

## **EULER HERMES GROUP**

*Société anonyme à Directoire et Conseil de Surveillance  
with a share capital of 14 509 497 euros  
Registered office: 1 place des Saisons, 92048 Paris-La-Défense cedex, France  
RCS Nanterre 552 040 594*

### **Disclosure made in accordance with the recommendation of the AFEP-MEDEF Code of Corporate Governance (Article 24)**

#### **Permanent information relating to the compensation of executive directors**

In accordance with the AFEP-MEDEF Code of Corporate Governance, Euler Hermes Group is publishing the elements of compensation of the members of the Board of Management, appointed on February 17, 2016 with effect from April 1<sup>st</sup>, 2016, for a duration of four years.

The amounts of compensation presented below have been approved by the Supervisory Board of Euler Hermes Group at its meeting held on February 17, 2016 upon recommendation of its Nomination and Remuneration Committee which met on February 16, 2016.

#### **1. Compensation of Wilfried Verstraete, Chairman of the Board of Management, in charge of Internal Audit, Human Resources and Communication**

##### **Determination of the fixed part of the compensation for 2016:**

With effect from April 1, 2016 the gross fixed part of annual compensation of Wilfried Verstraete amounts to €577,750 gross.

##### **Determination of the variable part of the compensation for 2016**

With effect from April 1, 2016, the total variable of the annual compensation of Wilfried Verstraete has been set at €1,322,250 gross. The target annual variable compensation represents 229% of the annual fixed compensation<sup>1</sup>.

The variable compensation is composed of :

- 1/3 of an annual variable compensation;
- 1/3 of a mid-term bonus (MTB) assessed on a three year basis;
- 1/3 of a long term bonus (LTB) consisting of RSUs (Restricted Stock Units), 50% of which are linked to the average Allianz share price and the remaining 50% to the average Euler Hermes Group share price. Both of these prices are established during the 10 trading days following the publication of the financial results of Allianz and Euler Hermes Group, with a vesting period of four years as of the allocation date to compensate performance in year N-1.

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<sup>1</sup> Excluding specific allowances and benefits in kind.

All three variable compensation components are subject to the same assessment criteria as follows:

- 50% of the variable compensation is calculated on the basis of financial targets, which are assessed on financial criteria including the Group's operating income, net income, turnover.
- 50% of the variable compensation is calculated on the basis of individual targets subject to specific qualitative or quantitative criteria of the function.

In addition, the MTB is subject to a sustainability assessment on pay-out.

Wilfried Verstraete is not bound by any employment contract with the Company and any of its subsidiaries.

As the case may be, under certain circumstances, he may benefit from severance compensation which is described in a separate press release published on the Company's website.

## **2. Compensation of Frédéric Bizière, Board of Management member, in charge of Risks, Information and Claims and Reinsurance**

### **Determination of the fixed part of the compensation for 2016:**

With effect from April 1, 2016 the gross fixed part of annual compensation of Frédéric Bizière amounts to €300,000 gross.

### **Determination of the variable part of the compensation for 2016**

With effect from April 1, 2016, the total variable of the annual compensation of Frédéric Bizière has been set at €600,000 gross. The target annual variable compensation represents 200% of the annual fixed compensation<sup>2</sup>.

The variable compensation is composed of :

- 1/3 of an annual variable compensation;
- 1/3 of a mid-term bonus (MTB) assessed on a three year basis;
- 1/3 of a long term bonus (LTB) consisting of RSUs (Restricted Stock Units), 50% of which are linked to the average Allianz share price and the remaining 50% to the average Euler Hermes Group share price. Both of these prices are established during the 10 trading days following the publication of the financial results of Allianz and Euler Hermes Group, with a vesting period of four years as of the allocation date to compensate performance in year N-1.

All three variable compensation components are subject to the same assessment criteria as follows:

- 50% of the variable compensation is calculated on the basis of financial targets, which are assessed on financial criteria including the Group's operating income, net income, turnover.
- 50% of the variable compensation is calculated on the basis of individual targets subject to specific qualitative or quantitative criteria of the function.

In addition, the MTB is subject to a sustainability assessment on pay-out.

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<sup>2</sup> Excluding specific allowances and benefits in kind.

Frédéric Bizière is not bound by any employment contract with the Company and any of its subsidiaries.

As the case may be, under certain circumstances, he may benefit from severance compensation which is described in a separate press release published on the Company's website.

### **3. Compensation of Clarisse Kopff, Board of Management member, in charge of Finance**

#### **Determination of the fixed part of the compensation for 2016:**

With effect from April 1, 2016 the gross fixed part of annual compensation of Clarisse Kopff amounts to €300,000 gross.

#### **Determination of the variable part of the compensation for 2016**

With effect from April 1, 2016, the total variable of the annual compensation of Clarisse Kopff has been set at €600,000 gross. The target annual variable compensation represents 200% of the annual fixed compensation<sup>3</sup>.

The variable compensation is composed of :

- 1/3 of an annual variable compensation;
- 1/3 of a mid-term bonus (MTB) assessed on a three year basis;
- 1/3 of a long term bonus (LTB) consisting of RSUs (Restricted Stock Units), 50% of which are linked to the average Allianz share price and the remaining 50% to the average Euler Hermes Group share price. Both of these prices are established during the 10 trading days following the publication of the financial results of Allianz and Euler Hermes Group, with a vesting period of four years as of the allocation date to compensate performance in year N-1.

All three variable compensation components are subject to the same assessment criteria as follows:

- 50% of the variable compensation is calculated on the basis of financial targets, which are assessed on financial criteria including the Group's operating income, net income, turnover.
- 50% of the variable compensation is calculated on the basis of individual targets subject to specific qualitative or quantitative criteria of the function.

In addition, the MTB is subject to a sustainability assessment on pay-out.

Clarisse Kopff is not bound by any employment contract with the Company and any of its subsidiaries.

As the case may be, under certain circumstances, she may benefit from severance compensation which is described in a separate press release published on the Company's website.

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<sup>3</sup> Excluding specific allowances and benefits in kind.

#### **4. Compensation of Paul Overeem, Board of Management member, in charge of Commercial Underwriting and Distribution**

##### **Determination of the fixed part of the compensation for 2016:**

With effect from April 1, 2016 the gross fixed part of annual compensation of Paul Overeem amounts to €300,000 gross.

##### **Determination of the variable part of the compensation for 2016**

With effect from April 1, 2016, the total variable of the annual compensation of Paul Overeem has been set at €600,000 gross. The target annual variable compensation represents 200% of the annual fixed compensation<sup>4</sup>.

The variable compensation is composed of :

- 1/3 of an annual variable compensation;
- 1/3 of a mid-term bonus (MTB) assessed on a three year basis;
- 1/3 of a long term bonus (LTB) consisting of RSUs (Restricted Stock Units), 50% of which are linked to the average Allianz share price and the remaining 50% to the average Euler Hermes Group share price. Both of these prices are established during the 10 trading days following the publication of the financial results of Allianz and Euler Hermes Group, with a vesting period of four years as of the allocation date to compensate performance in year N-1.

All three variable compensation components are subject to the same assessment criteria as follows:

- 50% of the variable compensation is calculated on the basis of financial targets, which are assessed on financial criteria including the Group's operating income, net income, turnover.
- 50% of the variable compensation is calculated on the basis of individual targets subject to specific qualitative or quantitative criteria of the function.

In addition, the MTB is subject to a sustainability assessment on pay-out.

Paul Overeem is not bound by any employment contract with the Company and any of its subsidiaries.

As the case may be, under certain circumstances, he may benefit from severance compensation which is described in a separate press release published on the Company's website.

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<sup>4</sup> Excluding specific allowances and benefits in kind.

## **5. Compensation of Michele Pignotti, Board of Management member, in charge of Marketing**

### **Determination of the fixed part of the compensation for 2016:**

With effect from April 1, 2016 the gross fixed part of annual compensation of Michele Pignotti amounts to €260,000 gross.

### **Determination of the variable part of the compensation for 2016**

With effect from April 1, 2016, the total variable of the annual compensation of Michele Pignotti has been set at €450,000 gross. The target annual variable compensation represents 173% of the annual fixed compensation<sup>5</sup>.

The variable compensation is composed of :

- 1/3 of an annual variable compensation;
- 1/3 of a mid-term bonus (MTB) assessed on a three year basis;
- 1/3 of a long term bonus (LTB) consisting of RSUs (Restricted Stock Units), 50% of which are linked to the average Allianz share price and the remaining 50% to the average Euler Hermes Group share price. Both of these prices are established during the 10 trading days following the publication of the financial results of Allianz and Euler Hermes Group, with a vesting period of four years as of the allocation date to compensate performance in year N-1.

All three variable compensation components are subject to the same assessment criteria as follows:

- 50% of the variable compensation is calculated on the basis of financial targets, which are assessed on financial criteria including the Group's operating income, net income, turnover.
- 50% of the variable compensation is calculated on the basis of individual targets subject to specific qualitative or quantitative criteria of the function.

In addition, the MTB is subject to a sustainability assessment on pay-out.

As from April 1, 2016, Michele Pignotti will no longer be bound by any employment contract with the Company and any of its subsidiaries.

As the case may be, under certain circumstances, he may benefit from severance compensation which is described in a separate press release published on the Company's website.

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<sup>5</sup> Excluding specific allowances and benefits in kind.

## **6. Compensation of Ludovic Sénécaut, Board of Management member, in charge of Operations and IT**

### **Determination of the fixed part of the compensation for 2016:**

With effect from April 1, 2016 the gross fixed part of annual compensation of Ludovic Sénécaut amounts to €260,000 gross.

### **Determination of the variable part of the compensation for 2016**

With effect from April 1, 2016, the total variable of the annual compensation of Ludovic Sénécaut has been set at €450,000 gross. The target annual variable compensation represents 173% of the annual fixed compensation<sup>6</sup>.

The variable compensation is composed of :

- 1/3 of an annual variable compensation;
- 1/3 of a mid-term bonus (MTB) assessed on a three year basis;
- 1/3 of a long term bonus (LTB) consisting of RSUs (Restricted Stock Units), 50% of which are linked to the average Allianz share price and the remaining 50% to the average Euler Hermes Group share price. Both of these prices are established during the 10 trading days following the publication of the financial results of Allianz and Euler Hermes Group, with a vesting period of four years as of the allocation date to compensate performance in year N-1.

All three variable compensation components are subject to the same assessment criteria as follows:

- 50% of the variable compensation is calculated on the basis of financial targets, which are assessed on financial criteria including the Group's operating income, net income, turnover.
- 50% of the variable compensation is calculated on the basis of individual targets subject to specific qualitative or quantitative criteria of the function.

In addition, the MTB is subject to a sustainability assessment on pay-out.

As from April 1, 2016, Ludovic Sénécaut will no longer be bound by any employment contract with the Company and any of its subsidiaries.

As the case may be, under certain circumstances, he may benefit from severance compensation which is described in a separate press release published on the Company's website.

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The governance practices of the Company as well as all the elements of compensation of the Board of Management members will be presented in the Registration Document for financial year 2016.

The present release is established and available on the Euler Hermes website ([www.eulerhermes.com](http://www.eulerhermes.com)) pursuant to the provisions of the AFEP-MEDEF Code of Corporate Governance.

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<sup>6</sup> Excluding specific allowances and benefits in kind.