350 years of history
#SAINTGOBAIN350
THE EXHIBITION
FROM 1665 TO 2015
The Saint-Gobain Mirror Glass Factory

Here we are in 1790 in the village of Saint-Gobain in the Aisne department. The factory has been based here since 1665, producing glass for use in mirrors.

Pierre-Étienne Desfarènes is the director of the factory, whose 1300 glaziers are of French and Swiss origin.

1. Unloading of materials
2. Cleaning the glass
3. Sanding the glass
4. Removing the vitreous layer
5. Setting the glass
6. Polishing the glass
7. Packing the glass in crates
8. Working the glass
9. Final polishing
10. Final inspection
11. Loading the glass
12. Delivery to customers
End of 18th century

A taste for comfort

The invention of the modern window

Lighting effects

Decorating façades

SEE ALL THE SEQUENCES
COMMUNICATION DU GOUVERNEMENT

Article 11 de la loi du 3 juillet 1972 portant statut de l’ORTF
The site at Jacare, which would soon host Brazil’s first float glass plant, 1977.

Close rivals in Europe, the British firm Pilkington and their French counterparts Saint-Gobain joined forces in Latin America in an attempt to break into markets which had thus far been the exclusive preserve of American glassmakers. In 1938 this partnership gave rise to the Vidriera Argentina SA (VASA), the first plate glass destined for the construction industry left the factory at Llavallol, near Buenos Aires, on 24th November 1939.

The Second World War stopped this project in its tracks. Both companies were preoccupied by the reconstruction efforts in Europe in the immediate aftermath of the war, but in 1973 discussions picked up again around a new idea: to join forces to create Brazil’s first float glass plant. The Companhia Brasileira de Cristal (CEBRAC) was founded in 1974 with this goal in mind.

After a further period of hesitation, work began in 1980 on a greenfield site near Jacare, between São Paulo and Rio, and thus equidistant between Brazil’s two primary centres of automobile production. Officially opened on 15th March 1983, the factory’s production capacities have been significantly expanded over the years. It now houses three production lines turning out glass panes for use in construction and the automobile industry.
FLAT GLASS, FROM MIRROR GLASS TO GLAZING

TRANSFORMATION OF MATERIAL

Witness the magical transformation of raw materials which takes place every day in Saint-Gobain’s factories, as we learn more about the fabrication of seven of the Group’s most popular products.

See for yourself how research helps us to understand the mysteries of the manufacturing process.
THE MAJOR ACHIEVEMENTS
SAINT-GOBAIN THROUGHOUT THE WORLD
TRANSFORMATION OF MATERIAL
THE WORLD OF WORK
GOVERNANCE AND CORPORATE CULTURES
FROM ARTISTRY TO MARVELS
SAINT-GOBAIN
1665-2015
THE HISTORY OF THE FUTURE

MARIE DE LAUBIER

ALBIN MICHEL

Portrait de Madame Geoffrin (1689-1777) par Jean-Marc Nattier (vers 1758)

MADAME GEOFFRIN, ACTIONNAIRE DE LA MANUFACTURE DES GLACES
La Manufacture des glaces est fondée en 1665 avec des capitaux privés mais elle bénéficie d’un monopole et d’exonérations fiscales. Le capital, composé de 288 parts appelées dix deniers, est réparti entre des actionnaires qui se partagent les profits de leur exploitation. Madame Geoffrin, qui a hérité avec sa sœur des deux tiers du capital, en revendique une partie. Elle est représentante de ses actionnaires, peu nombreux, des xviie et xve siècles pour qui la Manufacture représente une part importante de leur patrimoine.

Au xixe siècle, la Manufacture des glaces cultive son indépendance : elle est détentrice de la plupart de ses actifs et ne dépend pas d’augmentations de capital. Les bénéfices non distribués sont réinvestis. En 1872, la Manufacture compte 540 actionnaires. Ce nombre atteint 90 000 à la fin des années 1930. Entre-temps, Saint-Gobain est coté à la Bourse de Paris en 1902, après quelques contorsions de plus en plus réguliers dans les années 1910 et 1920.

Saint-Gobain représentait alors une valeur sûre, une sorte de mythe industriel doté d’une image « vieille France » rassurante. On achète ce qu’on reçoit par héritage des actions Saint-Gobain qui ne vend pas.

BRIGITTE VASILIEV, ACTIONNAIRE DE SAINT-GOBAIN
Après la nationalisation de 1962, la privatisation de 1986 est un grand succès : 20 millions d’actions sont vendues à des investisseurs privés pour 193,4 milliards de francs. Saint-Gobain, qui détient aujourd’hui 7,5 % du capital, veut continuer à l’activer en donnant des résultats à ses actionnaires. Madame Geoffrin, qui a hérité avec sa sœur des deux tiers du capital, en revendique une partie. Elle est représentante de ses actionnaires, peu nombreux, des xviie et xve siècles pour qui la Manufacture représente une part importante de leur patrimoine.

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2014 Results
SAINT-GOBAIN TODAY

2014 Key figures

€41,054m
Net Sales

€2,797m
Operating Income

€1,103m
Recurring Net Income

+2.2%
Organic Growth

+7.0%
Growth in Operating Income
like-for-like, excluding VNA

-€292m
Decrease in Net Debt
2014 CSR PERFORMANCE

ENVIRONMENT

» Water discharges down 9%*

» Non-recycled waste down 0.3%*

» CO₂ emissions down 1.4%* and launch of the Energy/Climate policy

LABOUR PRACTICES

» Accident rates:
  TF1 ~ -10%
  TF2 ~ -25%

» Top Employer Europe, Brazil, China

» Over 4.3 million training hours (up 2.7% on 2013)

GOVERNANCE

» GRI A+

» FTSE4good

» The Board of Directors includes a director representing employee shareholders and two employees

* based on equivalent production levels
IMPROVED PERFORMANCE IN AN UNEVEN MACROECONOMIC CLIMATE

WESTERN EUROPE
- Growth dampened by the downturn in France

NORTH AMERICA
- Upbeat momentum except for Roofing

ASIA AND EMERGING COUNTRIES
- Strong growth, despite a slowdown in Brazil

Net Sales
2014/2013 Organic Growth %

- Net Sales 2014: €2,797m, 6.8%
- Net Sales 2013: €2,754m, 6.6%

Operating Income
€m and % of sales

- Operating Income 2014: €2,797m
- Operating Income 2013: €2,754m

+2.2%
PRIORITIES FOR ACTION IN 2014

+1.1%
Increase in sales prices, amid a small rise in raw material costs and energy deflation

€450m
Additional cost savings over the year (calculated on the 2013 cost base)

€1.44bn
Capital expenditure, focused on growth capex outside Western Europe

€402m
Investments in R&D, in order to support the differentiated, high value-added strategy
STRATEGY CONTINUES TO BE ROLLED OUT

Strengthen the Group profile

60%
Industrial assets outside Western Europe (IM + CP)
+2 points versus 2013

31%
Capital intensity in developed countries
-1 point versus 2013

Increase the Group’s focus on differentiation

45%
Differentiation ratio
+1 point versus 2013

25%
New solutions ratio (I.M. + C.P.)
+1 point versus 2013

Indicators disclosed at the Investor Day on November 27, 2013
SHARP RALLY IN INNOVATIVE MATERIALS

Industrial assets

Net Sales
Organic Growth in %

Operating Income
€m and % of sales

2014

2014/2013

2013

2014

34.5%

+3.9%

€643m

€854m

7.2%

9.4%
FURTHER GROWTH IN CONSTRUCTION PRODUCTS

Industrial assets

Net Sales
Organic Growth in %

Operating Income
€m and % of sales

2014

CONSTRUCTION PRODUCTS

35%

2014/2013

+2.9%

2013

€1,002m
8.8%

2014

€1,020m
9.0%
**IMPROVEMENT IN BUILDING DISTRIBUTION**

**Industrial assets**

**Net Sales**
Organic Growth in %

- **2014**
  - Net Sales: €638m, 3.4%

- **2014/2013**
  - Net Sales: +0.8%
  - Net Sales: €661m, 3.5%

**Operating Income**
€m and % of sales

- **2013**
  - Operating Income: €638m, 3.4%

- **2014**
  - Operating Income: €661m, 3.5%
VERALLIA RESULTS IMPACTED BY THE DIVESTMENT OF US OPERATIONS

**Industrial assets**

**Net Sales Organic Growth in %**

- **2014**
  - PACKAGING - VERALLIA: 8.5%

- **2014/2013**
  - +1.6%

**Operating Income €m and % of sales**

- **2013**
  - excl. Verallia North America
  - €463m (12.8%)
  - €267m

- **2014**
  - €275m (10.2%)
  - €230m
IMPROVED PERFORMANCE DRIVEN BY EUROPE (EXCLUDING FRANCE) AND BY EMERGING COUNTRIES

Industrial assets and Organic Growth

- **FRANCE**: -1.3%
- **WESTERN EUROPE EXCLUDING FRANCE**: +2.6%
- **NORTH AMERICA**: +7.7%
- **ASIA AND EMERGING COUNTRIES**: +7.7%

Operating Income in €m

<table>
<thead>
<tr>
<th>Region</th>
<th>2013</th>
<th>2014</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>FRANCE</td>
<td>582</td>
<td>540</td>
<td>748</td>
<td>946</td>
</tr>
<tr>
<td>WESTERN EUROPE excluding FRANCE</td>
<td>554</td>
<td>479</td>
<td>674</td>
<td>787</td>
</tr>
<tr>
<td>NORTHERN AMERICA</td>
<td>750</td>
<td>524</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ASIA AND EMERGING COUNTRIES</td>
<td>524</td>
<td>787</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
IMPROVEMENT IN NET INCOME AND EPS

€m and % of sales

Recurring Net Income

- **2013**: €1,027m
- **2014**: €1,103m
- **Change**: +7.4%
- **Recurring EPS**: €1.97 (+5.9%)

Net Income

- **2013**: €595m
- **2014**: €953m
- **Change**: +60.2%
- **EPS**: €1.70 (+57%)
A SOUND FINANCIAL STRUCTURE

Financial structure

€7.2bn
Net Debt

€18.4bn
Shareholders’ Equity

39%
Gearing Ratio

1.7
Net Debt/EBITDA

Recognized financial strength:

» Standard & Poor’s: BBB, stable outlook

» Moody’s: Baa2, stable outlook
A DIVIDEND OFFERING A REGULAR, ATTRACTIVE NET YIELD

€1.24 per share

3.5%
Dividend yield

62%
Payout rate based on recurring net income

50% in cash

50% in cash or in shares, at shareholders’ discretion

June 10, 2015: ex-date
June 10-24, 2015: option period
July 3, 2015: payment date
Another year of earnings growth

Significant progress in terms of Corporate Social Responsibility

New stage in the roll-out of strategic priorities

Strong, enhanced financial structure
Pavillons 350
350 reasons to believe in the future

Because... Sustainable habitat is within our reach
Because... Habitat for everyone is achievable
Because... The world has no boundaries
Because... Innovation is transforming the world
Because... Talent is infinite
Because... Saint-Gobain builds on the past and plans for the future
Saint-Gobain E-GLAS glazing emitting radiating heat controlled electronically, used here in the Överby Villa (Sweden)

Sustainable habitat is within our reach
Our ambition: become THE reference in the sustainable habitat market

1. Develop the market
   - Be an exemplary leader
   - Define the extent of goals and commit alongside the pioneers
   - Heighten awareness

2. Strengthen our position
   - Invent tomorrow’s solutions
   - Reduce our environmental impact
Promote sustainable Habitat with the “Multi-Comfort” program

**Hearing**
- Noise
- Acoustic
- Noise pollution
- Impact sound insulation
- Reverberation

**Thinking**
- Maintenance
- CSR
- Energy consumption
- Carbon footprint
- Operation costs

**Touch**
- Temperature
- Texture
- Thermal insulation
- Airtightness
- Summer comfort

**Vision**
- Light
- Color, Design
- Natural lighting
- Glare
- Luminance

**Smell**
- Air quality
- Clean & dry
- New air injection
- Humidity management
- CO2 & VOC levels

- Acoustic Noise
- Noise pollution
- Impact sound insulation
- Reverberation
- Energy consumption
- Carbon footprint
- Operation costs
- Thermal insulation
- Airtightness
- Summer comfort
- Natural lighting
- Glare
- Luminance
- New air injection
- Humidity management
- CO2 & VOC levels
“Multi-Comfort” program: well-being adapted to local climate and culture

- Renovation, residential, Belgium
- Philadelphia, United States
- New, residential, Spain
- New, residential, Beaucouzé, France
- Multi-unit housing renovation, France
- Renovation, training center, Italy
- New, residentiel, Plus House, Norway
- Bucharest, Romania
- New, office building, Austria

- New, residential, Spain
- New, residential, Austria
The energy transition is underway

- **37 countries** already announced quantified targets on reducing CO$_2$ emissions in the run-up to COP 21 in December

- **Essential role of corporations** in the development of solutions to fight against climate change, as stated in the **Business & Climate Summit** in May 2015
Saint-Gobain commits in reducing its environmental impact across the entire life cycle of its products.

- **Eco-Design**: WEBER.COL FLEX ÉCO
- **Production & Operations**: -20% REDUCTION IN CO₂ EMISSIONS BY 2025
  -80% DECREASE IN WATER EXTRACTED AND DISCHARGED BY 2025
- **Distribution**: EVOLUVERT VEHICLES RUNNING ON NATURAL GAS
- **Use**: BOAT TRANSPORTATION
- **Recycling**: CLIMAPLUS DOUBLE-GLAZING ISOVER 4+
Brasilit, Placo, Isover and Weber developed a dry, high-performance construction system for example used in Brazil (35% to 40% reduction in total construction time as no water is required).

Habitat for everyone is achievable
Solutions at all stages of development

Saint-Gobain SageGlass® glazing at La Veneciana, Spain

Lapeyre Concept’Care bathroom washbasin cabinet

ISOVER insulation in the Tweewater eco-district, Louvain, Belgium

PAM pipelines in Jordan, Namibia and Côte d’Ivoire
With its Foundation, the Group also assists unemployed youths and provides social housing

95 projects supported

Integration
Moulin Vert NGO (France), Construction of a shelterhome for mentally handicapped persons at Arzon

Social housing
Thu Duc (Vietnam), Construction of a center to house 40 young women from modest rural families

Energy efficiency
Habitat for Humanity (Hungary), Insulation and renovation of housing for underprivileged households

In 30 countries
NASA’s Curiosity rover, which landed on Mars, and the rocket that launched it from Earth both use Saint-Gobain Crystals and Saint-Gobain Performance Plastics products.

The world has no boundaries
Seek out growth in new countries

- Two new offices opened in Kenya and Ghana
- Acquisition of Atlas Zimpapa, which specializes in transforming coated abrasives
- Plasterboard plant in Jakarta, Indonesia
- Doubling capacity in the Sekurit Mexico plant
- New Weber commercial presence in Peru
- Industrial sites
- Saint-Gobain in 1904
- Saint-Gobain in 1980
- Saint-Gobain in 2014
- Commercial Offices
Accelerate our development through differentiation

Industrial niche markets

Components, polymers, abrasives, films for aeronautic applications

Integrated solutions

External and internal thermal insulation system for facade Isover 4+

Additional downstream services

Services for construction professionals – Avantage Pro Point P.
Pushing back boundaries of our businesses with the digital revolution

Digital Revolution

- Isover – App. for advise, cost estimation and order
- PPC – Products available on BIM libraries
- Partnership on smart devices – Lapeyre, CEDEO, Jewson
- Verallia – 3D Virtual Glass with augmented reality technology
- PPL – 3D Rapid Prototyping
- Outiz – New multi-channel brand
- La Plateforme du Bâtiment – Click & Collect
- Digital House
- Digital Services
- ERP
- Transactional services
- Digital Marketing
- IoT
- Big data
- Data mining
ONIRYS is a Saint-Gobain Adfors lighting fabric created by interweaving optical fiber and fiberglass, into special fabrics. This innovation is the result of cooperation between Brochier® Technologies and Saint-Gobain’s R&D teams.
Some major innovations since 1665

- Invention of pouring glass on a metal table: 1688
- Invention of the TEL process for manufacturing glass wool: 1957
- Launch of the first monolayer mortar by Weber & Broutin: 1970
- Invention of Seeded Gel abrasive grains: 1980
- Creation of La Plateforme du Bâtiment: 1998
- Creation of Blutop lighter pipe system (PAM): 2008
- Industrial Production of Electrochromic glass: 2013
One the world’s 100 most innovative global organizations…

1 product out of 4 sold by Saint-Gobain did not exist 5 years ago

More than 350 patents filed in 2014

3,700 people


7 Cross-business R&D centers
... achieved through continual innovation in the service of customers

### Innovative Materials
- Thin cut-off wheel, Spit Fire Extreme Chopsaw
- Sekurit, thin laminated glass windshield

### Construction Products
- CertainTeed roofing integrated & roof mounted PV panels
- Isoduo 36 blending glass wool and wood fiber - Isover

### Building Distribution
- "Energy Efficiency Experts" Agencies, Point.P
- Lapeyre kitchen with the Chief Cook Frédéric Anton

### Packaging Verallia
- Eco-designed bottles, ECOVA
- Clear glass bottles, Selective Line
Talent is infinite
A dynamic HR policy providing recognition for our talented individuals

Headcount by region in 2014

- **NORTH AMERICA**: 8%
- **WESTERN EUROPE**: 34%
- **FRANCE**: 25%
- **LATIN AMERICA**: 11%
- **AFRICA AND THE MIDDLE EAST**: 2%
- **ASIA AND OCEANIA**: 11%
- **EASTERN EUROPE**: 9%

- **24 592** new recruits in 2014 of which **25,4%** are women
- **99** nationalities represented within the Group in 2014 (from 90 in 2013)
- **73%** of employees followed a training in 2014

Saint-Gobain recognized as « top-employer »
In 2014 and 2015
Continue our efforts to improve workplace health and safety

73% of sites provide regular and periodic medical inspections

210 sites in the “Millionaires Club”¹ in 2014

More than 30% of training courses address safety

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¹ Sites with one million hours worked or five years without any time-off accidents
² Frequency rate of accidents with and without time-off exceeding 24 hours in companies within the Group’s actual scope
This fourth pavilion evokes the future according to Saint-Gobain in which materials expertise allows for the most audacious and the most innovative architectural creations.

Saint-Gobain builds on the past and plans for the future
A strong governance – A dedicated board of directors

The board of directors at the East Leake plant’s gypsum quarry on 22nd of May, 2014
A strategy fully dedicated to customer’s satisfaction

**Focus on customers needs**

- Novibat, France
  - Increase opportunities to meet customers at site, trade shows, conferences...

**Innovate and differentiate**

- PHILIPS Soundlight confort
  - Increase the number of co-developments with our customers

**Support and training**

- Weber training, India
  - Approx. 65,000 employees in direct contact with customers every day

**Measure satisfaction**

- Point. P Employee with a client
  - Optimize the customer experience
A changing portfolio of activities in support to strategy

Disposal processus of the Packaging Sector business

Signature of an agreement on the acquisition of a controlling interest
Complementary solutions between Sika and Saint-Gobain for a complete habitat offer

Sika:
- waterproofing
- sealants
- flooring
- roofing

Saint-Gobain:
- walls
- insulation
- siding
- flooring
- glazing

A “Floor to Roof” approach
Perspectives for 2015

- Further like-for-like improvement in operating income and a continuing high level of free cash flow

- Acceleration in the roll-out of the Group’s strategy
Report of Mr. Philippe VARIN, Chairman of the Nomination, Remuneration and Governance Committee on governance and compensation of Mr. Pierre-André de Chalendar for 2014 submitted to the advisory vote of the shareholders
BOARD OF DIRECTORS

- The Board of Directors is comprised of 18 members, among whom:
  - 8 independent Directors (53 %)
  - 6 women (37 %)
  - 2 Directors representing employees
  - 1 Director representing employee shareholders

- 7 meetings in 2014

- Average attendance rate: 92 %

- Compagnie de Saint-Gobain refers to and complies with the AFEP-MEDEF Corporate Governance Code
COMMITTEES OF THE BOARD OF DIRECTORS

3 committees:

- Strategy and Corporate Social Responsibility Committee

- Financial Statements Committee (75% of the Committee members, including the Chairman, are independent Directors)

- Nomination, Remuneration and Governance Committee (75% of the Committee members, including the Chairman, are independent Directors):
  - Prepares the Board’s decisions regarding the Chairman and Chief Executive Officer’s compensation, the stock option and performance share allocations and the setting up of a performance units plan
### SUMMARY OF COMPONENTS OF THE COMPENSATION FOR 2014 AND 2013

<table>
<thead>
<tr>
<th>(In euros before payroll taxes and income tax)</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>1,100,000</td>
<td>1,100,000</td>
</tr>
<tr>
<td>Bonus</td>
<td>1,178,100</td>
<td>914,760</td>
</tr>
<tr>
<td>Other compensation components (benefits in kind)</td>
<td>2,652</td>
<td>2,652</td>
</tr>
<tr>
<td>Stock options</td>
<td>129,000</td>
<td>298,500</td>
</tr>
<tr>
<td>Performance shares</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Performance units</td>
<td>1,114,800</td>
<td>1,414,000</td>
</tr>
<tr>
<td>Total</td>
<td>3,524,552</td>
<td>3,729,912</td>
</tr>
</tbody>
</table>

#### Balance between the components of the compensation

- Stock options, performance shares and performance units granted to the Chairman and Chief Executive Officer:
  - May not represent more than 100% of his gross salary plus maximum bonus
  - In 2014, amounted to 41.9%
CHAIRMAN AND CHIEF EXECUTIVE OFFICER’S SALARY

- €1,100,000 (unchanged since 2010)
### CHAIRMAN AND CHIEF EXECUTIVE OFFICER’S BONUS

- Bonus amount depends on achievement rate of quantitative and qualitative targets fixed by the Board, the total bonus not to exceed 170% of the annual salary

#### Quantitative objectives (2/3) - each counting for 1/4th -

<table>
<thead>
<tr>
<th>Objective</th>
<th>Achievement rate: 57%</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROCE</td>
<td></td>
</tr>
<tr>
<td>Operating income</td>
<td></td>
</tr>
<tr>
<td>Recurring net income per share</td>
<td></td>
</tr>
<tr>
<td>Operating free cash flow</td>
<td></td>
</tr>
</tbody>
</table>

#### Qualitative objectives (1/3)

<table>
<thead>
<tr>
<th>Objective</th>
<th>Achievement rate: 75%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Swift responses to changes in the economic environment</td>
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<td>Implementation of strategic priorities presented at “Investor Day” in November 2013</td>
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<tr>
<td>Financial communication</td>
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<tr>
<td>Corporate social responsibility</td>
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</table>

- Aggregate achievement rate: 63%
- The bonus therefore amounted to €1,178,100
OTHER COMPONENTS OF THE COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

- No deferred compensation
- No long-term incentive bonus
- No exceptional bonus
- No director’s fees paid by Group companies
- Company car
2014 LONG-TERM COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Common principles of stock option and performance units plans

- Requirement to reinvest in Company stock and/or lock-up requirements

- Hedging is prohibited (until termination of duties for the Chairman and Chief Executive Officer)
2014 LONG-TERM COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Stock options (exercisable as from 2018)

- Number: 0 to 50,000, depending on Saint-Gobain’s relative stock performance over the four-year vesting period compared to a reference stock market index (50 % CAC 40 stock market index – 50 % sample of eight public companies operating in one or more of Saint-Gobain’s business segments)

- Value (based on the method used to prepare the consolidated financial statements): €129,000
2014 LONG-TERM COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Performance units (exercisable as from 2018)

- Principle: value of each unit = the Saint-Gobain share price on the exercise date + any dividends paid as from November 20, 2018

- Number: 0 to 60,000, depending on the arithmetic average return on capital employed (ROCE) over the 2015-2017 period

- Value (based on the method used to prepare the consolidated financial statements): €1,114,800

- Cap: performance shares and performance units granted to the Chairman and Chief Executive Officer may not represent more than 10 % of overall awards of performance shares and performance units
COMPENSATION FOR LOSS OF OFFICE AND NON-COMPETE INDEMNITY

- Mr. Pierre-André de CHALENDAR has resigned from its employment agreement in 2010
- Approved by the General Meeting of Shareholders in 2014
- Due in case of forced departure related to a change of control or strategy

Compensation for loss of office

- Amount: up to twice the sum of his latest fixed salary and the average of his annual bonuses received for his last three full fiscal years in office (the “Gross Total Annual Compensation”)
- Performance condition: the average bonus shall be at least equal to one-half of the average maximum amount set for this bonus for the last three full fiscal years in office
- Exceptions:
  - departure at the initiative of the Chairman and Chief Executive Officer
  - retirement and entitlement to claim pension benefits within the 12 months following the date of departure

Non-compete indemnity

- Duration: one year
- Amount: equal to the Gross Total Annual Compensation
- Cap: cumulative amount of non-compete indemnity and compensation for loss of office may not exceed twice the amount of the Gross Total Annual Compensation
- The Board is entitled to unilaterally waive application of the non-compete agreement
POST-EMPLOYMENT DEFINED BENEFITS ARRANGEMENTS

- Approved by the General Meeting of Shareholders in 2014

- Pension plan offered to all Compagnie de Saint-Gobain’s employees hired prior to January 1, 1994 (as of December 31, 2014, beneficiaries or potential beneficiaries included 171 retirees and a further 45 active employees of Compagnie de Saint-Gobain)

- To benefit from the plan, a participant must:
  - Presence: be a Saint-Gobain employee
  - Retire at 60 or over, on a full pension under the compulsory government-sponsored schemes
  - After contributing to the plan for at least 15 years

- Amount (assuming retirement after completing the maximum 35 pensionable years of service, and including benefits paid under the compulsory basic and supplementary pension schemes): approximately 47% of his final year’s fixed salary
Statutory auditors’ Reports
### REPORTS ON THE FINANCIAL STATEMENTS

- **Reports on the consolidated financial statements and on the parent company financial statements**
  - 1\(^{\text{st}}\) et 2\(^{\text{nd}}\) resolutions of the Ordinary Shareholders’ meeting

<table>
<thead>
<tr>
<th>Objective</th>
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<tr>
<td>o The objective of our audit is to obtain reasonable assurance that the financial statements and information contained therein give a true and fair view of the Group and parent company.</td>
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<table>
<thead>
<tr>
<th>Opinion on the financial statements and specific verifications</th>
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<tr>
<td>o We issued an unqualified opinion on the consolidated financial statements and on the parent company financial statements.</td>
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<tr>
<td>o Consolidated financial statements: without qualifying our opinion, we draw your attention to the impact of the adoption, as of January 1(^{\text{st}}) 2014, of IFRS 10, 11 and 12 and of the Interpretation IFRIC 21.</td>
</tr>
<tr>
<td>o The information given in the management report of the Board of Directors and in the Notes to the financial statements is appropriate.</td>
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OTHER REPORTS

Special report on related party agreements and commitments

- Agreements and Commitments to be submitted for the approval of the annual general meeting:
  - We were not informed of any agreement or commitment to be submitted for approval of the annual general meeting

- Agreements and commitments previously approved by the annual general meeting:
  - 4 were implemented during the year
  - 2 remained in force but were not implemented during the year
OTHER REPORTS

- Report on the report of the Chairman of the Board of Directors on internal control and risk management procedures

- Report by one of the Statutory auditors, appointed as an independent third party, on the consolidated environmental, labour and social information presented in the management report

  - We have no matter to draw to your attention regarding these reports.
Special report on the share transactions  
12, 13, 14, 15, 17, 18 et 19\textsuperscript{th} resolutions of the Extraordinary Shareholders’ meeting

- Your Board of Directors asked you:
  - To delegate authority given to him to:
    - increase the share capital through the issuance of Company shares or stock warrants (12\textsuperscript{nd} resolution), issue debt securities giving access to new shares / new shares (13\textsuperscript{rd} resolution), increase the share capital in consideration of contributions in kind consisting of equity or equity-linked securities (15\textsuperscript{th} resolution),
    - carry out equity or equity-linked securities reserved for members of the PEG (17\textsuperscript{th} resolution);
  - To authorize him to grant free performance shares (18\textsuperscript{th} resolution);
  - To delegate powers to him to reduce the share capital by canceling Company shares representing up to 10\% of the Company’s share capital (19\textsuperscript{th} resolution).

- We have no matter to report on the information given in the report of the Board of Directors regarding the proposed transactions or on the causes and conditions of the share capital reduction contemplated.

- In accordance with the French Commercial Code, we will establish additional reports, if necessary, in case of the use of these authorizations and delegations by the Board of Directors.
Vote on the resolutions
General Meeting

June 4, 2015