Director of Manitou Finance Ltd since June 1999.

**Offices expired during the last five years (Manitou Group):**

- Alternate Member of the Development Committee until 8 June 2017
- Member of the Strategic Committee until 8 June 2017
- Member of the Strategic Committee from December 2009 to June 2013
- Alternate Member of the Development Committee from December 2009  
to June 2013

**Other offices in companies related to the group that expired during the last five years:**

- None

**Other offices in companies independent of the group:**

- Manager of Menskin SARL (France) since 8 October 2012
- Manager of the civil-law real-estate partnership (SCI) "6 rue Poupard Davyl",  
Ancenis (France), since 2000

**Other offices in companies independent of the group that expired during the last five years:**

- CEO of SAEMIA SA (France) from 1990 to 2014

**CHRISTOPHER HIMSWORTH**

MEMBER OF THE BOARD OF DIRECTORS  
DIRECTOR SINCE DECEMBER 2009. RE-ELECTED IN  
JUNE 2017 FOR A TERM OF FOUR YEARS

Nationality: French

Born on: 7 June 1971

Business address: Avenue de Floréal 156, B-1180 Uccle (Belgium)

**Other offices currently held (Manitou Group):**

- Member of the Compensation Committee since June 2017
- Member of the Strategic Committee since June 2017.
- Member of the Development Committee since June 2017.
- Alternate Member of the Audit Committee since June 2017.

**Offices expired during the last five years (Manitou Group):**

- Member of the Compensation Committee until June 2017.
- Alternate Member of the Strategic Committee until June 2017.
- Member of the Compensation Committee from December 2009 to June 2013
- Alternate Member of the Strategic Committee from December 2009 to June 2013

**Other offices in companies independent of the group:**

- Managing Director of Trinity Group SPRL since 13/10/2011
- Deputy Director of Choose and Work since 2016

**Other offices in companies independent of the group that expired during the last five years:**

- Manager of Menskin SARL (France) until October 2012

**SÉBASTIEN BRAUD**

MEMBER OF THE BOARD OF DIRECTORS  
DIRECTOR SINCE JUNE 2009. RE-ELECTED IN  
JUNE 2017 FOR A TERM OF FOUR YEARS

Nationality: French

Born on: 16 January 1969

Business address: 34 Avenue de Larrieu – Centre de Gros 2 – F-31094 Toulouse  
Cedex France

Experience and management expertise

President of Actiman Equipements et Services SASU (Manitou dealership),  
President of Actiman Location SAS since 2005 (now a leasing company  
specializing in handling materials and aerial work platforms), Product Manager  
at Manitou for 10 years.

**Other offices currently held (Manitou Group):**

- Member of the Strategic Committee since 8 June 2017.
- Member of the Development Committee since 8 June 2017.
- Member of the Compensation Committee since 8 June 2017.
- Alternate Member of the Audit Committee since 8 June 2017.

**Offices expired during the last five years (Manitou Group):**

- Member of the Compensation Committee until 8 June 2017.
- Alternate Member of the Strategic Committee until 8 June 2017
- Alternate Member of the Audit Committee until 8 June 2017.
- Alternate Member of the Development Committee until 8 June 2017
- Member of the Strategic Committee from December 2009 to June 2013
- Alternate Member of the Development Committee from December 2009  
to June 2013

**Other offices in companies independent of the group:**

- President of Actiman Location SAS since 2005.
- President of Actiman Equipment et Services SASU since December 2015.

**EMILIE BRAUD**

MEMBER OF THE BOARD OF DIRECTORS  
ELECTED IN JUNE 2017 FOR A TERM OF FOUR YEARS

Nationality: French

Born on: 20 February 1981

Business address: 430 Rue de l'Aubinière – BP 10249 – F-44158 Ancenis Cedex  
France

Experience and management expertise

A graduate from the ESSEC business school, specialisation Audit and  
Management Control, holder of a DECF (accounting and financial studies  
diploma) as well as an "Administrative Objective" certificate for the EM LYON  
business school women directors programme, Emilie Braud began her career  
in 2006 as management controller for Cartier in Paris, a subsidiary of the Swiss  
group Richemont, specialising in luxury jewellery and clock making. At the end of  
2007, Emilie Braud joined HRA Pharma, a pharmaceutical company specialising  
in the development and marketing of treatments in the fields of women's health  
and endocrinology, where she held the position of Senior Financial Controller.

**Other offices currently held (Manitou Group):**

- Member of the Audit Committee since 8 June 2017.
- Member of the Development Committee since 8 June 2017.

**Offices expired during the last five years (Manitou Group):**

- None

**Other offices in companies independent of the group:**

- None

**MARCEL-CLAUDE BRAUD**

MEMBER OF THE BOARD OF DIRECTORS  
SINCE 28 JUNE 2023. RE-ELECTED IN JUNE 2017 FOR A TERM OF FOUR YEARS

Nationality: French

Born on: 06 April 1952

Business address: 430 Rue de l'Aubinière – BP 10249 – F-44158 Ancenis Cedex  
France

Experience and management expertise

A graduate from ESLSA Paris Business School (1975), he undertook  
management training in Atlanta and Chicago (International Harvester), USA,  
from 1977 to 1978. Administrative and Financial Director for SM Termit France,  
a subsidiary of Manitou BF, from 1979 to 1981, CFO of KD Manitou (a subsidiary  
of Manitou BF, Texas, USA) from 1981 to 1985, Product Marketing Director  
(Manitou Group) from 1986 to 1997 and Deputy CEO of Manitou BF from 1986 to  
1998, Chairman of the Supervisory Board of Manitou BF from 1998 to June 2009  
(offices held in subsidiaries and companies associated with the group), Director  
of Ligerien Yachting from 2009 to 2015, the Director of Manitou BF since 2013.

**Other offices currently held (Manitou Group):**

- Member of the Strategic Committee since 8 June 2017.
- Member of the Development Committee since 8 June 2017.
- Member of the Compensation Committee since 8 June 2017.

**Other offices held in companies associated with the group:**

- Co-Manager of HB-Holding Braud (France) since 1997.

**Other offices in companies related to the group that expired during the last five years:**

- Member of the Strategic Committee until 8 June 2017

**Other offices in companies independent of the group:**

- None

**Other offices in companies independent of the group that expired during the last five years:**

- Director of Ligerien Yachting (France) until 2015.

**AGNÈS MICHEL-SÉGALEN**

MEMBER OF THE BOARD OF DIRECTORS AS AN INDEPENDENT  
DIRECTOR SINCE APRIL 2013, ELECTED IN JUNE 2013  
FOR A TERM OF FOUR YEARS UNTIL JUNE 2017

Nationality: French

Born on: 26 March 1964

Business address: 58 Bd de la République – F-92210 St Cloud

Experience and management expertise

A graduate of the Paris Institute of Political Studies university, economic  
and financial section. Worked in audit and financial control roles at Arthur  
Andersen and the Lagardère group from 1987 until 2001. Chief Financial  
Officer at Astrium, later the Space Systems division of Airbus, from 2001 to  
2004. Responsible for acquisitions at the Airbus group and later Mergers &  
Acquisitions Director for the Sodexo group from 2005 to 2010. Qualified as

a notary in 2013.

**Other offices currently held (Manitou Group):**

- Member of the Audit Committee until 8 June 2017.

**Offices expired during the last five years (Manitou Group):**

- Member of the Audit Committee from April to June 2013.

**Other offices in companies independent of the group:**

- None

**DOMINIQUE BAMAS**

MEMBER OF THE BOARD OF DIRECTORS AS AN INDEPENDENT DIRECTOR SINCE 23 APRIL 2014. RE-ELECTED IN JUNE 2017 FOR A TERM OF TWO YEARS

Nationality: French Born on: 15 September 1959

Business address: 25 Rue Michel Ange - F-75016 Paris

Experience and management expertise

A graduate of Audencia Nantes business management college and a chartered accountant. After starting his career with the PriceWaterhouse representative in France, he became a partner in the certified accounting and auditing firm Secovec Blin et Associés. He then joined the Roullier group as CFO and Executive Committee member, Chief Executive Officer of a subsidiary in Spain, President of the agrochemicals division and then Chief Executive Officer of the Axereal group until 2011. Since then, he has managed a firm specializing in accounting, auditing, consulting and corporate mediation.

**Other offices currently held (Manitou Group):**

- Chairman of the Compensation Committee since June 2017
- Member of the Strategic Committee since June 2017.

**Offices expired during the last five years (Manitou Group):**

- Member of the Strategic Committee until 8 June 2017
- Chairman of the Compensation Committee until 8 June 2017.
- CEO of Manitou BF from 6 March 2013 to 13 January 2014
- Director of Manitou Finance Ltd from March 2013 to January 2014
- President of Manitou Americas from March 2013 until January 2014
- Member of the Board of Directors as an independent director of the Manitou group from December 2009 until 6 March 2013
- Member of the Audit Committee from September 2011 until 6 March 2013

**Other offices in companies independent of the group:**

- Member of the Avril Pole Végétal Group Liaison Committee since 28 May 2014
- Member of the Avril Pole Végétal Group Board of Directors since 28 May 2014
- President of Upsides Dirigeant Conseil (SAS) since Novembre 2011

**Other offices in companies independent of the group that expired during the last five years:**

- None

**PIERRE-HENRI RICAUD**

MEMBER OF THE BOARD OF DIRECTORS AS AN INDEPENDENT DIRECTOR SINCE DECEMBER 2009. RE-ELECTED IN JUNE 2017 FOR A TERM OF TWO YEARS

Nationality: French

Born on: 25 March 1955

Business address: 5 Place des Ternes - F-75016 Paris

Experience and management expertise

Director the Matra Defense programme (1988-1992), Strategy Director for Lagardère Group (1992-1996), Strategy Director for MBDA (1996-1999), Corporate Secretary for EADS (2000-2003), Mergers and Acquisitions Director for EADS (2003-2006), Founder, Manager then President of the consultancy firm Pragma (since 2007).

**Other offices currently held (Manitou Group):**

- Chairman of the Audit Committee since 8 June 2017.
- Alternate Member of the Compensation Committee since 8 June 2017.

**Offices expired during the last five years (Manitou Group):**

- Member of the Audit Committee until 8 June 2017.
- Alternate Member of the Compensation Committee until 8 June 2017.
- Member of the Audit Committee from December 2009 to June 2013
- Alternate Member of the Compensation Committee from December 2009 to June 2013

**Other offices in companies independent of the group:**

- President of the simplified limited-liability financial and strategic consulting firm Pragma since February 2013

**Other offices in companies independent of the group that expired during the last five years:**

- Member of the Supervisory Board of Recaero SA from 29 June 2015 to 15 December 2017
- Director of Recaero SA from May 2011 to 2013, and non-voting member of the Board of Directors from 2013 until 29 November 2014
- Manager of Fortum France SNC from June 2011 to December 2013

**CÉCILE HELME-GUIZON**

MEMBER OF THE BOARD OF DIRECTORS AS AN INDEPENDENT DIRECTOR. ELECTED IN JUNE 2017 FOR A TERM OF FOUR YEARS

Nationality: French

Born on: 12 June 1965

Business address: Institut Français des administrateurs - 11 bis Rue Portalis, F-75008 Paris

**Experience and management expertise**

A graduate of EM Lyon, a chartered accountant and a director certified in France and the UK, Cécile Helme-Guizon began her career in 1987 with PwC first in auditing and then in corporate finance. She subsequently joined Kingfisher plc as Mergers and Acquisitions Director.

She took a position with Darty in 2001 as International Development Director, then General Director for Subscriptions and Services Activities and subsequently Strategy Director, a post she held from 2011 to 2017. From 2014 to 2016, she also undertake the executive management of Mistergooddeal.

Cécile Helme-Guizon is currently Chief Executive of the French Institute of Administrators and also Director of Sequana and its subsidiary Antalis International.

**Other offices currently held (Manitou Group):**

- Member of the Audit Committee since 8 June 2017.

**Offices expired during the last five years (Manitou Group):**

- None

**Other offices in companies independent of the group:**

- Chief Executive of the French Institute of Administrators since 2 January 2018
- Director, member of the Accounts Committee, member of the Appointments and Compensation Committee of Antalis International since 6 June 2017
- Director, member of the Strategic Committee of Sequana since 12 May 2016

**Other offices in companies independent of the group that expired during the last five years:**

- Strategy Director for the Fnac Darty Group until 22 May 2017
- Director of KESA France until 25 July 2017
- CEO of Ménafinance SA until 25 July 2017
- Director of Menafinance SA until 25 July 2017
- General Manager for Mistergooddeal until 30 April 2016
- Director of Mistergooddeal until 2 October 2015
- CEO of Mistergooddeal until 2 October 2015

**CAROLE LAJOUS**

MEMBER OF THE BOARD OF DIRECTORS AS AN INDEPENDENT DIRECTOR. ELECTED IN JUNE 2017 FOR A TERM OF FOUR YEARS

Nationality: French

Born on: 30 December 1964

Business address: Fipec, 42 Avenue Marceau, F-75008 Paris

**Experience and management expertise**

After 17 years in financial management with the global leader of the paper industry, Carole Lajous took over as Chairman of Polyrey, one of its subsidiaries, to restructure it and manage its sale to the US conglomerate Illinois Tool Work.

She then joined the world of chemistry as Vice-President Chief Administration Officer and Global HR Director for the global nutrition and health division of Cognis (a leading manufacturer of active chemical ingredients for detergents, cosmetics and nutrition).

Carole Lajous then managed Cognis France at the time of its merger into the BASF Group. She then took executive management of the BASF Coatings France division, another BASF Group division with sales of €300 million, 70% of which was generated internationally.

From September 2016 to December 2017, Carole Lajous managed the supplies, services and solutions business line for the Quadran - Energies Libres group, and conducted a major acquisition in this rapidly growing sector.

She then joined the Paint, Ink and Adhesives Industry Federation in January 2018 as Chief Executive.

A director certified under the programme organised jointly by the French Institute of Directors and the Paris Institute of Political Studies in 2013, holder of an MBA from the HEC international business school, she also has also held the office of independent director in the Roquette family group (a major player in the processing of raw vegetable materials for industry and agrifood) since December 2014.

She is also a unpaid director of a humanitarian association involved in the protection of children.

**Other offices currently held (Manitou Group):**

- Member of the Compensation Committee since 8 June 2017.
- Alternate Member of the Strategic Committee since 8 June 2017.

**Other offices in companies independent of the group:**

- Executive Director of Fipec since 1 January 2018
- Independent Director of Roquette Group since 31 May 2015
- Member of the Roquette Group Audit Committee since 31 May 2015
- Member of the Roquette Group Ethics and Sustainable Development Committee since 21 May 2015
- Independent Director, Planète Enfant et Développement, Association 1901, since June 2014

**Offices expired during the last five years (Manitou Group):**

- None

**Other offices in companies independent of the group that expired during the last five years:**

- Executive Management, BASF France, Paints division until September 2016
- Executive Management, Energies Libres, until December 2017



Over the past five years, none of the members of the Board of Directors or Executive Management have been:

- convicted of fraud;
- associated, in the capacity of executive or director, in a bankruptcy, receivership or liquidation;
- disqualified as a director;
- the subject of criminal charges or official public sanctions determined by statutory or regulatory authorities.

#### **Conflicts of interest in the governing bodies and the executive management**

To the best knowledge of the company, on the day on which this document is drawn up and with the exception of the information given below, no conflicts of interest have been identified between the duties of any members of the Board of Directors, or of the company's executive management in their capacity as corporate officers, and their private interests or other duties.

With the exception of the Shareholder Agreement referred to in paragraph 5.4.4.1, there is:

- no other arrangement or agreement concluded with the principal shareholders, clients or suppliers under which any member of the Board of Directors or executive management has been selected in this capacity;
- no restriction accepted by the members of the Board of Directors or executive management in relation to the disposal of their holdings in the company's capital.

It is specified that:

- Jacqueline Himsworth and Marcel Braud are sister and brother;
- Gordon Himsworth is the spouse of Jacqueline Himsworth;
- Marcel-Claude Braud, Sébastien Braud and Emilie Braud are the children of Marcel Braud; and,

- Christopher Himsworth is the son of Jacqueline and Gordon Himsworth.

It should also be noted that Sébastien Braud is the President of Actimen SAS, a Manitou dealership.

All related-party agreements are the subject of a special report by the Statutory Auditors given in section 8.4.2 of this document. Some of the non-independent Board members have performed executive or senior management functions within Manitou and other structures.

#### **Expiry date for terms of office**

The terms of office of the following members of the Board of Directors will expire at the end of the Annual General Meeting of shareholders to be held in 2021 to approve the financial statements for the period ending 31 December 2020: Jacqueline Himsworth, Gordon Himsworth, Marcel-Claude Braud, Sébastien Braud, Christopher Himsworth, Emilie Braud, Carole Lajous and Cécile Helme-Guizon.

The terms of office of the following members of the Board of Directors will expire at the end of the Annual General Meeting of shareholders to be held in 2019 to approve the accounts for the financial year ending on 31 December 2018: Pierre-Henri Ricaud and Dominique Bamas.

#### **Service contracts and grant of special advantages**

On the date on which this document is drawn up and to the knowledge of the company, there are no service contracts linking members of the governing, management or supervisory bodies to the issuer or to any of its subsidiaries and granting any special advantages under the terms thereof.

#### **Board Secretary**

Hervé Rochet, Corporate Secretary, acts as Secretary to the Board.

### **5.1.3. INDEPENDENCE OF BOARD MEMBERS**

The group adheres to the MiddleNext Code of Corporate Governance. The independence of Board members is assessed in accordance with the criteria laid down in this governance code. On the date of publication, four members of the Board meet the criteria for independence.

These were assessed on the basis of article R8 of the MiddleNext Code and are mainly characterised by the absence of a material financial, contractual or family relationship likely to compromise the independence of their judgement.

### **5.1.4. ASSESSMENT OF THE BOARD OF DIRECTORS AND SPECIALIST COMMITTEES**

The Board performed an internal assessment of its operation at the beginning of 2018. Each Board Member presented his or her assessment using a questionnaire based on the MiddleNext Code of Governance.

The assessment focused on the operation of the Board and of its committees in terms of their preparation, conduct and follow-up.

These contributions were analysed and summarized by an independent Board member, identifying strengths and weaknesses, as well as areas for improvement.

## 5.1.5. EXECUTIVE MANAGEMENT

The company's executive management is undertaken by the Chief Executive Officer (CEO), a position established under the company's articles of association and the powers of which are set out in the internal regulation of the Board of Directors.

The internal regulation of the Board of Directors states that the CEO is responsible for implementation of the group strategy, the medium-term objectives of which are set out in the strategic plan approved by the Board of Directors. The CEO proposes an annual budget for the next year, established on the basis of the strategic plan.

In addition, the internal regulation lists a certain number of operations for which the CEO must obtain prior authorisation from the Board of Directors.

The CEO may not combine an employment contract with a corporate office and all the components forming part of the CEO's fixed and variable compensation, including severance payments, pension scheme and allocation of stock options, are set out in chapter 5.4. All these components are in line with good governance principles in accordance with Recommendations R13 to R19 of the MiddleNext Code.

### **MICHEL DENIS**

CHIEF EXECUTIVE OFFICER OF THE MANITOU GROUP SINCE 13 JANUARY 2014

Nationality: French

Business address: 430 Rue de l'Aubinière - BP 10249 - 44158 Ancenis Cedex France

Experience and management expertise

A graduate from the ESSEC business school and the Ecole Centrale research university in Lyons, he began his career in strategic consulting. He joined Dalkia in 1994 to develop cogeneration. He subsequently managed the French business activities of MC International, which later became Johnson Controls, a specialist in industrial and commercial refrigeration. In 2003, he joined the Fraikin Group, the European leader in truck rentals, serving as Chief Executive Officer until August 2013. In those 10 years, he supported the strong international development of the Fraikin Group, which established its approach to industrial vehicle design, associated services and the European financing of its fleet of 60,000 vehicles as a model.

#### **Other offices currently held (Manitou Group):**

- Director of Manitou Americas (USA)
- Director of Manitou Finance Ltd (UK)
- Chairman of the Board of Directors of Manitou Italia (Italy)
- President of Cobra MS (France)
- Deputy Chairman of HMME (China)
- Director of Manitou Brasil (Brazil)
- Manitou BF representative, President of LMH Solutions (France)
- Manitou BF representative, President of Manitou Global Services (France)
- Sole Director of Manitou Manutencion Espana (Spain)
- President of Manitou Portugal (Portugal)
- Director of Manitou Equipment India Private Ltd (India)

#### **Offices expired during the last five years (Manitou Group):**

- None

#### **Other offices in companies independent of the group:**

- Director of Audencia since 29 December 2017
- Director of MEDEF 44 since 28 April 2016
- Member of the Board of Directors of CISMA since June 2015
- Member of the Board of Directors of GICAT since June 2015
- Manager of GLGM Conseil EURL since 2013
- Manager of Gamaqule SARL since 2006

#### **Other offices in companies independent of the group that expired during the last five years:**

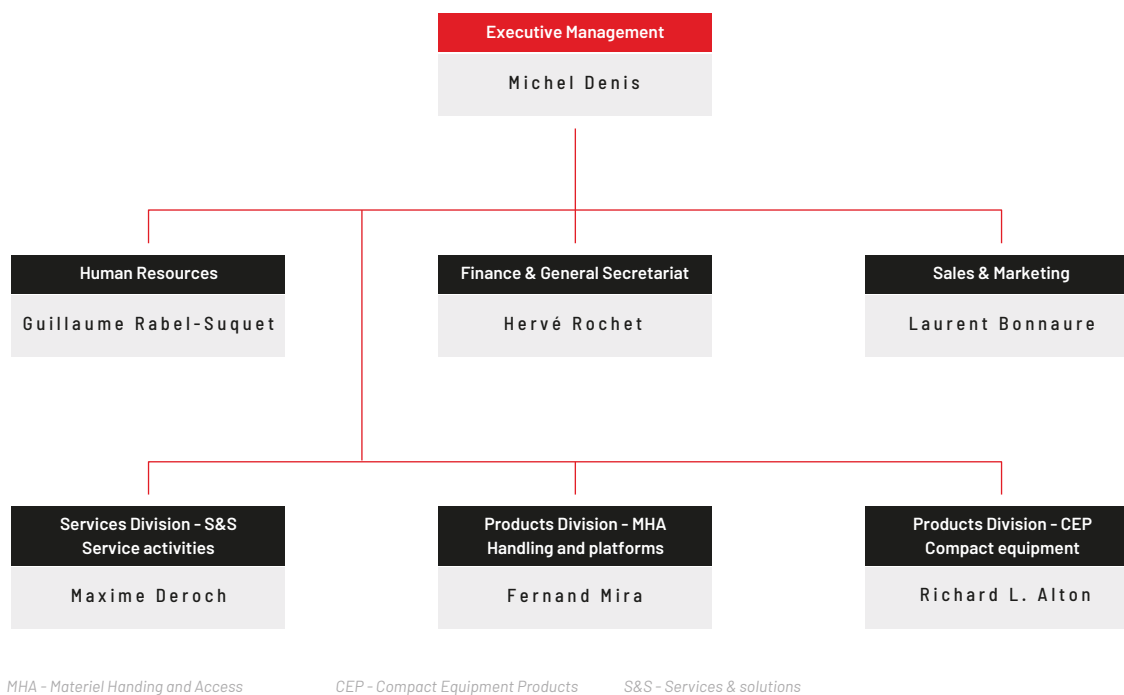
- Member of the Executive Board - CEO of FTI until the end of April 2013
- Chairman of the Board of Directors and Director of Fraikin France until the end of June 2013
- Member of the Board of Directors of Fraikin Ltd until the end of June 2013
- Member of the Board of Directors of Fraikin Alquiler de Vehiculos SA until June 2013
- Chairman and member of the Board of Directors of Fraikin Supply until the end of June 2013
- President of Frinvest until the end of June 2013

## 5.2. EXECUTIVE BODIES

### COMPOSITION OF THE THE GROUP'S EXECUTIVE COMMITTEE (7 MEMBERS)

It is made up of seven members: the CEO, the Executive Vice President Human Resources, the Corporate Secretary, the Executive Vice President Sales & Marketing, the President of the Services & Solutions division, the President of the Material Handling & Access division and the President of the Compact Equipment Products division. The Executive Committee generally meets once a week and several times a year for seminars.

### GROUP ORGANISATION CHART AT 6 MARCH 2018



### CHANGES TO THE EXECUTIVE COMMITTEE

Richard L. Alton was appointed, from 17 April 2017, President of the Compact Equipment Products (CEP) division and member of the Executive Committee, to replace Daniel L. Miller, who retired at the end of April.

## 5.3. COMPENSATION PAID TO THE BOARD OF DIRECTORS AND EXECUTIVE BODIES

### 5.3.1. COMPENSATION OF EXECUTIVE OFFICERS

#### INFORMATION ON THE COMPENSATION OF CORPORATE OFFICERS

In accordance with the provisions of article L225-37-3 of the French Commercial Code, the total compensation and fringe benefits paid to each corporate officer in the financial year is detailed below. In accordance with the MiddleNext Code, the level of executive compensation is based on the following seven principles: comprehensiveness, balance, benchmark, consistency, clarity, measure and transparency.

TABLE 1: SUMMARY OF COMPENSATION, STOCK OPTIONS AND SHARES GRANTED TO EACH EXECUTIVE CORPORATE OFFICER

In euros		
Marcel Braud Chairman of the Board of Directors (from 1 January to 8 June 2017)	2016	2017
Compensation due for the period (see details in table 2)	176 664	95 832
Value of options granted during the period (see details in table 4)		
Value of performance shares granted during the period (see details in table 6)		
<b>TOTAL</b>	<b>176 664</b>	<b>95 832</b>

In euros		
Jacqueline Himsworth, Chair of the Board of Directors (from 8 June 2017)	2016	2017
Compensation due for the period (see details in table 2)	105 000	163 438
Value of options granted during the period (see details in table 4)		
Value of performance shares granted during the period (see details in table 6)		
<b>TOTAL</b>	<b>105 000</b>	<b>163 438</b>

In euros		
Michel Denis, Chief Executive Officer	2016	2017
Compensation due for the period (see details in table 2)	794 630	846 925
Value of options granted during the period (see details in table 4)		
Value of performance shares granted during the period (see details in table 6)		
<b>TOTAL</b>	<b>794 630</b>	<b>846 925</b>

TABLE 2: SUMMARY OF COMPENSATION PAID TO EACH EXECUTIVE CORPORATE OFFICER

In euros					
Marcel Braud Chairman of the Board of Directors (from 1 January to 8 June 2017)		2016		2017	
	Amounts due	Amounts paid	Amounts due	Amounts paid	
- Compensation as Chairman of the Board of Directors (in accordance with article L 225-47)	143 664	143 664	71 832	71 832	
- Attendance allowances	33 000	30 000	24 000	39 000	
- Benefits in kind					
<b>TOTAL</b>	<b>176 664</b>	<b>173 664</b>	<b>95 832</b>	<b>110 832</b>	

In euros					
Jacqueline Himsworth Chair of the Board of Directors (from 8 June 2017)		2016		2017	
	Amounts due	Amounts paid	Amounts due	Amounts paid	
- Compensation as Chair of the Board of Directors (in accordance with article L 225-47)			87 500	87 500	
- Attendance allowances		105 000	75 938	57 938	
- Benefits in kind					
<b>TOTAL</b>		<b>105 000</b>	<b>163 438</b>	<b>145 438</b>	

	In euros		2016		2017	
	Michel Denis					
	CEO	Amounts due	Amounts paid	Amounts due	Amounts paid	
- Term of office (fixed compensation)		350 400	350 400	350 400	350 400	
- Attendance allowances						
- Variable compensation		413 472	352 760	445 280	412 800	
- Benefits in kind		30 758	30 758	51 245	47 745	
<b>TOTAL</b>		<b>794 630</b>	<b>733 918</b>	<b>846 925</b>	<b>810 945</b>	

### 5.3.2. COMPENSATION OF EXECUTIVES AND CORPORATE OFFICERS

TABLE 3: ATTENDANCE ALLOWANCES AND OTHER COMPENSATION RECEIVED BY BOARD MEMBERS

Board Members		Paid in 2015 for 2014	Paid in 2016 for 2016	Paid in 2017 for 2016	Paid in 2017 for 2017
Marcel Braud	Attendance allowances - Manitou BF	12 000	18 000	15 000	24 000
	Compensation - Manitou BF		143 664		71 832
	Other compensation				
Jacqueline Himsworth	Attendance allowances - Manitou BF		105 000		57 938
	Compensation - Manitou BF				87 500
	Other compensation				
Gordon Himsworth	Attendance allowances - Manitou BF	15 600	23 400	15 600	30 000
	Other compensation				
Sébastien Braud	Attendance allowances - Manitou BF	15 600	23 400	15 600	30 000
	Other compensation				
Dominique Bamas	Attendance allowances - Manitou BF	19 200	28 800	19 200	30 000
	Other compensation				
Christopher Himsworth	Attendance allowances - Manitou BF	15 600	23 400	15 600	30 000
	Other compensation				
Pierre-Henri Ricaud	Attendance allowances - Manitou BF	18 600	32 400	21 600	30 000
	Other compensation				
Marcel-Claude Braud	Attendance allowances - Manitou BF	15 600	23 400	15 600	30 000
	Other compensation				
Agnès Michel-Segalen	Attendance allowances - Manitou BF	18 600	32 400	21 600	33 000
	Other compensation				
Emilie Braud	Attendance allowances - Manitou BF				12 000
	Other compensation				
Carole Lajous	Attendance allowances - Manitou BF				12 000
	Other compensation				
Cécile Helme-Guizon	Attendance allowances - Manitou BF				12 000
	Other compensation				
<b>TOTAL</b>		<b>130 800</b>	<b>453 864</b>	<b>139 800</b>	<b>490 270</b>
<b>TOTAL - MANITOU BF ONLY</b>		<b>130 800</b>	<b>453 864</b>	<b>139 800</b>	<b>490 270</b>
<b>OF WHICH ATTENDANCE ALLOWANCES</b>		<b>130 800</b>	<b>310 200</b>	<b>139 800</b>	<b>330 938</b>
<b>OF WHICH COMPENSATION</b>			<b>143 664</b>		<b>159 332</b>

TABLE 4: STOCK WARRANTS OR PURCHASE OPTIONS GRANTED TO EACH EXECUTIVE CORPORATE OFFICER BY THE ISSUER AND BY ANY OTHER GROUP COMPANY

Options granted to each executive corporate officer by the issuer and any other group company	No. and date of plan	Type of options	Value of options using the method applied for the consolidated financial statements (IFRS2)	Number of options granted	Exercise price	Exercise period
None						

TABLE 5: STOCK WARRANTS OR PURCHASE OPTIONS EXERCISED IN THE FINANCIAL PERIOD BY EACH EXECUTIVE CORPORATE OFFICER

Options exercised by executive corporate officers	No. and date of plan	Number of options exercised during the financial period	Exercise price
None			

TABLE 6: PERFORMANCE SHARES GRANTED TO EACH CORPORATE OFFICER

Performance shares granted during the financial period to each executive corporate officer by the issuer and any other group company	No. and date of plan	Number of shares granted during the financial period	Value of shares using the method applied for the consolidated financial statements	Purchase date	Availability date
None					

TABLE 7: PERFORMANCE SHARES THAT BECAME AVAILABLE FOR EACH CORPORATE OFFICER

Performance shares that became available for each executive corporate officer	No. and date of plan	Number of shares that became available during the financial period	Purchase conditions
None			

## OTHER REGULATED INFORMATION

Executive Corporate Officers	Employment contract		Supplementary pension plan		Indemnities or benefits due, or potentially due, as a result of termination or change of functions		Indemnity related to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Marcel Braud Chairman of the Board of Directors Term start date: 28.06.2013 Term end date: 2017		X		X		X		X
Jacqueline Himsworth Chairman of the Board of Directors Term start date: 8.06.2017 Term end date: 2021		X		X		X		X
Michel Denis CEO Term start date: 13.01.2014 Term end date: 4 years, i.e. up to the AGM convened for approval of the financial statements at 31 December 2017		X		X	X		X	

The CEO is granted with an insurance policy covering involuntary loss of employment for a period of 24 months.

### 5.3.3. COMPENSATION POLICY (SUBJECT TO AN EX-ANTE VOTE BY THE SHAREHOLDERS' MEETING)

In accordance with article L225-37-2 of the Code of Commerce, the principles and criteria for determining, distributing and granting the elements of total compensation and benefits of any kind granted to the Chief Executive Officer and the Chairman of the Board of Directors shall be submitted for approval by the General Meeting of the company's shareholders

With regard to determination of the total compensation of executive corporate officers, the Board of Directors, on proposal by the Compensation Committee, took into account the following principles, in accordance with Recommendation R13 of the MiddleNext Code of Corporate Governance of September 2016:

- **Comprehensiveness:** the determination of corporate officers' compensation must be comprehensive: fixed component, variable component (bonus), stock options, bonus shares, attendance allowances, pension terms and specific benefits must be taken into account in assessing overall compensation.
- **Balanced between the various components of the compensation:** each component of the compensation must be justified and correspond to the general interest of the company.
- **Benchmarked:** compensation must be assessed, to the extent possible, in relation to a reference profession and market, and must be in proportion to the situation of the company, while taking into account any inflationary effects.
- **Consistent:** the manager's compensation must be set in a manner that is consistent with that of the company's other managers and employees.
- **Clear rules:** the rules must be simple and transparent; the performance criteria used for the variable elements of compensation or for allocating any options or bonus shares must be linked to the performance of the company, correspond to its objectives, be demanding, explainable and, to the extent possible, sustainable. They must be set out in detail, without, however, undermining confidentiality, which may be justified as regards certain elements.
- **Measured:** the compensation and allocation of options or bonus shares should find the right balance and take account of the general interest of the company, market practices and manager performance.
- **Transparent:** annual information disclosure to shareholders on the compensation of the managers must be made in accordance with the applicable regulations.

#### PRINCIPLES AND CRITERIA FOR DETERMINING, DISTRIBUTING AND GRANTING THE ELEMENTS OF TOTAL COMPENSATION AND BENEFITS OF ANY KIND GRANTED TO THE CHIEF EXECUTIVE OFFICER

##### PRINCIPLES AND CRITERIA FOR DETERMINING, DISTRIBUTING AND GRANTING THE ELEMENTS OF TOTAL COMPENSATION AND BENEFITS OF ANY KIND GRANTED TO THE CHAIRMAN OF THE BOARD

The principles and criteria set by the Board of Directors, on recommendation of the Compensation Committee, are the following:

##### FIXED COMPENSATION

The CEO receives for his duties a fixed compensation that is determined on recommendation of the Compensation Committee and takes particular account of market practices. It was set by the Board of Directors at its meeting on 5 December 2017 and the Board reserves the option of reviewing the amount, subject to the opinion of the Compensation Committee.

##### VARIABLE ANNUAL COMPENSATION

The CEO may receive a variable annual compensation for his duties consisting of the following components:

- A performance-related bonus, for which the criteria for determination are based on factors linked to the financial performance objectives (recurring operating income). The details and level of performance expected for the quantitative criteria are predetermined and defined precisely by the Board of Directors on proposal by the Compensation Committee but are not made public for reasons of confidentiality. The maximum amount of the financial bonus that may be paid to the CEO corresponds to 30% of the fixed component of the compensation paid to the CEO for the financial period concerned.
- A multiple-criteria bonus, for which the criteria for determination are based on factors linked to the financial and commercial performance of the group. The qualitative criteria are predetermined and defined precisely by the Board of Directors on proposal by the Compensation Committee but are not made public for reasons of confidentiality. The maximum amount of the multiple-criteria bonus that may be paid to the CEO corresponds is set by the Board of Directors.

##### OTHER BENEFITS OF ANY KIND

- The CEO is paid the cost of transport between Angers/Nantes and his home address.
- The company has taken out an unemployment policy with the Association for Social Insurance for Company Managers and Executives in favour of the CEO.
- Retirement: the CEO is covered by the same pension and healthcare schemes as the company's executives.
- Car: the company covers the costs of a vehicle for the CEO.

##### EXCEPTIONAL COMPENSATION

The Board of Directors reserves the option, on proposal by the Compensation Committee, to grant the CEO exceptional compensation under very specific circumstances. The payment of this type of compensation must be justified by an event such as, for example, the realisation of a major transaction for the company.

##### THE ALLOCATION OF STOCK OPTIONS, BONUS SHARES OR FINANCIAL INSTRUMENTS

The establishment of this arrangement is in accordance with the market recommendations linked to this type of instrument and in accordance with redetermined performance criteria.

The Board of Directors, on proposal by the Compensation Committee, has put in place for the benefit of the CEO a Phantom Shares plan (a mechanism for the allocation of the value of shares based on the annual performance of the net result per share) under which the CEO may be paid an annual premium, the amount of which is determined in accordance with the conditions for allocation established by the Board of Directors. The number of Phantom Shares allocated to the CEO is determined on the basis of a criterion relating to the profit per share and paid in two tranches granted the predetermined objectives set by the Board of Directors are reached.

The payment of the variable components of the compensation and any exceptional compensation awarded for the 2018 financial year are subject to approval by the Annual General Meeting of the components of the CEO's compensation paid or awarded for that financial year under the conditions laid down in article L225-100 (ex-post vote).

##### COMMITMENTS TO THE CEO BASED ON ARTICLE L.225-42-1 OF THE CODE OF COMMERCE

##### SEVERANCE PAYMENTS

A severance payment may be paid to the CEO if his office is terminated before its due term or if it is not renewed, except where this termination or non-renewal are a result of serious misconduct.

The amount of the severance payment corresponds to 150% of the fixed annual compensation and variable compensation that is actually due for the previous financial year during which the termination or non-renewal took place, if the office is terminated between 14 June 2018 and 31 December 2019. It is 200% if the office is terminated between 1 January 2020 and the end of the term of office, granted that the financial criterion triggering the payment of this indemnity is met. This criterion is met if the CEO has been paid, for all the financial years from 2014 until the year preceding the financial year in which the term of office expires, an arithmetical average of at least 35% of the maximum potential amounts of his variable compensation.

## NON-COMPETITION COVENANT

The CEO is required to abide by a non-compete obligation for a period of twelve months following the end of his term of office. In return for this, the CEO receive a monthly indemnity for a period of one year from the actual date of termination of his office. This indemnity is equal to half of the fixed monthly compensation paid in the last month preceding the termination of his office.

The company reserves the option of waiving the non-compete obligation in writing before the CEO's office terminates or within fifteen days of his departure. This will relieve the company from payment of the above indemnity.

## PRINCIPLES AND CRITERIA FOR DETERMINING, DISTRIBUTING AND GRANTING THE ELEMENTS OF TOTAL COMPENSATION AND BENEFITS OF ANY KIND GRANTED TO THE CHAIRMAN OF THE BOARD

The following principles and criteria have been set by the Board of Directors:

- Attendance allowances
- Fixed annual compensation
- Company vehicle

The Chairman receives for his or her duties a fixed compensation and attendance allowance based on criteria that take particular account of his attendance at various committees.

There are no plans for the Chairman of the Board of Directors to receive variable annual compensation, deferred variable compensation, pluri-annual variable compensation or exceptional compensation.

## 5.3.4. PAYMENT OF THE COMPENSATION COMPONENTS SUBMITTED FOR APPROVAL BY THE ANNUAL GENERAL MEETING (EX-POST VOTE)

### COMPONENTS OF THE COMPENSATION AND BENEFITS OF ANY KIND PAID OR ALLOCATED TO THE CEO FOR THE 2017 FINANCIAL YEAR

The fixed, variable or exceptional components of the total compensation and benefits of any kind paid or allocated to M. Michel Denis for the 2017 financial year for his office as CEO will be submitted for approval by the Annual General Meeting convened to approved the financial statements for the year ended 31 December 2017.

The 2017 compensation policy was set out in the "Say on pay" report approved by the Annual General Meeting on 8 June 2017. This report is available on the group's website.

#### TABLE RELATING TO MR MICHEL DENIS

Compensation components paid or allocated for the financial year just ended	Amounts or accounting value submitted for approval	Presentation
Fixed compensation	€350 400	Amount paid
Variable annual compensation	€157 680	Bonus fixed on the basis of the financial and qualitative criteria being met by 90%
	€87 600	Outperformance bonus met in full
	€200 000	Long-term incentive bonus met in full
Variable pluri-annual compensation in cash	None	None
Award of stock options	None	None
Award of bonus shares	None	None
Exceptional compensation	None	None
Attendance allowances	None	None
Compensation, indemnities or benefits for taking up office	None	None
Components of compensation relating to the termination or change of office, pension commitments and non-compete covenants	None	None
Components of compensation and benefits of any kind relating to agreements concluded, in relation to the office, with the company, any company it controls, any company it is controlled by or any company under the same control.	None	None
Any other elements of compensation awarded in relation to the office	None	None
Benefits of any kind	€51 245	Unemployment insurance and housing allowance Car
	(accounting value)	



## COMPONENTS OF COMPENSATION AND BENEFITS OF ANY KIND PAID OR ALLOCATED TO THE CHAIRMAN FOR THE 2017 FINANCIAL YEAR

The fixed, variable or exceptional components of the total compensation and benefits of any kind paid or allocated to M. Marcel Braud for the 2017 financial year for his office as Chairman will be submitted for approval by the Annual General Meeting convened to approved the financial statements for the year ended 31 December 2017.

TABLE RELATING TO MR MARCEL BRAUD FROM 1 JANUARY 2017 TO 8 JUNE 2017

Compensation components paid or allocated for the financial year just ended	Amounts or accounting value submitted for approval	Presentation
Fixed compensation	€71 832	
Variable annual compensation	None	None
Variable pluri-annual compensation in cash	None	None
Award of stock options	None	None
Award of bonus shares	None	None
Exceptional compensation	None	None
Attendance allowances	€24 000	None
Compensation, indemnities or benefits for taking up office	None	None
Components of compensation relating to the termination or change of office, pension commitments and non-compete covenants	None	None
Components of compensation and benefits of any kind relating to agreements concluded, in relation to the office, with the company, any company it controls, any company it is controlled by or any company under the same control.	None	None
Any other elements of compensation awarded in relation to the office	None	None
Benefits of any kind	None	None

The fixed, variable or exceptional components of the total compensation and benefits of any kind paid or allocated to MMe Jacqueline Himsworth for the 2017 financial year for her office as Chair will be submitted for approval by the Annual General Meeting convened to approved the financial statements for the year ended 31 December 2017.

TABLE RELATING TO MS JACQUELINE HIMSWORTH FROM 8 JUNE TO 31 DECEMBER 2017

Compensation components paid or allocated for the financial year just ended	Amounts or accounting value submitted for approval	Presentation
Fixed compensation	€87 500	
Variable annual compensation	None	None
Variable pluri-annual compensation in cash	None	None
Award of stock options	None	None
Award of bonus shares	None	None
Exceptional compensation	None	None
Attendance allowances	€75 938	None
Compensation, indemnities or benefits for taking up office	None	None
Components of compensation relating to the termination or change of office, pension commitments and non-compete covenants	None	None
Components of compensation and benefits of any kind relating to agreements concluded, in relation to the office, with the company, any company it controls, any company it is controlled by or any company under the same control.	None	None
Any other elements of compensation awarded in relation to the office	None	None
Benefits of any kind	None	None

## 5.4. INFORMATION CONCERNING THE CAPITAL

### 5.4.1. SHARE CAPITAL

At 31 December 2017, the share capital amounted to 39 621 598 euros, equating to 39 621 598 shares with a par value of 1 euro per share, all of which were fully paid-up and of the same class.

In the absence of double voting rights, this number of shares corresponds to the theoretical voting rights. The difference between the number of theoretical and real voting rights corresponds to the number of treasury shares.

### 5.4.2. CHANGES IN SHARE CAPITAL

Following an exercise of stock options in 2017, the share capital increased by 64 149 euros and therefore rose from 39 557 449 to 39 621 598 euros.

#### CHANGES IN SHARE CAPITAL

French simplified company limited by shares Lazard Frères Gestion (25 Rue de Courcelles, F-75008 Paris), acting on behalf of the fund that it manages, declared that it had exceeded the 5% threshold for capital and voting rights in Manitou BF on 13 January 2017, and that it held, on behalf of the fund, 1 979 054 Manitou BF shares, representing the same number of voting rights, i.e. 5.004% of the capital and voting rights in the company. It had exceeded the threshold as a result of buying Manitou BF shares on the market.

French simplified company limited by shares Lazard Frères Gestion (25 Rue de Courcelles, F-75008 Paris), acting on behalf of the fund it manages, declared that it had fallen below the 5% threshold for capital and voting rights in Manitou BF on 19 April 2017, and that it held, on behalf of the fund, 1 961 054 Manitou BF shares, representing the same number of voting rights, i.e. 4.96% of the capital and voting rights in the company. It had fallen below the threshold as a result of selling Manitou BF shares on the market.

Following an exercise of options, the share capital increased by 66 025 shares and therefore rose on 20 April 2017 from 39 551 949 to 39 617 974 shares.

On 10 June 2017, based on a total number of 39 617 974 company shares representing the same number of theoretical voting rights, Dominique Hinsworth, as an individual, dropped below the statutory thresholds of 50%, 1/3, 30%, 25%, 20%, 15 and 10% of the capital of the company and the statutory thresholds of 50%, 1/3, 30%, 25%, 20%, 15 and 10% of the company's voting rights.

On 10 June 2017, Dominique Hinsworth held directly, or indirectly through the company Wecanrent that he controls, 2 060 000 shares in the company, representing the same number of voting rights, that is to say 5.20% of the capital and voting rights of the company.

These breaches of the thresholds arose from the entry into effect of the new Shareholder Agreement concluded on 3 and 4 May 2017 between the family shareholders. Dominique Hinsworth, who was a party to the previous shareholder agreement, was not a signatory to the latest Shareholder Agreement.

On 10 June 2017, based on a total number of 39 617 974 company shares, representing the same number of theoretical voting rights, the Hinsworth family branch dropped below the statutory shareholding limit of 30% of the company's capital and the statutory limit of 30% of the company's voting rights.

Following an exercise of options, the share capital increased by 1 274 shares and rose from 39 617 974 to 39 619 248 euros.

French simplified company limited by shares Lazard Frères Gestion (25 Rue de Courcelles, F-75008 Paris), acting on behalf of the fund it manages, declared, for amendment purposes, that it had exceeded the 5% thresholds for capital and voting rights in Manitou BF on 30 October 2017, and that it held, on behalf of the fund, 1 961 054 Manitou BF shares, representing the same number of voting rights, i.e. 5.01% of the capital and voting rights in the company. It had exceeded the threshold as a result of buying Manitou BF shares on the market.

French simplified company limited by shares Lazard Frères Gestion (25 rue de Courcelles, F-75008 Paris), acting on behalf of the fund it manages, declared that it had fallen below the 5% threshold for capital and voting rights in Manitou BF on 2 February 2018, and that it held, on behalf of the fund, 1 918 700 Manitou BF shares representing the same number of voting rights, i.e. 4.84% of the capital and voting rights in the company. It had fallen below the threshold as a result of selling Manitou BF shares on the market.

#### SUMMARY OF THE DELEGATIONS OF AUTHORITY TO CHANGE THE SHARE CAPITAL GRANTED BY THE ANNUAL GENERAL MEETING

Date	Type	Object	Validity period	Use made of this delegation of authority during the year
09.06.2016	Delegation of authority	Authorization for the Board of Directors to carry out transactions in company shares, i.e. to purchase shares or request purchases of company shares up to a ceiling of 10% of the company's share capital, that is to say, as a reference, at 31 December 2015, 3 955 194 shares and an authorized overall amount not exceeding 100 million euros.	18 months	Used
09.06.2016	Delegation of authority	Authorization for the Board of Directors to reduce the company's share capital by cancelling treasury shares up to a ceiling of 10% of the company's share capital or, as a reference, a ceiling of 3 955 194 shares at 31 December 2015.	18 months	Not used
09.06.2016	Delegation of authority	Authorization for the Board of directors to decide to increase the share capital by issuing - with pre-emptive subscription rights - shares and/or securities convertible into company shares, and/or securities entitling the holder to a distribution of debt securities up to an overall nominal ceiling of 8 million euros.	26 months	Not used
09.06.2016	Delegation of authority	Authorization for the Board of Directors to decide to increase the share capital by issuing shares and/or securities convertible into company shares, and/or securities entitling the holder to a distribution of debt securities, by way of a public offering with the cancellation of shareholders' pre-emptive subscription rights and up to an overall nominal ceiling of 8 million euros.	26 months	Not used

Date	Type	Object	Validity period	Use made of this delegation of authority during the year
09.06.2016	Delegation of authority	Authorization for the Board of Directors to decide to increase the share capital by issuing shares and/or securities convertible into company shares, and/or securities entitling the holder to a distribution of debt securities, by way of an offer as referred to in article L.411-2(II) of the French Monetary and Financial Code, with the cancellation of shareholders' pre-emptive subscription rights, up to a ceiling of 20% of the share capital per year and an overall nominal ceiling of 8 million euros.	26 months	Not used
09.06.2016	Delegation of authority	Authorization for the Board of Directors to decide to increase the share capital by way of the capitalization of premiums, reserves, earnings or other sums up to an overall nominal ceiling of 8 million euros.	26 months	Not used
09.06.2016	Delegation of authority	To potentially issue shares or securities convertible into company shares without pre-emptive subscription rights in consideration of in-kind contributions of shares or securities convertible into shares, up to a ceiling of 10% of the share capital or, as a reference, at 31 December 2015, a ceiling of 3 955 194 shares, up to an overall nominal ceiling of 8 million euros.	26 months	Not used
09.06.2016	Delegation of authority	Authorization for the Board of Directors to grant bonus shares from existing or future shares to some or all salaried employees and group corporate officers, up to a ceiling of 2% of the total share capital on the date of the Board of Directors' resolution.	38 months	Not used

Date	Type	Object	Validity period	Use made of this delegation of authority during the year
08.06.2017	Delegation of authority	Authorization for the Board of Directors to carry out transactions in company shares, i.e. to purchase shares or request their purchase up to a ceiling of 10% of the company's share capital, that is to say, as a reference, at 31 December 2016, 3 955 194 shares and an authorized overall amount not exceeding 100 million euros.	18 months	Used
08.06.2017	Delegation of authority	Authorization for the Board of Directors to reduce the company's share capital by cancelling treasury shares up to a ceiling of 10% of the company's share capital or, as a reference, a limit of 3 961 797 shares at 31 December 2017.	18 months	Not used
08.06.2017	Delegation of authority	Authorization for the Board of Directors to issue ordinary shares conferring, if appropriate, entitlement to ordinary shares or to the allocation of debt securities (of the company or a group company) and/or marketable securities conferring entitlement to ordinary shares (of the company or a group company), maintaining the pre-emptive subscription rights, up to an overall nominal ceiling of 8 million euros.	26 months	Not used
08.06.2017	Delegation of authority	Authorization for the Board of Directors to issue ordinary shares conferring, if appropriate, entitlement to ordinary shares or to the allocation of debt securities (of the company or a group company) and/or marketable securities conferring entitlement to ordinary shares (of the company or a group company), removing the pre-emptive subscription rights, through a public offering up to an overall nominal ceiling of 8 million euros.	26 months	Not used
08.06.2017	Delegation of authority	Authorization for the Board of Directors to issue ordinary shares conferring, if appropriate, entitlement to ordinary shares or to the allocation of debt securities (of the company or a group company) and/or marketable securities conferring entitlement to ordinary shares (of the company or a group company), removing the pre-emptive subscription rights, through an offering as referred to in Article L.411-2(II) of the French Monetary and Financial Code, up to a ceiling of 20% of the equity capital a year and an overall nominal ceiling of 8 million euros.	26 months	Not used
08.06.2017	Delegation of authority	Authorization for the Board of Directors to decide to increase the share capital by way of the capitalization of premiums, reserves, earnings or other sums up to an overall nominal ceiling of 8 million euros.	26 months	Not used
08.06.2017	Delegation of authority	Authorization for the Board of Directors to increase the capital by an issue of ordinary shares and/or marketable securities conferring entitlement to the capital up to a ceiling of 10% of the capital, in order to pay for contributions in kind of equities or marketable securities conferring entitlement to the capital up to an overall nominal ceiling of 8 million euros.	26 months	Not used

## BREAKDOWN OF THE SHARE CAPITAL AND VOTING RIGHTS AT 31 DECEMBER 2017

	% of capital			% of voting rights		
	2015	2016	2017	2015	2016	2017
<b>BRAUD AND HIMSWORTH FAMILIES</b>	<b>65.4%</b>	<b>64.8%</b>	<b>64.4%</b>	<b>65.9%</b>	<b>67.2%</b>	<b>66.8%</b>
<b>BRAUD FAMILY BRANCH<sup>(1)</sup></b>	<b>32.2%</b>	<b>32.2%</b>	<b>32.1%</b>	<b>32.4%</b>	<b>33.4%</b>	<b>33.3%</b>
HB Braud	22.1%	22.1%	22.1%	22.3%	22.9%	22.9%
Other	10.1%	10.1%	10.0%	10.1%	10.5%	10.4%
<b>HIMSWORTH FAMILY BRANCH<sup>(2)</sup></b>	<b>33.3%</b>	<b>32.6%</b>	<b>32.3%</b>	<b>33.5%</b>	<b>33.9%</b>	<b>33.5%</b>
Ancemat(3)	6.2%	6.5%	6.5%	6.3%	6.8%	6.8%
Wecanrent(3)	5.2%	5.2%	5.2%	5.2%	5.4%	5.4%
Coliphin Invest(3)	5.3%	5.4%	5.4%	5.4%	5.6%	5.6%
Trinity Group(3)	5.2%	5.2%	5.2%	5.2%	5.4%	5.4%
Sonafina(3)	5.2%	5.2%	5.2%	5.2%	5.4%	5.4%
Other	6.1%	5.2%	4.9%	6.2%	5.4%	5.0%
<b>YANMAR</b>	<b>6.3%</b>	<b>6.3%</b>	<b>6.2%</b>	<b>6.3%</b>	<b>6.5%</b>	<b>6.5%</b>
<b>TOYOTA</b>	<b>2.8%</b>	<b>-</b>	<b>-</b>	<b>2.9%</b>	<b>-</b>	<b>-</b>
<b>TREASURY SHARES</b>	<b>0.8%</b>	<b>3.6%</b>	<b>3.6%</b>			
<b>EMPLOYEE SHARE OWNERSHIP</b>	<b>0.8%</b>	<b>0.7%</b>	<b>0.5%</b>	<b>0.8%</b>	<b>0.7%</b>	<b>0.6%</b>
<b>OTHER</b>	<b>23.9%</b>	<b>24.7%</b>	<b>25.2%</b>	<b>24.1%</b>	<b>25.6%</b>	<b>26.2%</b>
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100.0%</b>	<b>100%</b>	<b>100%</b>	<b>100.0%</b>
<b>FLOATING</b>	<b>34.6%</b>	<b>35.2%</b>	<b>35.6%</b>	<b>34.8%</b>	<b>36.5%</b>	<b>36.9%</b>

(1) The Braud family branch consists of: Marcel Braud, Liliane Braud-Orhon, Marcel-Claude Braud, Sébastien Braud, Emilie Braud, Valérie Braud-Walsh and the company HB Holding Braud.

(2) The Himsworth family branch consists of: Jacqueline Himsworth, Gordon Himsworth, Dominique Himsworth, Virginie Himsworth, Christopher Himsworth, David Himsworth and the company Ancemat.

(3) Companies owned by Himsworth family members.

### 5.4.3. HOLDINGS AND CONTROL

Manitou is controlled by the Braud and Himsworth families, who together hold 64.4% of the share capital, 59.2% of which is jointly held. On the date of publication, Manitou's Board of Directors included four independent directors, as defined by the MiddleNext Corporate Governance Code, out of a total of ten directors. The position of CEO is separate from the office of Chairman of the Board of Directors and has been held by Michel Denis, who is independent of the Braud and Himsworth families, since 13 January 2014.

### 5.4.4. INFORMATION RELATING TO SHAREHOLDER AGREEMENTS AND COLLECTIVE COMMITMENTS TO RETAIN MANITOU SHARES

#### 5.4.4.1. SHAREHOLDER AGREEMENT

The family shareholders signed a shareholders' agreement on 3 May 2017. This, which replaces the agreement entered into by the two groups, had an effective date of 10 June 2017 and was concluded for a period of four years. It includes the following provisions:

- an objective by each of the family branches to retain a number of Manitou shares representing at least 20% of the company's share capital (i.e. a total of 40% of the share capital for the combined family investment);
- a right of first refusal in favour of members of the agreement for sales of shares that would reduce the investment of either family branch to less than 20% of Manitou BF's share capital, or reduce the entire investment of the two family branches to less than 40% of the company's share capital, and any subsequent sale granted these thresholds are not exceeded, on the

understanding that members of the seller's family branch have priority in the purchase of the shares sold;

- Manitou will continue to be governed by three directors representing the Braud family branch, three directors representing the Himsworth family branch and a number of independent directors (four for the first two years, and then three), appointed jointly by the directors representing the family shareholders;
- Jacqueline Himsworth will be Manitou BF's Non-Executive Chair throughout the duration of the agreement; and,
- Any transaction that would dilute the capital and/or voting rights will be subject to prior approval by the Board of Directors of Manitou BF adopted by a three-quarters majority. The intention was that these principles should apply from the date on which the renewal of the Board of Directors is submitted for approval to the Annual General Meeting of Manitou BF on 8 June 2017. It should be noted that Dominique Himsworth, who was included in the previous shareholder agreement but was not a signatory to this agreement, may join both on a personal basis and as a representative of the company Wecanrent, at any time, as a member of the Himsworth family branch.

Any spouse or direct descendant of any of the signatories to the shareholder agreement may join, at any time, as a member of the family branch to which they belong, on condition that they own at least 10 000 full or stripped Manitou BF shares.

## 5.4.4.2. COLLECTIVE COMMITMENTS

### COLLECTIVE COMMITMENTS

Signature date	Type of commitment	Number of shares Percentage of share capital and voting rights	Term	Shareholder signatories
28.11.2011	Collective commitment to retain shares in accordance with article 787 B of the French General Tax Code	12 719 721 shares representing 32.2% of the share capital and voting rights	Minimum term of two years from the registration of the commitment, which is renewed for two-year periods by tacit agreement	Braud family branch*
28.11.2011	Collective commitments to retain shares in accordance with article 885 I Bis of the French General Tax Code	A total of 12 719 721 shares representing 32.2% of the share capital and voting rights	Minimum term of two years from the registration of the commitments, which are renewed for 12-month periods by tacit agreement	Braud family branch

\* The Braud family branch consists of: Marcel Braud, Lilianne Braud-Orhan, Marcel-Claude Braud, Sebastien Braud, Emilie Braud, Valerie Braud-Walsh and the company HB Holding Braud.

## 5.4.5. THE EXISTENCE OF AGREEMENTS WHOSE IMPLEMENTATION COULD RESULT IN A CHANGE OF CONTROL

None

## 5.4.6. OWNERSHIP THRESHOLDS

Under article L. 233-7 of the French Commercial Code, any individual or entity, acting alone or with others, who has just acquired a number of shares representing more than 5%, 10%, 15%, 20%, 25%, 30%, 33.33%, 50%, 66.66%, 90% or 95% of the company's share capital and voting rights, must inform the company and the AMF (French Market Authority) by letter, indicating the total number of shares and voting rights held, within five trading days of a threshold being exceeded. The exceeding of thresholds reported to the AMF are publicly disclosed by the latter. This information is also transmitted within the same time frame and under the same conditions whenever the equity investment or voting rights fall below the thresholds referred to above. If they are not declared in accordance with the regulations, the shares exceeding the fraction that should have been declared in accordance with the statutory provisions indicated above are denied voting rights at any shareholders' meetings held within two years of the date of the amending declaration.

Article 9 of Manitou's articles of association further provides that any individual or entity that, directly or indirectly, alone or with others, goes above or below the threshold of 2.5% of the company's share capital or voting rights (or any multiple of this threshold) must notify the company by registered letter with confirmation of receipt, within fifteen days of the threshold being crossed, stating their identity and the persons acting with them. In accordance with article L. 228-1(7) of the French Commercial Code, this requirement also applies in respect of all shares registered to those shareholders.

Any failure to make such declarations where the thresholds are crossed shall result in the application of the penalties laid down in article L. 233-14 of the French Commercial Code, providing that a request to that effect is made by one or more shareholders who own at least 3% of the share capital or voting rights and is recorded in the minutes of the Annual General Meeting.

## 5.4.7. DIVIDEND DISTRIBUTION POLICY

The Board of Directors will propose a dividend payment of €0.62 per share to the Annual General Meeting convened to approve the 2017 financial statements.

## 5.4.8. HISTORICAL DIVIDEND INFORMATION

In accordance with the provisions of article 243 bis of the French General Tax Code, we remind you that the dividends distributed for the three previous financial years were as follows:

Period	Number of shares	Net dividend per share
2014	39 548 949	€0.35
2015	39 551 949	€0.36
2016	39 617 974	€0.43

## 5.4.9. TRANSACTIONS WITH RELATED PARTIES

Transactions carried out between the group and its associates are set out in note 31.1 of the notes to the consolidated financial statements.

Transactions with individuals and compensation and other benefits granted to executives are set out in notes 31.2 and 31.3 of the notes to the consolidated financial statements.

Transactions with related parties are also outlined in the Statutory Auditors' report on regulated agreements and commitments (note 6.4.2 of the annual financial report).

## 5.4.10. SHAREHOLDER PROCEDURES FOR TAKING PART IN ANNUAL GENERAL MEETINGS

Annual General Meetings of shareholders are convened under the conditions laid down by law. They take place at the registered office or at any other location specified in the notice convening the meeting. The shareholder procedures for taking part in Annual General Meetings, laid down in article 19 of the Articles of Association, do not include any specific provisions.

The rights and obligations attaching to shares are specified in article 9 of the Articles of Association.

