

# AFEP MEDEF Code

## INFORMATION ABOUT THE IMPLEMENTATION OF PROVISIONS OF THE AFEP MEDEF CODE RELATING TO CORPORATE GOVERNANCE OF LISTED COMPANIES

In accordance with the provisions set out in Article L.225-37 and L 225-68 of the Code of Commerce, the company has designated the Code AFEP-MEDEF (as amended in November 24, 2016) as the reference corporate governance code in effect on the date hereof (the "code"),

In this regard, listed companies such as Sartorius Stedim Biotech S.A. are referring to the code and are required to precisely report on their reference document, implementation of these provisions. In case of non-conformance of one of these provisions, the companies are required to provide understandable, relevant and circumstantial information according to the rule "apply and explain". It is recommended by the AMF (recommendation n 2014-08 of 22 September 2014) that companies indicate in a specific table each provision that is not applied and the related information.

### GENERAL TABLE ON THE AFEP MEDEF CODE'S RECOMMENDATIONS

| ARTICLE   | DISPOSITIONS OF THE CODE  | MEASURES IMPLEMENTED<br>BY SARTORIUS STEDIM BIOTECH   |
|-----------|---|---|
| <b>1.</b> | <b>THE BOARD OF DIRECTORS: A COLLEGIAL BODY</b>   |   |
| 1.3       | <p><b>Composition and organization</b><br/>The organization of the Board's work, and likewise its membership, must be suited to the shareholder make-up, to the size and nature of each firm's business, and to the particular circumstances facing it.</p> | <p><b>Yes</b>, more than a half of the Board is represented by foreign Directors, proof of our group's international dimension. Moreover each member of the Board has a professional background with the necessary degree of technical expertise which allows him/her to help the evolutions of the activity.</p> <p>In this framework the way the Board and its Committees work have been subject of a special attention for the Board to be totally able to work on its missions with an appropriate balance of its powers.</p> |
|           | <p><b>Publication of the internal rule</b><br/>Its organization and operation are described in the internal rules that it has drawn up, which are published in part or in full on the company's website or in the reference document.</p>                   | <p><b>Yes</b>, the internal rule is synthetized in our Document Reference each year. The entire Document is published on the website. It has been updated by the Board in its meeting of 5th of April 2016.</p> <p>This internal ruling is containing a rigorous approval process concerning the relevant commitments that the company may take in connection with operational and organizational strategic decisions.</p>  |

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| <b>2.</b>        | <b>THE BOARD OF DIRECTORS AND THE MARKET</b>  |  |
| 2.1.2 /<br>2.1.3 | <p><b>Communication with the markets</b></p> <p>It is up to each Board of Directors to define the company's financial disclosure policy. Each corporation should have a very rigorous policy for communication with the market and analysts.</p> <p>All communications activities must allow everyone to access the same information at the same time.</p> <p>The Board should ensure that the shareholders and investors receive a relevant balanced and instructive information about the strategy, development model, the consideration of non-financial issues that are of significance to the corporation and its long-term outlook.</p> <p>All listed companies must be equipped with reliable procedures for the identification, monitoring and assessment of its commitments and risks, and provide shareholders and investors with relevant information in this area.</p>  | <p><b>Yes</b>, press releases are published on the Company's website and transmitted to a professional distributor in order to assure an effective diffusion to all investors. The conference calls can be re-listened on the website in addition to the presentation of the activity reflecting the permanent pedagogic efforts towards our investors.</p>  |
| 2.2              | <p><b>Off-balance sheet commitments and risks</b></p> <p>Each listed company must be equipped with reliable procedures for the identification, monitoring and assessment of its commitments and risks, and provide shareholders and investors with relevant information in this area.</p> <p>For such purposes:</p> <ul style="list-style-type: none"> <li>the annual report should specify the internal procedures set up to identify and monitor off-balance-sheet commitments, and to evaluate the corporation's material risks;</li> <li>each company must develop and clarify the information provided to shareholders and investors regarding off-balance-sheet commitments and material risks, and disclose the company's ratings by financial rating agencies as well as any changes occurred during the financial year.</li> </ul>   | <p><b>Yes</b>, these information are already presented in the notes of the financial statements of the Reference Document.</p> <p><b>Yes</b>, the rating on the company is published each year in our reference document.</p> <p>The off sheet commitments are outlined in the Reference Document in the consolidated accounts</p>   |
| <b>3.</b>        | <b>SEPARATION OF THE OFFICES OF CHAIRMAN OF THE BOARD OF DIRECTORS AND CHIEF EXECUTIVE OFFICER</b>  |  |
| 3.1              | <p>When a corporation opts for separation of the offices of Chairman and Chief Executive Officer, if appropriate, the tasks entrusted to the Chairman of the Board of Directors in addition to those conferred upon him or she by law must be described</p>   | Not applicable   |
| 3.2              | <p><b>Option between uniqueness and dissociation of the functions</b></p> <p>it is essential for the shareholders and third parties to be fully informed of the choice made between separation of the offices of Chairman and Chief Executive Officer and maintenance of these positions as a single office.</p> <p>In addition to the forms of disclosure required by regulations, the reference document or the annual report may serve as the medium for the disclosure to which shareholders are entitled, and the Board should report to them the grounds and justifications for its decisions.</p>  | <p><b>Yes</b>, we are explaining this choice in the Chairman's Company's governance and internal control report the motivation and choice of our governance in regards to the company's situation.</p>   |
| <b>4.</b>        | <b>THE BOARD OF DIRECTORS AND STRATEGY</b>  |  |
| 4.               | <p><b>Internal rules</b></p> <p>The Board of Directors should consider and decide upon transactions with a genuinely strategic importance, after review by an ad hoc committee if appropriate. The internal rules of the Board of Directors should specify:</p> <ul style="list-style-type: none"> <li>the cases in which prior approval by the Board of Directors is required, setting out the related principles, which may differ according to which division of the group is concerned;</li> <li>the principle that any material transaction outside the scope of the firm's stated strategy is subject to prior approval by the Board of Directors;</li> <li>the rules according to which the Board of Directors is informed of the corporation's financial situation, cash position and commitments.</li> </ul> <p>All of these rules are related not only to external acquisitions or disposal, but also to major investments in organic growth or internal restructuring action. The Board of Directors should be informed in a timely fashion of the corporation's cash position, and where appropriate take decisions relating to its funding and indebtedness.</p> | <p><b>Yes</b>, the Board of Director of the company as well as the mother company Sartorius AG, have implemented efficient procedures and specific Ad Hoc Committees creation when necessary. In addition, these processes have been reinforced to meet the new Market Abuse Directive provisions</p> <p><b>Yes</b>, the Board of Directors has an internal rule. We are including and updating this rule in our reference document each year.</p> <p>The opposite entire elements are an integral part of the Board of Directors internal rule.</p> <p><b>Yes</b>, the Board of Directors meetings as well as the Audit committee have regular updates on the company cash position through the risk management report and treasury regular</p> |

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|---------|---|---|
| 5.      | <b>THE BOARD OF DIRECTORS AND THE GENERAL MEETING OF SHAREHOLDERS</b>   | updates.  |
| 5.2     | <p><b>Communication with the Shareholders</b><br/>The shareholders' meeting is a decision-making body for the areas stipulated by law; it is also a privileged moment for the company to engage a dialogue with its shareholders. Its sessions must be not only the occasion when the managing bodies report on the corporation's business and on the operation of the Board of Directors and the specialized committees (audit, compensation, etc.), but also an opportunity for a genuine and open dialogue with the shareholders.</p> <p>The Board of Directors must take care not to infringe upon the specific powers of the shareholders' meeting if the transaction that it proposes is such as to modify, in fact or in law, the corporate purpose of the company, which is the very basis of the contract founding the corporation. Even when no change in the corporate purpose of the company is involved, the Board of Directors must refer the matter to the meeting of shareholders if the transaction relates to a material part of the group's assets or businesses.</p> <p>Even when no change in the corporate purpose of the company is involved, the Board of Directors must refer the matter to the meeting of shareholders if the transaction relates to a material part of the group's assets or businesses.</p> | <p><b>Yes</b>, during the Annual Shareholders' Meeting a relevant time is dedicated to the presentation of the Board of Directors' activities and its committees in order to have an open exchange and prolific debate about governance purposes. This presentation is generally followed by an interesting debate with the shareholders.</p>   |
| 6.      | <b>MEMBERSHIP OF THE BOARD OF DIRECTORS: GUIDING PRINCIPLES</b>   | <p><b>Yes</b>, the Board of Directors and its committees are composed of women and foreign directors. The group points out the willingness to pursue its international growth and diversity. This is why the Board of Directors suggests at the 2015 Shareholders meeting to nominate two independent women directors (French and American) within the Board of Directors. Moreover, the diversity of skills and Board member career profile enable the Board to benefit from their tremendous experience on a management and scientific level. In addition, the criterias related to the independent status of each board member are duly reviewed on regular basis to ensure that this independency conditions are effective.</p> |
| 6.3     | <p><b>The composition of the board of directors</b><br/>Each Board should consider what would be the desirable balance within its membership and within that of the committees of Board members which it has established, in particular as regards the representation of men and women, nationalities and the diversity of skills, and take appropriate action to assure the shareholders and the market that its of duties will be performed with the necessary independence and objectivity. It should publish in the reference document the objectives, methods and results of its policy in these matters.</p>  | <p><b>Yes</b>, the Board of Directors and its committees are composed of women and foreign directors. The group points out the willingness to pursue its international growth and diversity. This is why the Board of Directors suggests at the 2015 Shareholders meeting to nominate two independent women directors (French and American) within the Board of Directors. Moreover, the diversity of skills and Board member career profile enable the Board to benefit from their tremendous experience on a management and scientific level. In addition, the criterias related to the independent status of each board member are duly reviewed on regular basis to ensure that this independency conditions are effective.</p> |

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| 6.4       | <p><b>Women and men representation</b></p> <p>With regard to the representation of men and women, the objective is that each Board shall reach and maintain a percentage of at least 20% of women within a period of three years and at least 40% of women within a period of six years from the shareholders' meeting of 2010 or from the date of the listing of the company's shares on a regulated market, whichever is later. Directors who are permanent representatives of legal entities and directors representing employee shareholders are taken into account in order to determine these percentages, but this is not the case with directors representing employees.</p>                         | <p><b>Yes</b>, the Board of Directors has effectively continued its efforts and reached the gender quota of 40% of women threshold.</p> <p>On the 31.12.2016 the company reached this quota;</p> <p>The Board of Directors of the Company is composed of the following members:</p> <ul style="list-style-type: none"> <li>(i) Mrs Susan Dexter;</li> <li>(ii) Mrs Liliane de Lassus,</li> <li>(iii) Mrs Anne-Marie Graffin;</li> <li>(iv) Mr Arnold Picot;</li> <li>(v) Mr Joachim kreuzburg;</li> <li>(vi) Mr Henri Riey;</li> <li>(vii) Mr Bernard Lemaître.</li> </ul> |
|           | <p>When the Board comprises fewer than nine members, the difference at the end of six years between the numbers of directors of each gender may not be in excess of two.</p>   | Not applicable   |
| 6.5       | <p><b>Specific assignment entrusted to a referent director</b></p> <p>When the Board has decided to confer special tasks upon a Lead director that relate to special tasks such as governance or shareholder relations, in particular by appointing them as Lead Director or Vice President, these tasks and the resources and prerogatives to which he or she has access must be described in the internal rules.</p>   | Not applicable   |
| <b>7.</b> | <b>REPRESENTATION OF EMPLOYEES</b>   |  |
| 7.3       | <p><b>Representation of the employees</b>The French Code de Commerce require the appointment by the shareholder assembly of one or more directors among employees, in case of reaching and holding a rate of 3% of the capital shares as employees shareholders.</p>   | <p>Not applicable</p> <p>(The company does not fall within the scope of the obligation to appoint such directors as the threshold required by the applicable law are not reached yet neither by the French affiliate entities neither by Sartorius Stedim Biotech Group</p>  |
|           | <p>The French Code de Commerce provides in a category type of companies (reaching a certain employees threshold) that one or more employees representatives shall be elected to seat in the Board of Directors</p>   |  |
|           | <p>In the same way as other directors, directors representing employee shareholders and directors representing employees are entitled to vote at the Board of Directors, a collegial body, which is assigned the duty of acting at all times in the interest of the company. As with the other directors, they may be selected by the Board to participate in committees.</p>  | <p>Not Applicable</p> <p>As of December 31st, 2016 the Board of Director had no directors representing employees</p>   |
| 7.4       | <p>Without prejudice to the legal provisions specific to them, directors representing employee shareholders and directors representing employees have the same rights, are subject to the same obligations, in particular in relation to confidentiality, and take on the same responsibilities as the other members of the Board.</p>   | Not Applicable (see above 7.2)   |
| <b>8.</b> | <b>MINORITY SHAREHOLDERS</b>   |  |
| 8         | <p>It is not desirable to have within the Board representatives of various specific groups or interests because the Board could become a battleground for vested interests instead of representing the shareholders as a whole.</p> <p>When a corporation is controlled by a majority shareholder (or a group of shareholders acting in concert), the latter assumes a specific responsibility to the other shareholders, which is direct and separate from that of the Board of Directors. The majority shareholder must take particular care to avoid possible conflicts of interest, to secure transparency of the information provided to the market, and to fairly take all interests into account.</p> | <p><b>Yes</b>, the company has a main shareholder, who takes responsibility for the conformity in regards to other shareholders, direct and distinct to the board of directors' one and monitor like this any conflict of interest. Moreover this commitment is specifically stated in the Board Internal rule (provisions of article 5)</p>   |

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|-----------|---|---|
| <b>9.</b> | <b>INDEPENDENT DIRECTORS</b>  |   |
| 9.2       | <p><b>Independent directors</b></p> <p>Although the quality of the Board of Directors cannot be defined simply by reference to a percentage of independent directors, as the directors are above all required to be honest, competent, active, regularly attending and involved, it is important to have on the Board of Directors the presence of a significant proportion of independent directors not only in order to satisfy an expectation of the market but also in order to improve the quality of proceedings.</p> <p>The independent directors should account for half the members of the Board in widely held corporations without controlling shareholders. In controlled companies, independent directors should account for at least a third. Directors representing the employee shareholders and directors representing employees are not taken into account in order to determine these percentages.</p>   | <p><b>Yes</b>, the company has duly appointed in two additional independent directors. The independent director's percentage would then increase higher than 40%.</p>   |
| 9.3       | <p>Qualification as an independent director should be discussed by the appointments committee and reviewed every year by the Board of Directors prior to publication of the annual report.</p> <p>The Board of Directors must, upon the motion of the appointments committee, review individually the position of each of its members on the basis of the criteria mentioned below, then notify its conclusions to the shareholders in the annual report and to the shareholders' meeting when the directors are appointed, so that identification of independent directors is carried out not only by the corporation's management but by the Board itself.</p> <p>The Board of Directors may consider that, although a particular director meets all of the above criteria, he or she cannot be held to be independent owing to the specific circumstances of the person or the company, of thee to its ownership structure or for any other reason.</p> <p>Conversely, the Board may consider that a director who does not meet the above criteria is nevertheless an independent director.</p>  | <p><b>Yes</b>, the independant director qualification is reviewed regularly by the Board of Directors. Moreover, on the 7 April 2015 shareholders' meeting has approved the appointment of of two additional independent directors, 4 out of 10 of the directors of the Board of Directors could be defined such as.</p>  |
| 9.4       | <p>The criteria to be reviewed by the committee and the Board in order for a director to qualify as independent and to prevent risks of conflicts of interest between the director and the management, the corporation, or its group, are the following:</p> <ul style="list-style-type: none"> <li>not having been an employee or an executive director of the company, or an employee or director of its parent or a company that the latter consolidates, and not having been in such a position for the previous five years;</li> <li>not to be an executive director of a company in which the corporation holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive director of the company (currently in office or having held such office for less than five years) is a director;</li> <li>not to be a customer, supplier, investment banker or commercial banker: <ul style="list-style-type: none"> <li>- that is material to the company or its group</li> <li>- or for a significant part of whose business the corporation or its group accounts</li> </ul> </li> </ul> <p>The evaluation of how significant the relationship is with the company or its group must be debated by the Board and the criteria that lead to the evaluation must be explicitly stated in the reference document</p> <ul style="list-style-type: none"> <li>not to be related by close family ties to an executive director;</li> <li>not to have been an auditor of the corporation within the previous five years;</li> <li>not to have been a director of the corporation for more than twelve years.</li> </ul> | <p><b>Yes</b>, the independent director's qualification is reviewed yearly by the Board of Directors. If 2015 the shareholders meeting approves the nomination of the additional 2 independent directors, then 4 out of 10 of the directors of the Board of Directors could be defined such as.</p> <p>Moreover the Board makes an evaluation both on quantitative and qualitative criteria in each case and for every member of the Board of Directors.</p> <p>The evaluation is consisting of an evaluation of each of the six criteria in accordance with the provisions of the Code AFEP MEDEF;</p> <p>This is particularly analyzed by the Board with regards to the aspect of the economical dependence between the company and the groups in which a member of the Board has a mandate or a function.</p> <p><b>Yes</b>, the independent director qualification are regularly reviewed by the Board of Directors. Then the Board makes during the meetings a steadiness examination in accordance with the announced criteria.</p> |

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|            | Although he or she may be an executive director, a Chairman of the Board may be considered as independent if the company can justify this based on the criteria set out above.  | See above   |
| <b>10.</b> | <b>EVALUATION OF THE BOARD OF DIRECTORS WORKS</b>   |   |
| 10.1       | <p><b>Assessment of the Board's work</b><br/>For sound corporate governance, the Board of Directors should evaluate its ability to meet the expectations of the shareholders that have entrusted authority to it to direct the corporation, by reviewing from time to time its membership, organization and operation (which implies a corresponding review of the Board's committees).<br/>Each and every board has to consider a balance between its organization and the committees he shall constitutes from time to time. In that perspective, the board has to monitor te fitness of its role and tasks, and those provided to its committees.<br/>Therefore, this evaluation process should take into account the followings goals:<br/>(i) make an assessment of its operating processes;<br/>(ii) Prepare the important debates and appropriate questioning lists with anticipated timeline;<br/>(iii) measure the effective contribution of each director in the framework of board preparation works</p> | <p><b>Yes</b>, each year, the members of the Board of Directors do formal auto-evaluation of the Boards' performance based on specific criterias such as functioning modalities, effective contributions to its members. In December, 2016 the Board has done a formal auto-evaluation of its works and of its members during the meeting of 7 December 2016 in application of the indicated criteria.<br/>The outcomes of the said evaluation have been discussed by the directors, which are constantly working on improving the internal communication.<br/>In addition, this assessment have been wide covering multiple aspects.</p> <p>With a method using a nameless questionnaire that have been sent to each board member concerning:</p> <p>(i) the organization of the Board of Directors</p> <p>(ii) the functioning conditions and</p> <p>(iii) the main areas of expertise (strategy, internal control, financial management and compensation policy) as well as the competence of the members of the Board, the relevance of the subjects handled and the quality of the reports of their works.</p> |
|            | Accordingly, each Board should think about the desirable balance in its membership and those of the committees created from its members and consider from time to time the adequacy of its organization and operation for the performance of its tasks.   |   |

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| <b>11.</b> | <b>MEETINGS OF THE BOARD AND OF THE COMMITTEES</b>  |   |
| 11         | <p><b>Information on the Board of Directors meeting</b></p> <p>The number of meetings of the Board of Directors and of the committees held during the past financial year should be mentioned in the annual report, which must also provide the shareholders with any relevant information relating to the directors' attendance at such meetings.</p> <p>The frequency and duration of meetings of the Board of Directors should be such that they allow in-depth review and discussion of the matters subject to the Board's authority. The same applies to meetings of the Board's committees (audit, compensation, appointments nominations, etc.).</p> <p>Proceedings should be unambiguous. The minutes of the meeting should summarize the discussion and specify the decisions made. They are of particular importance, since they provide, if necessary, a record of what the Board has done in order to carry out its duties. Without being unnecessarily detailed, they should mention briefly questions raised or reservations stated.</p>  | <p><b>Yes</b>, the reference document indicates the numbers of meetings and the level of attendance during the past year 2016:</p> <ol style="list-style-type: none"> <li>1. The Board of Directors has held 8 meetings and the level of attendance was of 100%.</li> <li>2. The Audit Committee has held 5 meetings and the level of attendance was of 100%.</li> <li>3. The Remuneration Committee had held once this year and the level of attendance was of 100%.</li> <li>4. This rules are rigorously applied for all meeting minutes and are duly reflected in the internal rule.</li> </ol> |
| <b>12.</b> | <b>DIRECTORS' ACCESS TO INFORMATION</b>   |   |
| 12.        | <p>The law recognizes the principle that the Chairman or the Chief Executive Officer is bound to disclose to each director all the documents and information required for performance of his or her duties. The manner in which this right to disclosure is exercised and the related confidentiality duty should be set out in the internal rules of the Board of Directors, the Board being responsible, where necessary, for determining the relevance of the documents requested.</p> <p>Corporations must also provide their directors with the appropriate information throughout the life of the corporation between meetings of the Board, if the importance or urgency of the information so requires. Ongoing disclosure should also include any relevant information, including criticism, relating to the corporation, such as articles in the press and financial analysts' reports.</p> <p>Conversely, the directors are bound to request the appropriate information that they consider necessary to perform their duties. Accordingly, if a director considers that he or she has not been able to take part in the proceedings with appropriate information, he or she is bound to say so to the Board in order to obtain the necessary information.</p> <p>Directors should have the opportunity to meet with the corporation's principal executive managers, even outside the presence of executive directors. In the latter case, these should be given prior notice.</p> | <p><b>Yes</b>, the internal rule includes modalities about rights to information and confidentiality to its Directors.</p>  |
| <b>13.</b> | <b>DIRECTORS' TRAINING</b>  |   |
| 13.        | <p><b>Directors training</b></p> <p>One of the major conditions for appointing a director is his or her abilities, but it cannot be expected a priori that every director has specific prior knowledge of the corporation's organization and activities. Each director should accordingly be provided, if he or she considers it to be necessary, with supplementary training relating to the corporation's specific features, its businesses and its markets.</p> <p>The audit committee members should be provided, at the time of appointment, with information relating to the corporation's specific accounting, financial and operational features.</p>   | <p><b>Yes</b>, at a start of a Directors function, different training sessions are offered in order to help them to accomplish their missions at their best. It applies to specialized members of the Committee.</p> <p><b>Yes</b>, the members of the Audit Committee have the necessary expertise due to their professional background. In particular, they are provided information by the Remuneration Committee of the accounting and financial special figures of the company.</p>  |

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|------------|---|---|
| <b>14.</b> | <b>OF DURATION OF DIRECTORS' TERMS OF OFFICE</b>  |   |
| 14.        | <b>Time and timescale of terms of office</b><br>Without affecting the duration of current terms, the duration of directors' terms of office, set by the by-laws ("status"), should not exceed a maximum of four years, so that the shareholders are called to express themselves through elections with sufficient frequency.   | <b>Yes</b> , conformed to the code's recommendations, the duration of an office term is 3 years. 7 Directors duty of term will be renewed in 2016, the other three will be renewed in 2018.                           |
|            | Terms should be staggered so as to avoid replacement of the entire body and to favor a smooth replacement of directors.   |   |
|            | <b>Information on the Directors</b><br>The annual report should detail the dates of the beginning and expiry of each director's term of office, to make the existing staggering clear. It should also mention, for each director, in addition to the list of offices and positions held in other corporations, his or her nationality, age and principal position, and a list by name of members of each Board committee.   | <b>Yes</b> , these information are reiterated in the Directors biographical presentation and in the Board of Directors composition.   |
|            | When the meeting of shareholders is asked to appoint a director or extend his or her term, the booklet or the notice calling the meeting of shareholders, must contain a biographical notice outlining his or her curriculum vitae, in addition to the items required by statute.   | It is mentioned in the internal rule of the Board and in the bylaws of the company (Title III article 6.3) of the number of shares a member of the Board should have. It is also mentioned in the Reference Document. |
|            | Even though it is not required by law, it is imperative that the by-laws or the internal rules set a minimum number of shares in the corporation concerned that each director must personally hold and which must appear in the annual report and/or in the booklet or the notice calling the meeting of shareholders.  | <b>Yes</b> , the status Title III art 6.3, within the Reference Document provides this information.   |
| <b>15.</b> | <b>COMMITTEES OF THE BOARD</b>  |   |
| 15         | <b>Existence and composition of the committee</b><br>The number and structure of the committees are determined by each Board. However, in addition to the tasks assigned to the audit committee by law, it is recommended that the compensation and the appointments of directors and executive directors should be subject to preparatory work by a specialized committee of the Board of Directors.   | <b>Yes</b> , the Board of Directors has a compensation Committee who has the duty to select and suggest the nomination of new Directors.  |
|            | When the Board has appointed specialized committees to address particular concerns, the creation of such committees shall in no event remove the matter from the purview of the Board itself, which has sole statutory decision-making authority, nor be allowed to cause division within the Board which, as a collegial body, is and should remain accountable for the performance of its duties. The committees do not act in the place of the Board, but rather as an extension of the Board, facilitating its work. For this reason in particular, the quality of reports by the committees to the Board and the inclusion in the annual report of a description of the committees' activities should be stressed. | All the rights and obligations of the specialized Committees are specified in the internal rule inherent to each committee.   |
|            | The committees of the Board may contact, when exercising their duties, the principal managers of the corporation after informing the Chairman of the Board of Directors and subject to reporting back to the Board on such contacts.  | The internal rule complies with the majority of the recommendations formulated by the AFEP MEDEF code.  |
|            | The committees of the Board may request external technical studies relating to matters within their competence, at the corporation's expense, after informing the Chairman of the Board of Directors or the Board of Directors itself, and subject to reporting back to the Board thereon. In the event of committees having recourse to services offered by external consultants (e.g. a compensation consultant in order to obtain information on compensation systems and levels applicable in the main markets), the committees must ensure that the consultant concerned is objective.   |   |
|            | Each committee must be provided with internal rules setting out its duties and mode of operation. The committees' internal rules, which should be approved by the Board, may be integrated into the internal rules of the Board or be set out in separate provisions.   |   |
|            | The committees' secretariat tasks shall be undertaken by the persons nominated by the Chairman of the committee or by agreement with the Chairman.  |   |
|            | The existence of cross-directorships in the committees should be avoided.   |   |

| ARTICLE    | DISPOSITIONS OF THE CODE   | MEASURES IMPLEMENTED<br>BY SARTORIUS STEDIM BIOTECH   |
|------------|--|---|
| <b>16.</b> | <b>THE AUDIT COMMITTEE</b>   |   |
| 16         | <p><b>Existence</b><br/>Each Board should appoint an audit committee, the duties of which are inseparable from those of the Board of Directors, which is legally bound to approve the corporate accounts and to prepare the consolidated accounts. Approving the accounts is the main occasion on which the Board assumes two of its essential duties: the review of management performance and verification of the reliability and clarity of the information to be provided to the shareholders and the market.</p>  | <b>Yes</b> , the Board of Directors has an Audit Committee.   |
| 16.1       | <p><b>Composition</b><br/>The audit committee members should be competent in finance or accounting.</p> <p>The proportion of independent directors on the audit committee (excluding the directors representing employee shareholders and directors representing employees, who are not taken into account) should be at least equal to two-thirds, and the committee should not include any executive director.</p> <p>The appointment or extension of the term of office of the audit committee's Chairman is proposed by the appointments/nominations committee, and should be specially reviewed by the Board.</p>   | <p><b>Yes</b>, it is referred to the audit Committee Chairman's financial and accountancy competencies within the description of the Directors backgrounds.</p> <p>The Audit Committee is composed of 50% of independent directors, including its Chairman.</p> <p><b>Yes</b>, no member of the Audit Committee is an executive manager and an executive director.</p> <p><b>Yes</b> the Chairman of the Audit Committee has reached a relevant level of expertise in finance and accounting since the last years.</p>  |
| 16.2       | <p>Its missions;</p> <ul style="list-style-type: none"> <li>- to examine the statements et to insure of the relevance and permanency of the accounting methods used for the consolidated accounts and the annual accounts,</li> </ul> <p>16.2.1</p> <ul style="list-style-type: none"> <li>- to follow the process of elaboration of the Company financial statements,</li> <li>- to follow the efficiency of the internal control system and management of risks</li> </ul> <p>It is also desirable, at the time of review of the accounts, for the committee to consider the major transactions in connection with which conflicts of interest could have arisen.</p> <p>The time available for reviewing the accounts should be sufficient (no less than two days before review by the Board).</p> <p>The review of accounts by the audit committee should be accompanied by a presentation from the statutory auditors stressing the essential points not only of the results of the statutory audit, in particular the adjustments resulting from the audit and significant weaknesses in internal control identified during the auditor's works, but also of the accounting methods chosen. It should also be accompanied by a presentation from the Chief financial officer describing the corporation's risk exposures and its material off-balance-sheet commitments.</p> | <p><b>Yes</b>, the internal rule already includes the scope foreseen by the AFEP MEDEF Code; As indicated in the Reference Document, the statutory auditors refer to and inform closely the Audit Committee of the results of their missions by reports on the half year results, annual results and other audit missions.</p> <p><b>Yes</b> the Audit Committee examines at least on a trimestral basis on the main financial operations and analysis of the accounts.</p> <p>The statutory auditors submit their conclusions twice a year at the Audit Committee.</p> |
| 16.2.2     | <p>The committee must interview the statutory auditors regularly, including interviews without executive managers present.</p> <p>The statutory auditors must, in particular, be interviewed at the committee meetings dealing with evaluation of the process for preparing financial information and review of the accounts in order to report on the execution of their tasks and the conclusions of their work.</p>   | <p><b>Yes</b>, the Audit Committee meets the statutory auditors at least twice a year.</p> <p>The committee makes a specific evaluation and have strengthen the process, to also comply with the audit reform currently applicable.</p>   |

| ARTICLE    | DISPOSITIONS OF THE CODE  | MEASURES IMPLEMENTED<br>BY SARTORIUS STEDIM BIOTECH   |
|------------|---|---|
| 16.2.3     | <p>The committee should steer the procedure for selection of the statutory auditors and submit a recommendation to the Board of Directors regarding the statutory auditors proposed for appointment by the shareholders' meeting. The committee shall suggest to the Board a procedure for selection and in particular if there is a need to make a call for tenders. It must supervise the call for tenders and approve the specifications and the choice of firms consulted, making sure that the selection results in the appointment of the "best bidder" and not the "lowest bidder".</p> <p>The committee should in particular receive each year the following information from the statutory auditors:</p> <p>their statement of independence</p> <p>the amount of the fees paid to the network of statutory auditors by the companies controlled by the company or the entity controlling the company, in respect of services not directly related to the statutory auditors' assignment</p> <p>information concerning the services supplied in respect of the tasks directly related to the statutory auditors' engagement.</p> <p>The committee will review with the statutory auditors the risks weighing on their independence and the protection measures taken in order to reduce these risks. The committee must in particular ensure that the amount of the fees paid by the company and its group, or the share of such fees in the turnover of the firms and networks is not likely to impair the statutory auditors' independence.</p>   | <p><b>Yes</b>, the Audit Committee pilots the selection of the statutory auditors.</p> <p><b>Yes</b>, in order to deal with this topic related to the Green Book of the European community, the company has appointed Deloitte as co statutory auditor for the sustainability report.</p>   |
| 16.3       | <p><b>Operating methods and</b></p> <p>The audit committee's operating reports to the Board of Directors should provide the Board with full information, thereby facilitating the latter's proceedings.</p> <p>The annual report should include a statement on the audit committee's activity during the past financial year.</p> <p>The audit committee should interview the statutory auditors, and also the persons responsible for finance, accounting and treasury matters. It should be possible to hold these interviews, if the committee so wishes, without the presence of the corporation's executive management.</p> <p>The committee should review the consolidation scope, and if applicable, the reasons for excluding certain companies.</p> <p>The committee should be able to call upon outside experts as needed making sure they have the requisite skills and independence.</p> <p>As regards the effectiveness of internal control and risk management systems, the committee should ensure that these systems exist, that they are implemented and that corrective action is taken in the event of significant weaknesses or flaws. To this end, it must be informed of the main findings of the statutory auditors and the internal audit. It must interview those responsible for the internal audit and for risk control and give its opinion on the organization of their services. It should be informed of the program for the internal audit and receive internal audit reports or a regular summary of those reports.</p> <p>The committee shall examine the risks and the material off-balance-sheet commitments, assess the importance of any failures or weaknesses which are communicated to it and, if necessary, inform the Board.</p> | <p><b>Yes</b>, the Audit Committee secretary takes minutes of the meetings. A summary of the deliberations is included in the reference document.</p> <p><b>Yes</b>, the audit committee working methods, the intervention of the financial director, the risks directors and other qualified people are specified within the Chairman's internal Control report.</p> <p>The Audit Committee is regularly informed of the internal program.</p> |
| <b>17.</b> | <b>THE COMMITTEE IN CHARGE OF APPOINTMENTS OR NOMINATIONS</b>   |   |
| 17         | <p><b>Composition</b></p> <p>The appointments or nominations committee plays an essential role in shaping the future of the company, as it is in charge of preparing the future membership of leadership bodies. Accordingly, each Board should appoint, from its members, a committee for the appointment or nomination of directors and executive directors, which may or may not be separate from the compensation committee.</p>  | <p><b>Yes</b>, the Remuneration Committee is also in charges of nominations and this in order to avoid the multiplication of specific committees.</p>   |
| 17.1       | <p>When the appointments or nominations committee is separate from the compensation committee, the recommendations relating to the latter's membership and mode of operation are also applicable to it (see hereafter).</p> <p>However, unlike the provisions governing the compensation committee, the Chief Executive Officer shall be associated with the appointments or nominations committee's proceedings. In the event that the offices of Chairman of the Board of Directors and Chief Executive Officer are separate, the Chairman may be a member of this committee.</p>   | Not applicable  |

| ARTICLE    | DISPOSITIONS OF THE CODE  | MEASURES IMPLEMENTED<br>BY SARTORIUS STEDIM BIOTECH   |
|------------|---|---|
| 17.2       | <p><b>Allocations</b><br/>This committee is in charge of submitting proposals to the Board after reviewing in detail all of the factors that it is to take into account in its proceedings: desirable balance in the membership of the Board with regard to the make-up of and changes in ownership of the corporation's stock, balance between men and women on the Board, identification and evaluation of potential candidates, desirability of extensions of terms. In particular, it should organize a procedure for the nomination of future independent directors and perform its own review of potential candidates before the latter are approached in any way.</p> <p>The committee selection or of the nominations (or a ad hoc committee) should established a hand over plan to the new members of the administrators.</p>   | <p><b>Yes</b>, the compensation committee has the competency to research, examine and select each new application to the nomination to Board of Directors. and to give his point of view or recommendations on the applicant to the Board of Directors.</p>   |
| <b>18.</b> | <b>THE COMMITTEE IN CHARGE OF COMPENSATION</b>  |   |
| 18.1       | <p><b>Composition</b><br/>The committee should not include any executive directors, and should have a majority of independent directors.</p> <p>It should be chaired by an independent director.</p> <p>It is advised that an employee director be a member of this committee.</p>  | <p><b>Yes</b>, all the members of the compensation committee are non-executives. It is composed of 50% of independent members<br/>The Committee has no employee director since the company had no obligation considering the requirements of article L 225-27-1 of the Commerce Code and is studying the current obligations.</p> |
| 18.2       | <p>The committee's operating reports to the Board of Directors should provide the Board with full information, thereby facilitating its proceedings.</p> <p>When the report on the proceedings of the compensation committee is presented, the Board should deliberate on issues relating to the compensation of the executive directors without the presence of the latter. The annual report should include a statement on the compensation committee's activity during the past financial year.</p>  | <p><b>Yes</b>, the audit committee secretary takes minutes of the meetings. A summary of the deliberations is provided within the reference document.</p>   |
| 18.3       | <p>The remuneration committee must ensure that the Board of Directors is given the best conditions in which to determine all the compensation and benefits accruing to executive directors. All decisions are to be made by the Board of Directors.</p> <p>Furthermore, the committee must be informed of the compensation policy applicable to the principal executive managers who are not executive directors of the company. For that purpose, the executive directors attend meetings of the compensation committee.</p>   | <p><b>Yes</b>, the remuneration committee working methods are specified in the internal Control Chairman's report.</p>  |
| <b>19.</b> | <b>NUMBER OF DIRECTORSHIPS FOR EXECUTIVE AND NON-EXECUTIVE DIRECTORS</b>  |   |
| 19         | <p>An executive director should not hold more than two other directorships in listed corporations, including foreign corporations, not affiliated with his or her group<sup>20</sup>. He or she must also seek the opinion of the Board before accepting a new directorship in a listed corporation.</p> <p>In the case of a separate Chairman, the Board may draw up specific recommendations on this issue, taking into account its particular situation and the missions conferred to him/her.</p> <p>A NO-executive director should not hold more than four other directorships in listed corporations, including foreign corporations, not affiliated with his or her group. This recommendation will apply at the time of appointment or the next renewal of the term of office.</p> <p>The director should keep the Board informed of directorships held in other companies, including his or her participation on committees of the Boards of these companies, both in France and abroad.</p> | <p><b>Yes</b>, the Chairman's exercise actually a term of office within the surveillance control of Carl Zeiss AG and 3 office terms within consultative committees.<br/>Moreover the Reference Document indicates the the executive director mandates in other listed companies including foreign ones.</p>                      |

| ARTICLE   | DISPOSITIONS OF THE CODE   | MEASURES IMPLEMENTED<br>BY SARTORIUS STEDIM BIOTECH  |
|-----------|--|--|
| 20.       | <b>ETHICAL RULES FOR DIRECTORS</b>   |  |
| 21.       | <b>DIRECTORS' COMPENSATION</b>   |  |
| 21.1 21.2 | <p><b>Member of the Board of Directors' compensation</b><br/>It shall be recalled that the method of allocation of directors' compensation, the total amount of which is determined by the meeting of shareholders, is set by the Board of Directors. It should take account, in such ways as it shall determine, of the directors' actual attendance at meetings of the Board and committees, and therefore include a significant variable portion.</p> | <p><b>Yes</b>, all information are indicated in the section "directors' fees" of the Reference Document. The method of allocation are defined by the Board of Directors and mentioned in the Reference Document in the President report on the company's governance and internal control.</p>  |
|           | <p>It is natural that directors' attendance at meetings of specialized committees should give rise to an additional amount of directors' fees. Similarly, undertaking individual tasks such as those of Vice President or Lead Director may give rise to additional fees or payment of extraordinary compensation subject to the application of the procedure for related parties agreements.</p>  |  |
|           | <p>The amount of the directors' fees should reflect the level of responsibilities assumed and the time that they need to apply to their duties.</p>  |  |
|           | <p>Each Board must review the adequacy of the level of directors' fees with regard to the duties and responsibilities placed on directors.</p>   |  |
| 21.3      | <p>The rules for allocation of the directors' fees and the individual amounts of payments thereof made to the directors should be set out in the annual report</p>   | <p><b>Yes</b>, the attendances fees are stated and specified clearly in the reference.</p>   |
| 22.       | <p><b>TERMINATION OF EMPLOYMENT CONTRACT IN CASE OF APPOINTMENT AS EXECUTIVE DIRECTOR</b><br/>It is recommended , when an employee becomes an executive director of the company to stop the employee's contract with the company or any other company of the group either by conventional termination or by resignation</p>  | <p><b>Yes</b>, no executive director has been, or is employed by the company.</p>  |
| 23.       | <b>COMPENSATION OF EXECUTIVE DIRECTORS</b>   |  |
| 23.1      | <p><b>Principle for setting Executive Directors compensation and role of the Board of Directors</b><br/>Boards of Directors and Supervisory Boards are responsible for determining the compensation of executive directors, based on proposals made by the compensation committee.</p>   | <p><b>Yes</b>, the compensation policy is deliberated at the remuneration committee, before submission to the Board to Oscar Werner Reif and Volker Niebel.<br/>Joachim Kreuzburg and Reinhard Vogt representing the group Sartorius AG, their compensation policies are deliberated and decided at the level of the parent company of Sartorius Stedim Biotech uses with with the utmost attention the Code Afep Medef principles.</p>  |
|           | <p>In order to determine the said compensation, the relevant Boards and committees must take into account the following principles:</p>  | <p><b>Yes</b>, the principles for the description of the determination of compensation are duly applied.<br/>The remuneration components applicable to the fix and variable remuneration of the executive members are based on targets to be achieved as described in details in the section "Remuneration Report". Also, in the said section, the key allocation for each component is detailed, specifically in the variable remuneration section. Thus, the company, taking into account the comments of the High Committee for Corporate Governance has reinforced and improved the level of</p> |

| ARTICLE | DISPOSITIONS OF THE CODE  | MEASURES IMPLEMENTED<br>BY SARTORIUS STEDIM BIOTECH   |
|---------|---|---|
|         |   | information in this regard in adding the components payment such as the EBITDA, Sales Revenue, Ratio of Net Debt to EBITDA and the applicable methods of key allocation with the percentage and threshold each target achievement.  |
|         | comprehensiveness   |   |
|         | balance   |   |
|         | benchmark   |   |
|         | Consistency   |   |
|         | understandability of the rules  |   |
|         | proportionality   |   |
| 23.2    | <p><b>Compensation policy and allocation of stock option grants and free shares</b><br/>The compensation of executive directors must be appropriate, balanced and fair. Such compensation must strengthen the sense of solidarity and motivation within the company.</p> <p>While the market is a benchmark, it may not be the sole one. An executive director's compensation depends on the work carried out, the results obtained and also the responsibilities taken on. An executive director bears the ultimate responsibility for the management team, and this warrants higher compensation. The general policy for the award of stock options and performance shares should be debated within the compensation committee, and, on the basis of a recommendation from the committee, approved by the Board of Directors.</p> <p>The Board of Directors must monitor the evolution in all components of the compensation over several years, with regard to corporate performance</p> | <p><b>Yes</b>, the compensation policy is deliberated at the remuneration committee, before submission to the Board to Oscar Werner Reif and Volker Niebel.</p> <p>Joachim Kreuzburg and Reinhard Vogt representing the group Sartorius AG, their compensation policies are deliberated and decided at the level of the mother house of Sartorius Stedim Biotech.</p>   |
| 23.2.2  | <p><b>Fixed compensation</b><br/>The fixed part may be calculated differently depending on whether the executive director has followed a continuous career within the company or is recruited from outside the company.</p> <p>In principle, such fixed compensation may only be reviewed at relatively long intervals, e.g. every three years.</p> <p>Any increases in compensation must be linked to events affecting the company and must take into account performance through other components of the compensation, including fringe benefits.</p> <p>If, however, the company opts for annual increase of the executive director's fixed compensation, this increase must be moderated and must respect the principle of consistency mentioned in 23.1.</p>   | <p><b>Yes</b>, the compensation policy is deliberated at the remuneration committee, before submission to the Board to Oscar Werner Reif and Volker Niebel. Unless exceptional elements, its evolution stays moderated from one year to another one. The company applies to the AFEP MEDEF recommendations in regards to the increases moderation.</p> <p>The Board takes care of this said fixed remuneration with regards to the performance of the company.</p> <p>Joachim Kreuzburg and Reinhard Vogt representing the group Sartorius AG, their compensation policies are deliberated and decided at the level of the mother house of Sartorius Stedim Biotech..</p> |
| 23.2.3  | <p><b>Variable compensation</b><br/>The Board may decide to award executive director's annual or multi-annual variable compensation.</p> <p>These different forms of variable compensation may be cumulative, but this cumulative amount must be decided on the basis of the aforementioned principles, in particular comprehensiveness and proportionality. The variable compensation must be determined by the Board of Directors for a fixed period. The rules governing the determination of the variable compensation must be consistent with the annual or multi-annual assessment of executive directors' performance and with the company's strategy. The variable compensation is a reward for the director's performance and the progress of the company in the period under consideration. The share price must not be the only criteria for measuring this performance.</p>   | <p><b>Yes</b>, the variable compensation policy is reviewed at the remuneration committee by Oscar Werner Reif and Volker Niebel. An annual variable compensation and multi-annual has been set up for the company. Unless exceptional elements, its evolution stays moderated from one year to another one. The company applied to the AFEP MEDEF recommendations in regards to the increases moderation.</p> <p>The stock market price does not constitute an element of the</p>  |

| ARTICLE | DISPOSITIONS OF THE CODE  | MEASURES IMPLEMENTED<br>BY SARTORIUS STEDIM BIOTECH  |
|---------|---|--|
|         |   | <p>compensation variation.</p> <p>Joachim Kreuzburg and Reinhard Vogt are representing the Group Sartorius AG, their compensation policy is deliberated and decided at the level of the parent company Sartorius AG..</p> <p>It is based on quantitative criteria precisely measurable and challenging.</p>  |
|         | The terms of the variable compensation must be understandable to shareholders, and clear and complete information must be provided each year in the annual report.  | Yes, the company has increased and improved the level of information in the remuneration report that described the targets achievements policy for the annual variable remuneration, and the variable remuneration with multi-year component.  |
|         | The variable compensation must be subject to the achievement of precise and, of course, predetermined objectives.   |  |
|         | Quantitative criteria must be simple, relevant, objective, measurable and suited to the corporate strategy.   |  |
|         | These criteria must be regularly reviewed in order to avoid any ad-hoc adjustments.   |  |
|         | It is also necessary to pay considerable attention to possible threshold effects generated by quantitative criteria. Only highly specific circumstances may warrant the award of an extraordinary variable component.   |  |
|         | The qualitative criteria must be defined precisely. For the variable part, when qualitative criteria are used, a limit must be determined for the qualitative part while allowing, where applicable, exceptional circumstances to be taken into consideration.                                    |  |
|         | The variable compensation must be set at a level that is balanced in relation to the fixed part. The variable part is a maximum percentage of the fixed part, and is adapted to the business conducted by the company and predefined by the Board.  |  |
|         | Except in justified cases, the award of variable compensation may not only be restricted to executive directors.  |  |
|         | In the event that an executive director leaves before completion of the term envisaged for assessment of the performance criteria, the payment of the variable part of the compensation must be ruled out, unless there are exceptional circumstances which can be justified by the Board.        |  |
| 23.2.5  | <p><b>Benefits for taking up a position</b><br/>Benefits for taking up a position may only be granted to a new executive director who has come from a company outside the group. In this case the amount must be made public when it is determined.</p>   | <p><b>Yes</b>, there isn't a benefit for taking up functions of executive directors</p>  |
|         | <p><b>NO-competition benefits</b><br/>In the context of implementation of the procedure for related parties transactions as stipulated by law, the conclusion of a NO-competition agreement must be subject to substantial reflection in the compensation committee.</p>                          | <p><b>Yes</b>, All executive directors have a post contractual non-competition obligation which is in accordance with German law due to the fact that Sartorius Stedim Biotech S.A. is controlled by a German company. This obligation lasts for two years after the director has left the Group. During that time, if the non-competition clause is not waived or terminated, the director can claim half of his latest remuneration received at the Company.</p> |
|         | <p>The Board must authorize the conclusion of the NO-competition agreement, the length of the requirement for NO-competition and the amount of benefits, taking into account the actual and effective scope of the NO-competition requirement. The decision of the Board must be made public.</p> |  |
|         | <p>The Board has to anticipate, during the conclusion of the agreement, a mention which allows the Board to cancel the agreement when a director leaves.</p>  |  |
|         | <p>The Board must announce whether or not the NO-competition agreement will be upheld at the time that the director leaves, in particular when the</p>  |  |

| ARTICLE | DISPOSITIONS OF THE CODE   | MEASURES IMPLEMENTED<br>BY SARTORIUS STEDIM BIOTECH   |
|---------|--|---|
|         | <p>director leaves the company to claim, or after having claimed his or her pension rights.</p> <p>In any event, the NO-competition payment should not exceed a ceiling of two years of compensation (fixed and variable).</p> <p>When a termination benefit is also paid, the aggregate of these two benefits must not exceed this ceiling (see above).</p>   |   |
| 23.2.6  | <p>The supplementary pension schemes mentioned in Article L.137-11 of the Social Security Code for senior executives and executive directors must comply with conditions that prevent abuse.</p> <p>Supplementary pension schemes with defined benefits must be subject to the condition that the beneficiary must be a director or employee of the company when claiming his or her pension rights pursuant to the applicable rules.</p> <p>In order to prevent any abuse, it is necessary to impose certain additional rules (without prejudice to schemes closed to new beneficiaries which may not be altered):</p> <p>the relevant benefit must be taken into account in the overall determination of the compensation on the basis of the general principles stated above;</p> <p>the group of potential beneficiaries must be materially broader than the sole executive directors;</p> <p>the beneficiaries must meet reasonable requirements of seniority within the company, for at least two years, as determined by the Board of Directors, to benefit from payments from a pension plan with defined benefits;</p> <p>each year, the increase in potential rights shall be progressive in relation to the seniority in the scheme and shall only account for a percentage limited to 5% of the beneficiary's compensation. This progression must be described;</p> <p>the benchmark period taken into account for the calculation of the benefits must cover several years, and it is necessary to avoid over the same period any artificial increase in compensation, aimed at increasing pension benefits;</p> <p>It is necessary to exclude any schemes giving a right immediately or over a time to a high percentage of the total compensation at the end of the career.</p> <p>In addition, information on individual potential rights, in particular the reference income and the maximum percentage of this income, which the supplementary pension scheme would confer, must be made public. The percentage may not be more than 45% of the reference income (fixed and variable compensation of three in the reference period).</p> | <p><b>Yes</b>, the supplementary pension schemes are according to the responsibilities of the executive directors of the Company.</p>   |
| 24.     | <p><b>INFORMATION ON EXECUTIVE DIRECTORS' COMPENSATION AND THE AWARDED POLICY FOR SHARE OPTIONS AND PERFORMANCE SHARES</b></p>   |   |
| 24      | <p>The law imposes on companies the obligation to disclose in their management report the aggregate compensation and benefits of all types paid during the financial year to each executive director as well as the amount of the compensation and benefits of any type that each of these directors has received during the financial year from companies of the group.</p> <p>Comprehensive information must be provided to shareholders so that they can have a clear view, not only of the individual compensation paid to executive directors, but also of the policy applied by the company in order to determine the compensation paid.</p>   | <p><b>Yes</b>, the Chairman's part on the company governance and internal control Report compiles these information about non-executives and executives directors compensation.</p> |
| 24.1    | <p><b>Permanent information</b><br/>All of the executive directors' compensation components, whether potential or vested, must be publicly disclosed, immediately after the meeting of the Board approving the relevant decisions.</p>   | <p><b>Yes</b>, the company applies to this recommendation..</p>   |

| ARTICLE | DISPOSITIONS OF THE CODE   | MEASURES IMPLEMENTED<br>BY SARTORIUS STEDIM BIOTECH  |
|---------|--|--|
| 24.2    | The annual report must include a chapter, drawn up with the support of the compensation committee, informing shareholders of the compensation received by executive directors.   |  |
|         | <p><b>Variable remunerations:</b><br/>A detailed presentation of the policy on determination of the compensation paid to executive directors and in particular the rules governing the award of the annual variable part. Without jeopardizing the confidentiality that may be linked to certain elements of determining the variable part of the compensation, this presentation must indicate the criteria on the basis of which this variable part is determined, the manner in which these criteria have been applied during the financial year, as compared with initial expectations, and whether the individual director's personal targets have been attained. It must also, where necessary, specify if the payment of this variable part is partly deferred and indicate the conditions and methods of this deferred payment. Finally, it must, where necessary, specify the rules governing the award of multi-annual variable compensation. Without jeopardizing the confidentiality that may be justified for certain elements of determining the variable part of the compensation, it must indicate the criteria on the basis of which this compensation is determined, and when the payment of the multi-annual variable part is made, the manner in which these criteria have been applied;</p> | <p><b>Yes</b>, the indication of the determination criteria and the information of the application of the criteria are indicated in detail in the section remuneration report of the the reference document.</p>   |
|         | <p><b>Pensions:</b><br/>Information concerning the pension systems or commitments provided by the company. Taking into account the considerable variety of pension schemes, it is necessary to indicate whether executive directors benefit from the same pension schemes as the group's senior executives or benefit from a specific pension scheme and describe the main features of these schemes and in particular their calculation methods;</p>  | <p><b>Yes</b>, the company indicates this information within the part dedicated to the compensation within the reference document.</p>   |
|         | <p><b>Individual compensation:</b><br/>A detailed presentation of each executive director's individual compensation, compared with that of the preceding financial year, and broken down between fixed components and variable components. Although the French Commercial Code does not impose any such obligation, it appears that the information most relevant for shareholders consists in connecting the variable component to the financial year in respect of which it is calculated, even though the compensation is only paid during the following financial years. It is therefore recommended to disclose on a priority basis the compensation of thee in respect of the financial year and to show in a summary table the amounts of thee and paid for the current and the preceding financial years;</p>  | <p><b>Yes</b>, the company indicates personal compensation also<br/>A comparison with the previous year is made separating the compensation on due and the remuneration paid by financial year with the breakdown of the fixed part and the variable one</p> |
|         | <p><b>Director's fees:</b><br/>The aggregate and individual amount of directors' fees paid to directors and the rules for allocating fees, as well as the rules governing the payment of the directors' fees awarded where applicable to the general management team in respect of corporate offices held in affiliates of the group;</p>  | <p><b>Yes</b>, the company indicates the total amount and individual attendance fees.</p>  |
|         | <p><b>Stock options:</b><br/>A description of the policy for the award of stock options to all beneficiaries by explaining separately, where applicable, the specific award policy applicable to executive directors. In particular, it is necessary to indicate the nature of the options (purchase or subscription options), where applicable the criteria used to define categories of beneficiaries, the periodicity of the plans, the conditions approved by the Board as regards the exercise of the options and the dilutive impact of each option award. A summary table must show all data relevant to the existing option plans, as used for the benchmark document;</p>   | <p><b>Yes</b>, the company indicates this information within the part dedicated to the compensation within the reference document.</p>   |
|         | <p><b>Performance shares:</b><br/>A description of the share award policy applicable to employees or to certain categories of employees and to executive directors, the conditions and where applicable the criteria if determined by the Board of Directors and the dilutive impact of each share award. In the same manner as for stock options, a summary table must show all of these data and in particular the number of performance shares awarded to each executive director and the total number of shares awarded to the main beneficiaries who are employees of the group;</p>  | <p><b>Yes</b>, the company indicates this information within the part dedicated to the compensation within the reference document.</p>   |
|         | <p><b>Valorization of stock options and performance shares and fraction of awarded to the executive managers and executive directors:</b><br/>The valuation of stock options and performance shares awarded to executive directors, at the time of the award and in accordance with</p>  | <p><b>Yes</b>, the company indicates this information within the part dedicated to the compensation within the reference document.</p>   |

| ARTICLE | DISPOSITIONS OF THE CODE  | MEASURES IMPLEMENTED<br>BY SARTORIUS STEDIM BIOTECH  |
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|         | the method used for consolidated financial statements, and the fraction of the capital awarded to each executive director.  |  |
|         | <b>Standardized presentation:</b><br>It is recommended to comply with the standardized presentation (attached as a schedule hereto) of all director compensation items.   |  |
| 24.3    | Shareholders' consultation on individual remunerations for executive managers and executive directors:  | <b>Yes</b> , the company indicates this information within the part dedicated to the compensation within the reference document and applies to the AFEP MEDEF recommendations.   |
|         | The Board must present the compensation of executive directors at the annual General Meeting. This presentation must cover the elements of the compensation due or awarded at the end of the closed financial year to each executive director:  | In addition, based on the compulsory principle of the "Say on Pay" the company, will submit the remuneration plan and fix and variable allocation through specific resolutions to the imperative vote of its shareholders for its executive members. |
|         | the fixed part;   |  |
|         | the annual variable part and where necessary the multi-annual variable part with the objectives that contribute to the determination of this variable part;   |  |
|         | extraordinary compensation;   |  |
|         | stock options, performance shares, and any other element of long-term compensation; benefits linked to taking up or terminating office;   |  |
|         | supplementary pension scheme;   |  |
|         | any other benefits.   |  |
|         | This presentation should be followed by an advisory vote by shareholders.   |  |
|         | It is recommended that at the shareholders' vote, one resolution is presented for the Chief Executive Officer or the Chairman of the Management Board and one resolution for the Deputy Chief Executive Officers or for the other members of the Management Board.  |  |
|         | When the ordinary shareholders' meeting issues a negative opinion, the Board, acting on the advice of the compensation committee, must discuss this matter at another meeting and immediately publish on the company's website a notice detailing how it intends to deal with the opinion expressed by the shareholders at the General Meeting. |  |