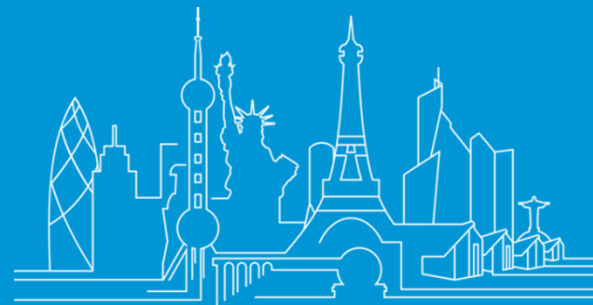




General Meeting

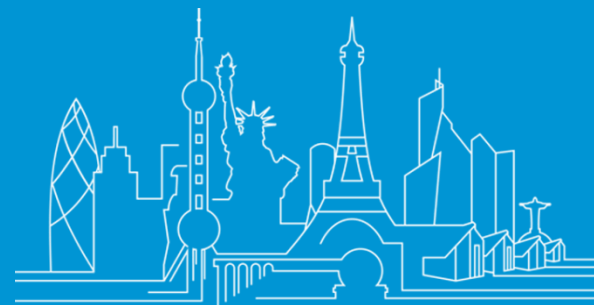
June 2, 2016





Saint-Gobain today

Claude Imauven
Chief Operating Officer
General Meeting, June 2nd, 2016



Saint-Gobain is one of the world's top leading industrial corporations

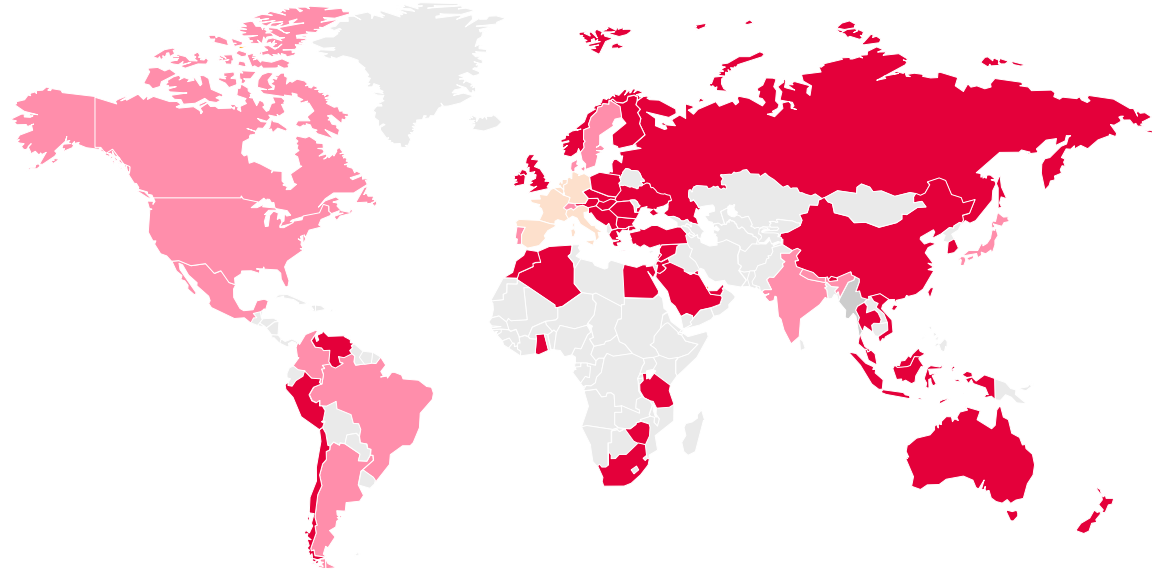
Operations in




66 countries

2015 sales of

39 623 M€

170 000
employees



-  Saint-Gobain en 1904
-  Saint-Gobain en 1980
-  Saint-Gobain en 2016



A solid development model

BUILDING DISTRIBUTION

☆ Diversified clientele
Depth of the offer for all materials and equipment

🏠 Consolidation
Renovation

INNOVATIVE MATERIALS

☆ Technology

🏠 Innovation
Co-development

HABITAT MARKETS



INDUSTRIAL MARKETS

CONSTRUCTION PRODUCTS

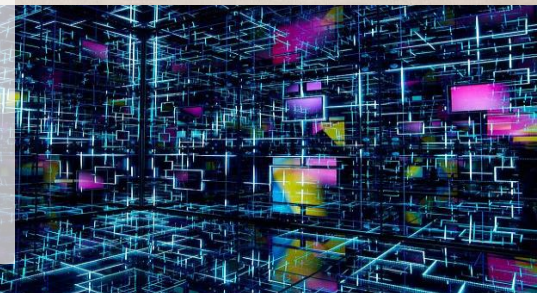
☆ Leadership
Brands

🏠 Emerging countries
Energy savings
Performance materials

☆ Strengths

🏠 Growth opportunities





A world-ranking R&D



Thomson Reuters
Top 100 Global
Innovators
2011, 2012, 2013,
2014, and 2015

8 cross-
business R&D
centers



More than **1** Product out of 4
sold by Saint-
Gobain did not
exist 5 years ago

Close to
350 patents
filed in
2015

3 700 employees



Innovate and differentiate for and with our customers

Revolutionize usages



*Habito™ soutient tout
même vos rêves les plus fous.*

Habito™

Résistantes, durables et insonorisantes, les nouvelles plaques Habito™ par Gyproc permettent de donner vie à vos projets, même les plus ambitieux. Comme celui de votre nouveau salon. Conçues pour un accrochage de 15 kg par point de fixation, elles permettent de laisser libre cours à votre imagination.

www.gyproc.be

Gyproc
SAINT-GOBAIN

Innovate locally



weber.therm S100 winter

vetonit
CMECS
KREBS
ETICS

weber

SEKURIT
smart vision

CORNING

Co-develop



www.gyproc.be

Les lignes de produits Gyproc sont disponibles en France, sous licence de Gyproc, pour les professionnels de la construction. Les produits Gyproc sont fabriqués en France.

calbio

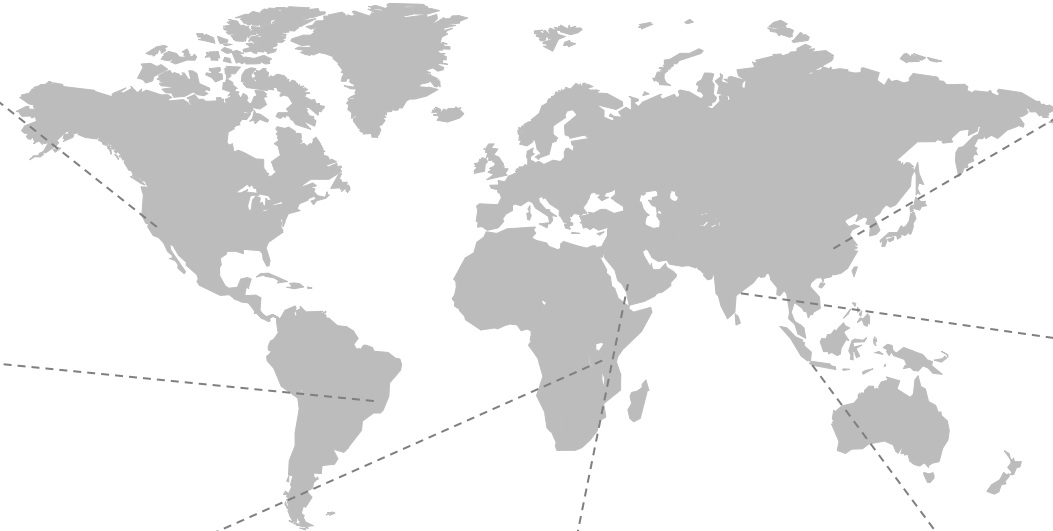
Invest in high growth regions



Solar Guard San Diego
production line



6th Brasilit plant in
Rio de Janeiro State



Weber plant in Wuhan



Float and coater
near Chennai



Acquisition of 50 % of the capital
of Lodia Gypsum in Tanzania



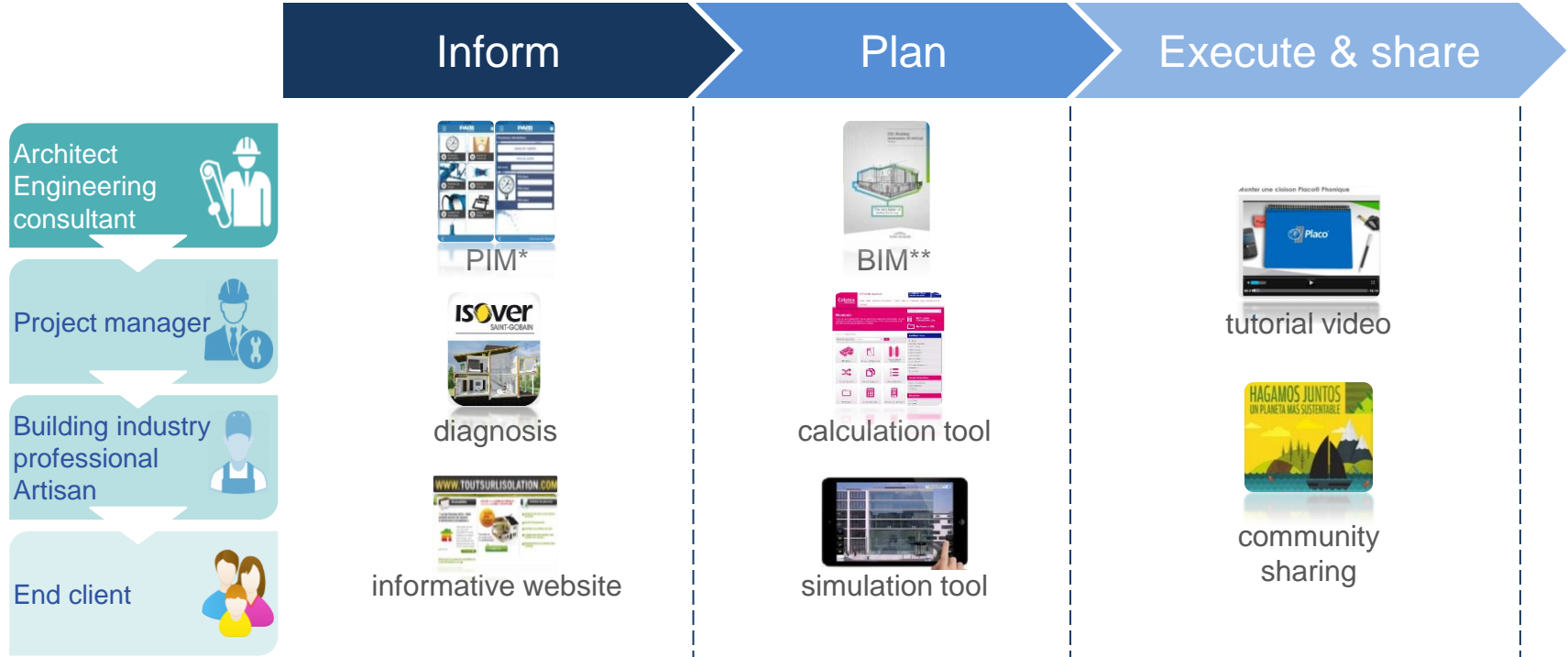
Isover plant
in Saudi Arabia



Automotive bearings plant
near Jakarta



Work alongside projects' influencers with a digital offer



* PIM : Product Information Management ; ** BIM : Building Information Modeling



Digital at the heart of the Building Distribution Sector strategy

Omnicanal



**Outiz –
a fully omnicanal brand**

Big Data



**Dahl –
an award winning use of Big Data**

Web content & services



**Avantage Pro Point P. –
services for the building
industry professionals**



Aim for the highest operational excellence level

World class manufacturing



e-auctions

Supply chain



Sales force effectiveness

Digital manufacturing



e-recruiting

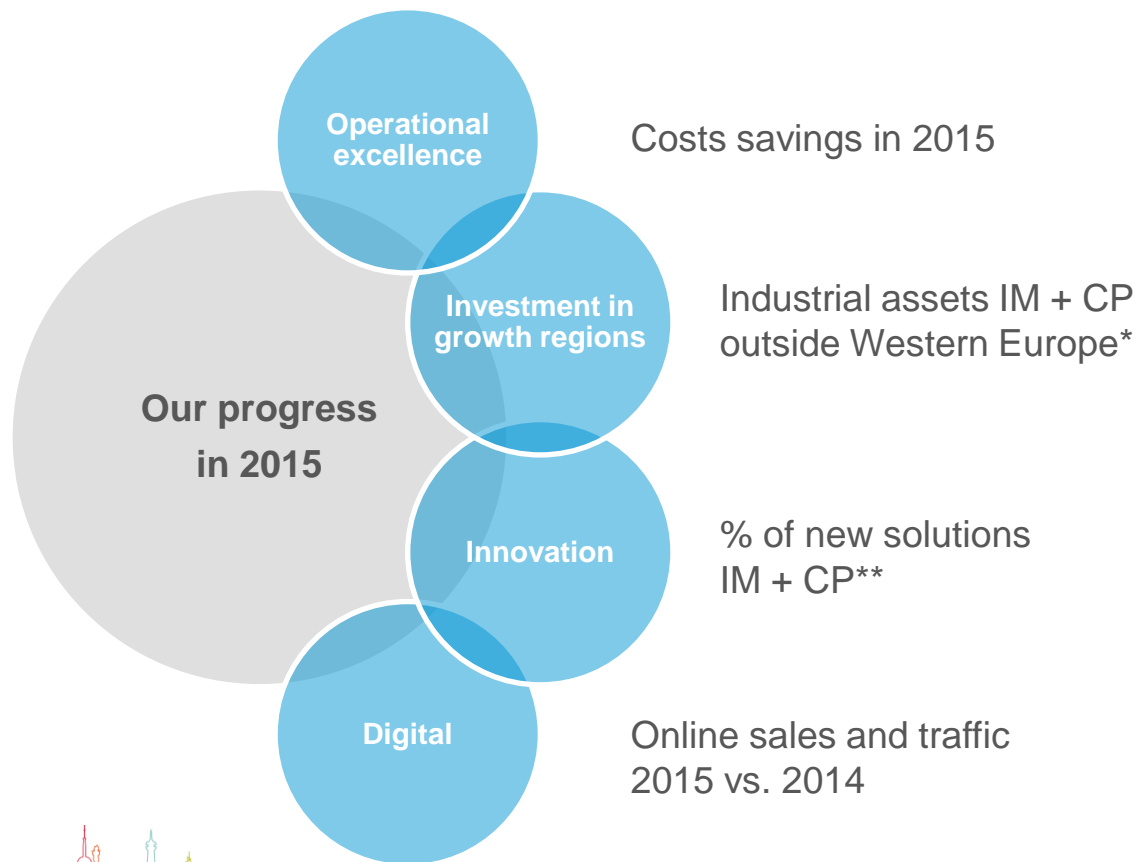


LinkedIn

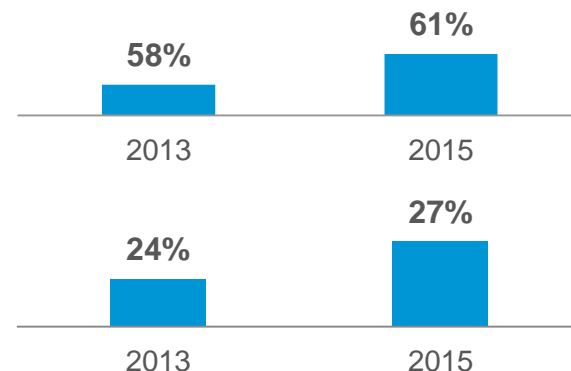
Dglassdoor



A few numbers illustrating our progress



360 M€



+18%
e-commerce sales***

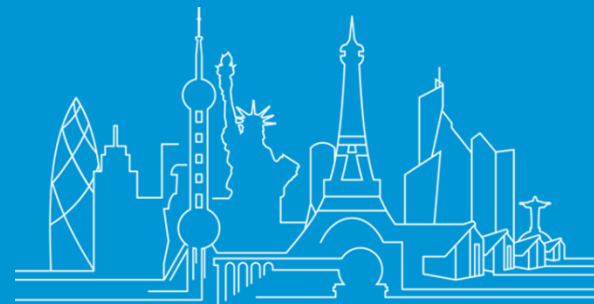
30 Millions
Yearly visits on our websites****

* Based on 2013 exchange rates ; ** Share of sales related to products and solutions less than five years old and considered as new by our customers *** Building Distribution Sector only ; **** Industrial Sectors only



Saint-Gobain today

Claude Imauven
Chief Operating Officer
General Meeting, June 2nd, 2016

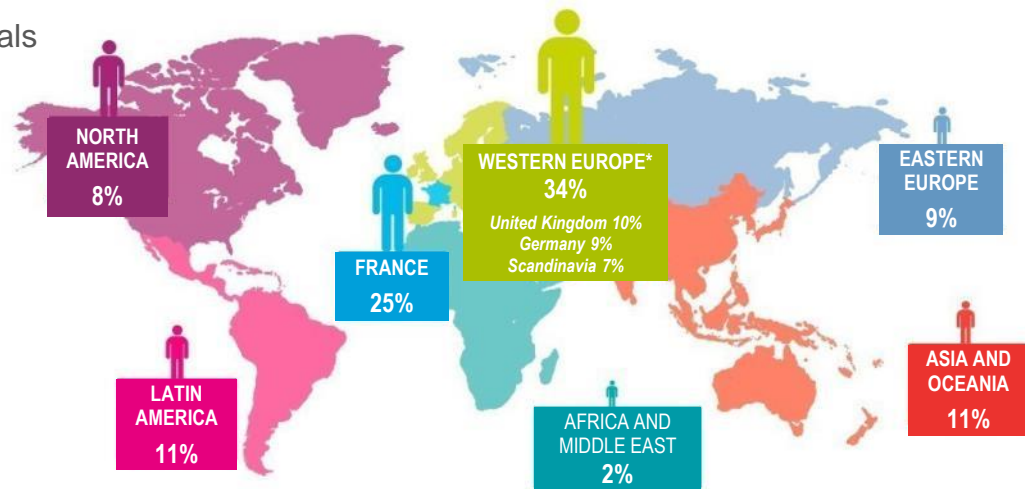
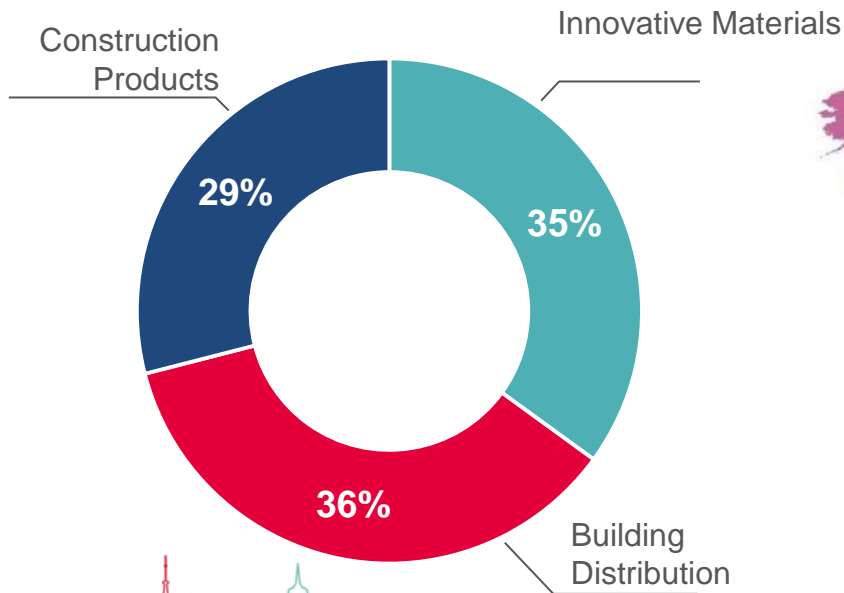


Human Resources at Saint-Gobain



170,000 PEOPLE WORKING FOR THEIR CUSTOMERS

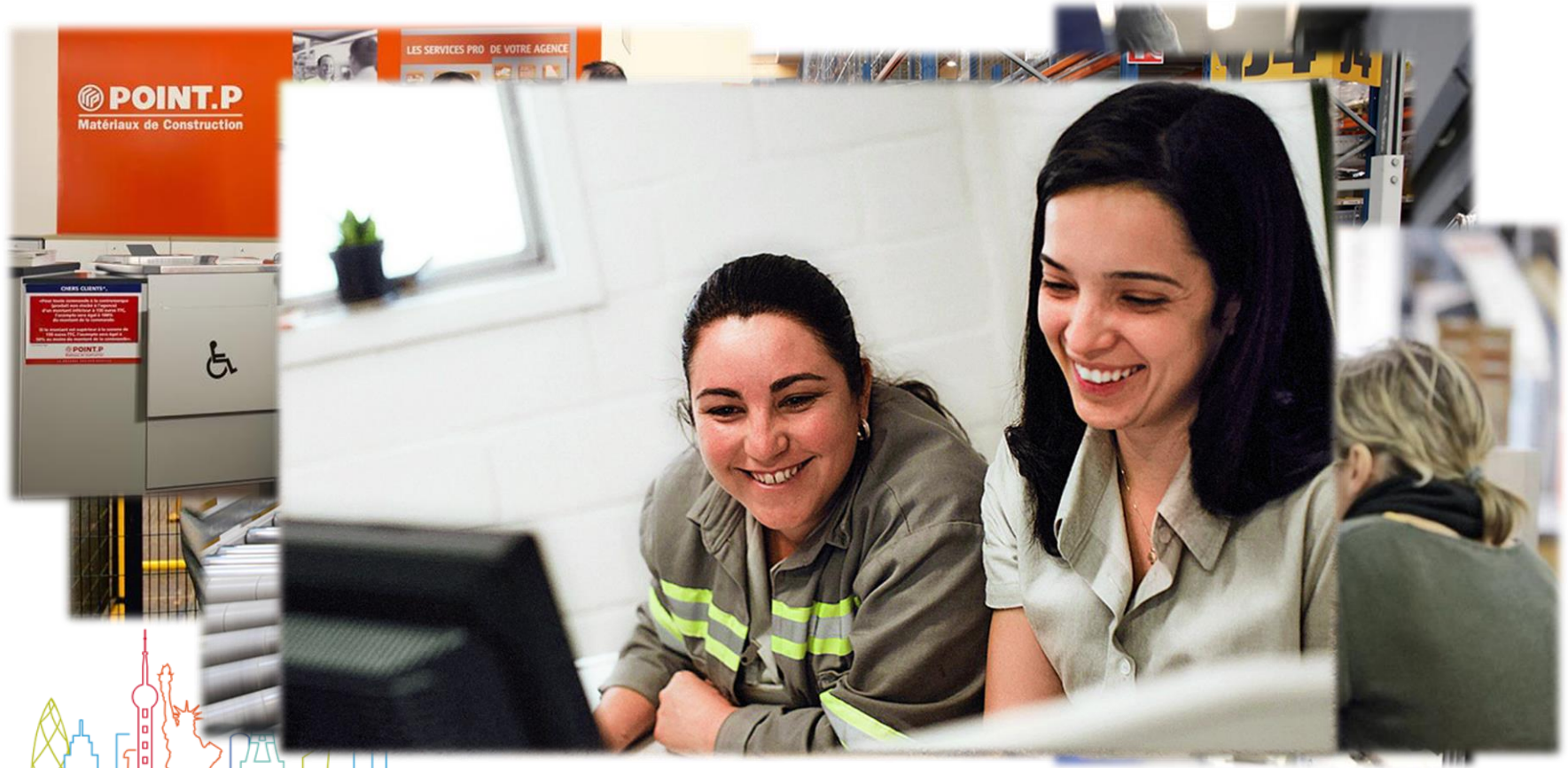
► Employees by Sector...



... and by region: 75 percent are employed outside France, 41 percent outside Western Europe

* Excl. France

BUSINESSES UNDERGOING RAPID CHANGE



BUSINESSES UNDERGOING RAPID CHANGE



► **80,000 people** in daily contact with our customers



A GROUP UNDERGOING RAPID TRANSFORMATION

- ▶ 27,500 recruits worldwide in 2015
- ▶ 75 percent on open-term contracts
- ▶ 33 percent aged under 26
- ▶ Acquisition of new skills and support for geographic growth

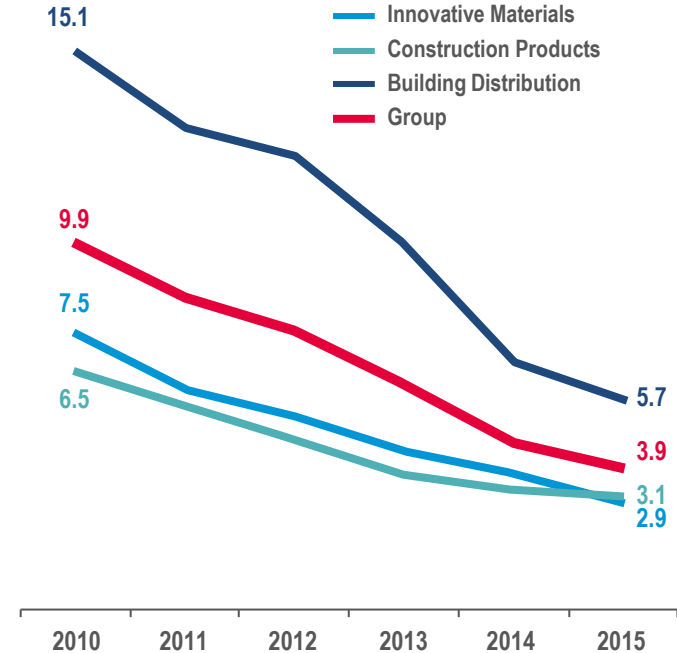


PROMOTING WORKPLACE HEALTH AND SAFETY

- Employees, temporary employees, sub-contractors as well as users and neighboring communities
- Rollout of our Health and Safety standards



TF2 - 2010-2015
Saint-Gobain Employees & Temporary Employees



DEVELOP AN ENTREPRENEURIAL AND OPEN CULTURE CONDUCTIVE TO OUR TEAMS' COMMITMENT

- ▶ Develop our community of united entrepreneurs
- ▶ The first of our Principles: a non-negotiable commitment



84 percent of employees
received a training in 2015

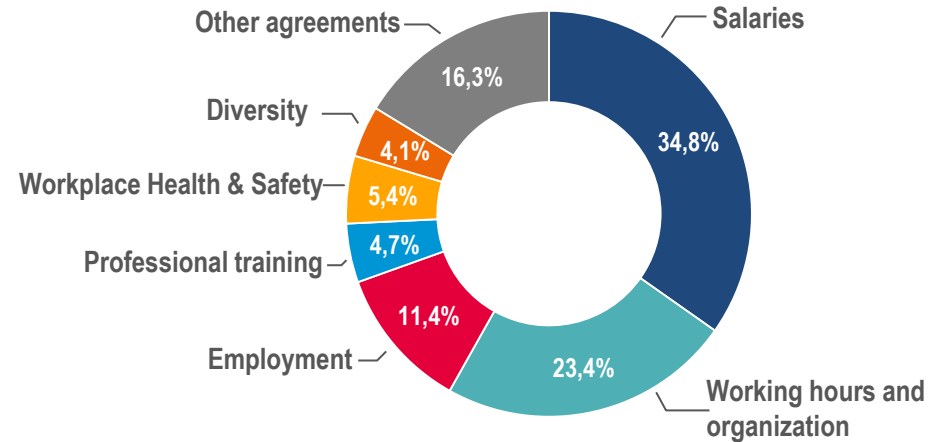
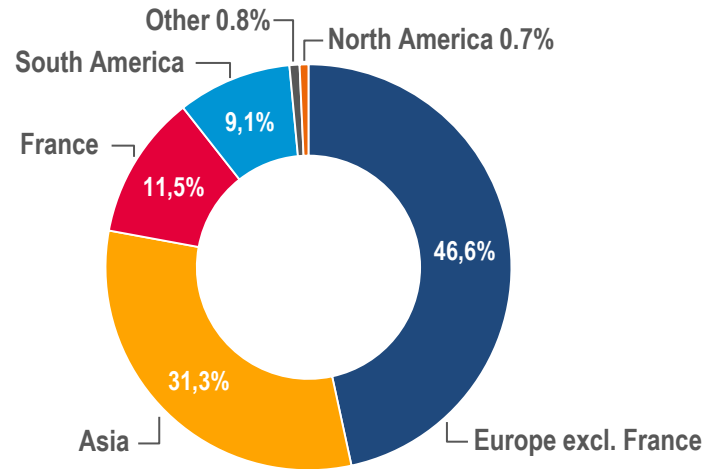
26 hrs training per employee in
2015. **13 percent more** c/w 2014



INCREASING OUR LABOR RELATIONS

► Productive dialogue at the local level

- Almost **1,700 agreements** signed in 2015, of which 200 in France



► European Agreement for labor relations



ENCOURAGE MOBILITY AND INTERNAL PROMOTION

- ▶ Encourage employee mobility for mutual enrichment through knowledge of each business's markets
- ▶ 1,800 managers work outside their home country
- ▶ 1,500 managers changed sector or professional area in 2015

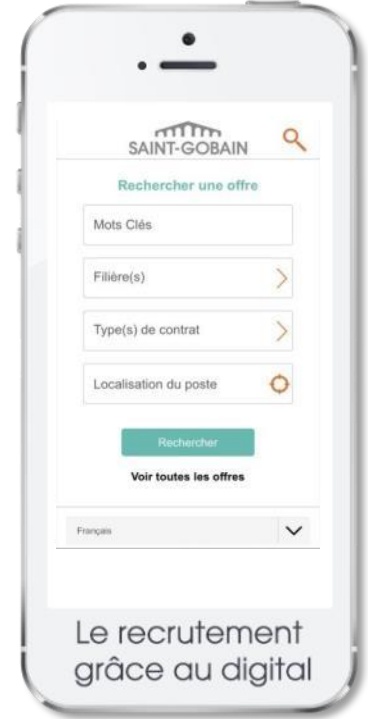


OPENJob



ATTRACT THE BEST TALENT: THE EMPLOYER BRAND

- ▶ Anticipate the Group's needs
- ▶ The high role of social media and digital technology in general



MAKING THE MOST OF THE DIGITAL SHIFT

► Acquire new skills



► Train our employees



► Bring about change in working methods



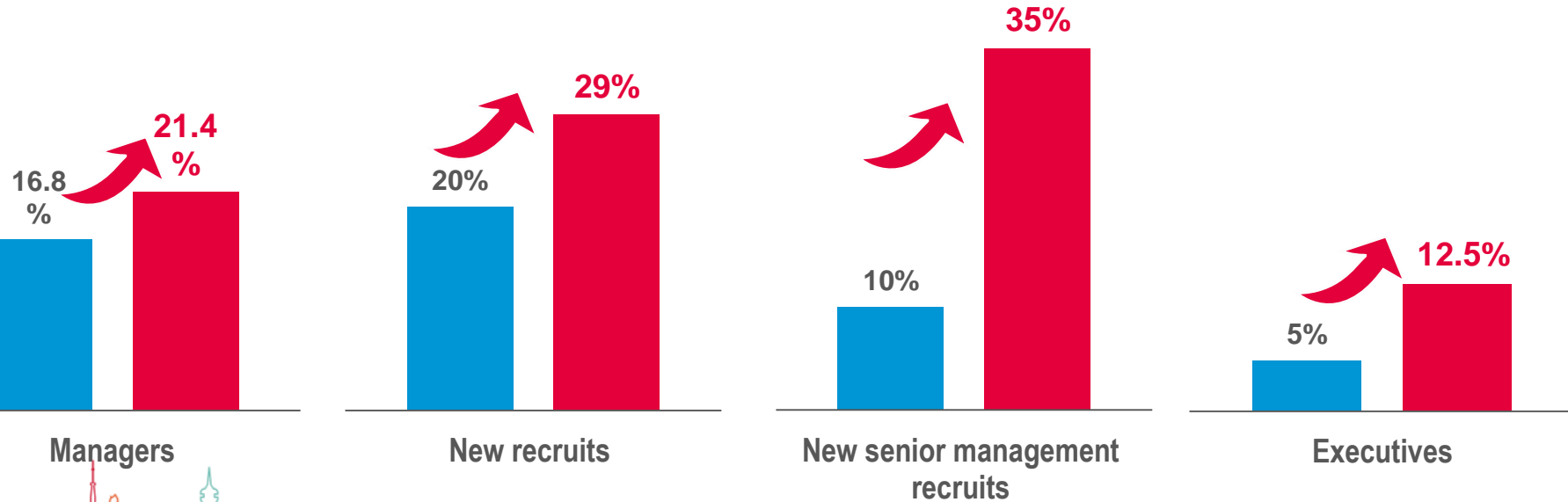
INCREASE THE DIVERSITY OF OUR TEAMS



INCREASE THE DIVERSITY OF OUR TEAMS



► Promote gender equality (change between 2009 and 2015)



INCREASE THE DIVERSITY OF OUR TEAMS



Passport for Diversity

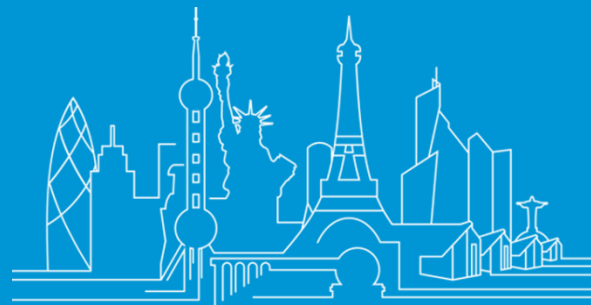
- ▶ Promote gender equality (change between 2009 and 2015)
- ▶ Pursue the internationalization of management (*change between 2009 and 2015*)
 - Percentage of non-French in the top 150 Group executives: 38% to **50%**
 - Percentage of expats: 54% to **67%**
- ▶ Leveraging the diversity of experience and ages
 - 28,000 employees aged under 30
 - 23,000 employees aged over 55



Human Resources at Saint-Gobain



June 2, 2016



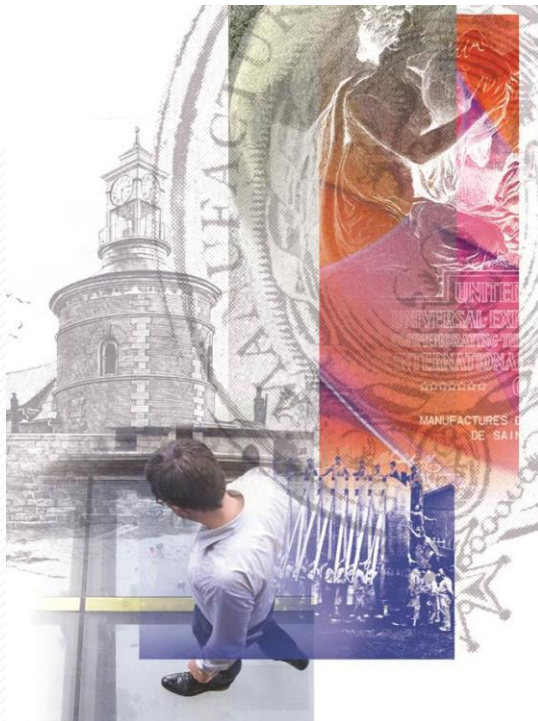
2015 KEY FIGURES

2015 Figures

€39,623m
Net Sales

€2,636m
Operating Income

€1,295m
Net Income



+3.3%
Sales growth

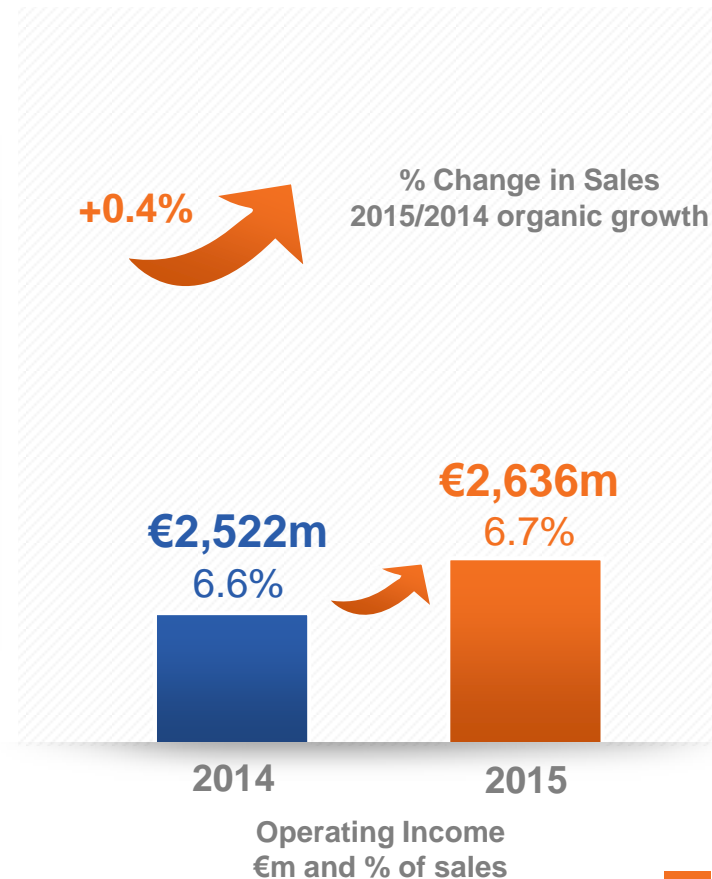
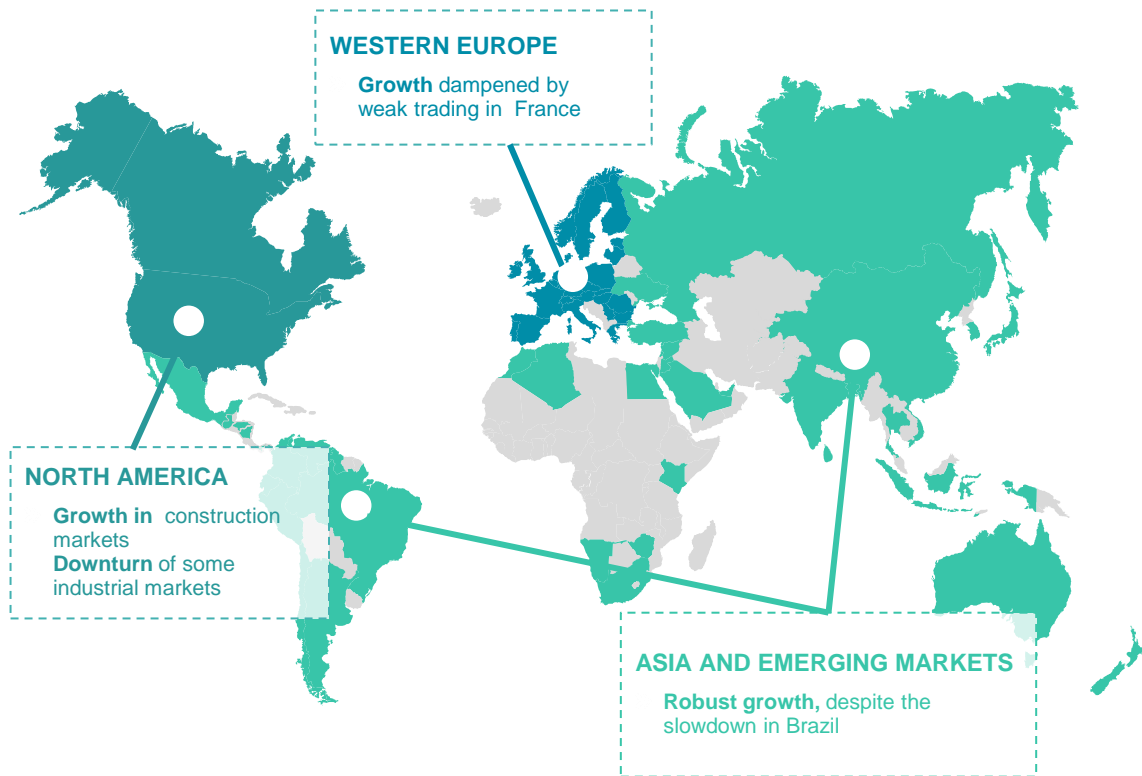
+4.5%
Operating Income growth

+35.9%
Net Income growth

-€2,424m
Net Debt decrease

In accordance with IFRS 5, reclassification of Verallia, in net income

IMPROVED EARNINGS IN A CONTRASTED ECONOMIC CLIMATE



CONTINUE TO IMPLEMENT OPERATIONAL PRIORITIES IN 2015

+0.3%

Sales prices increase, in a deflationary environment

€360m

Yearly impact of cost-cutting program, calculated on the 2014 cost base

€1.35bn

Selective capital expenditure, focused primarily on growth capex outside Western Europe

€434m

R&D expenses, in order to support the strategy of differentiated, high value-added solutions

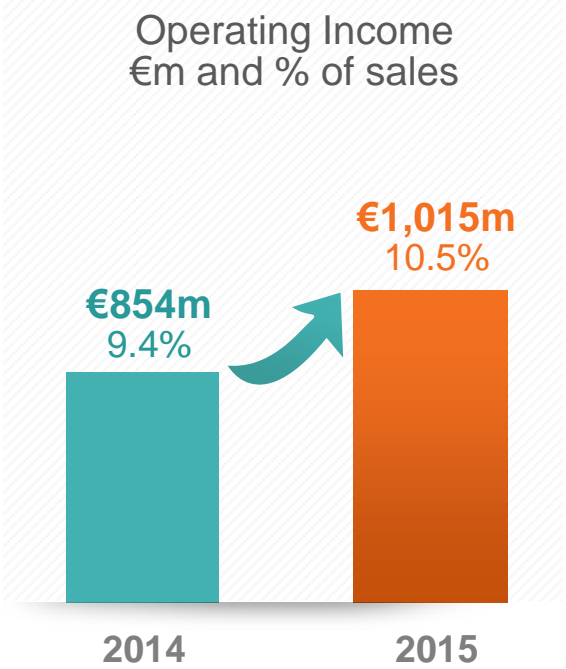
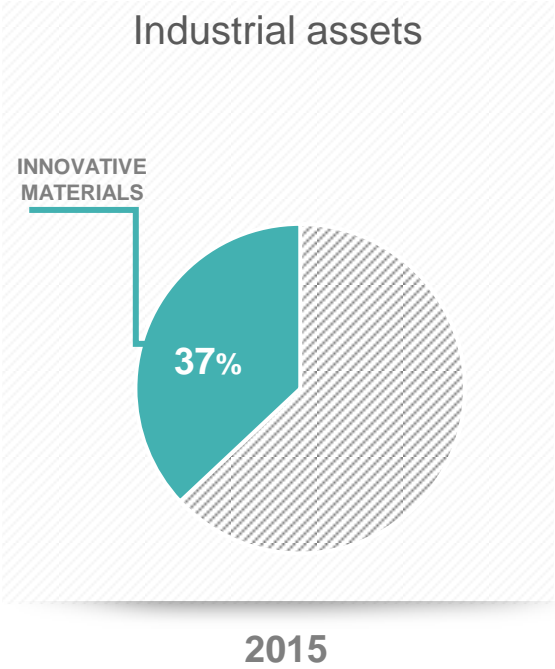


2015, AN IMPORTANT YEAR FOR THE OPTIMISATION OF THE BUSINESS PORTFOLIO

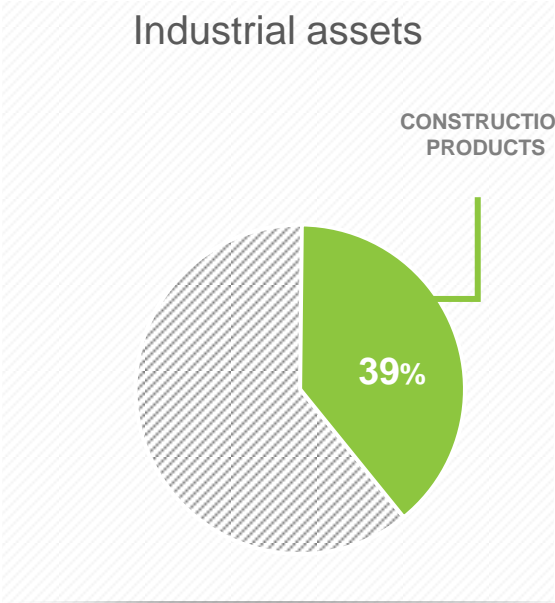
- ▶ Sale of Verallia on very good financial terms
- ▶ Disposals representing ~€700m in full-year sales, mainly in Building Distribution
- ▶ Acquisitions representing ~€300m in full-year sales, in line with Group's strategic goals



SIGNIFICANT GROWTH IN INNOVATIVE MATERIALS



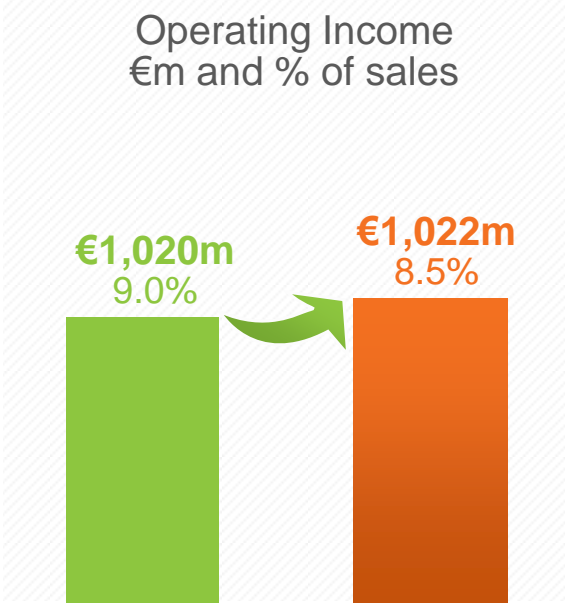
STABILIZATION IN CONSTRUCTION PRODUCTS



2015



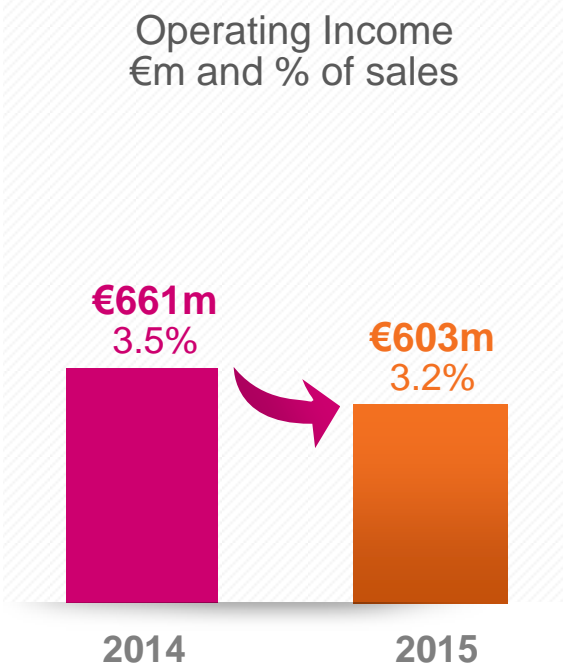
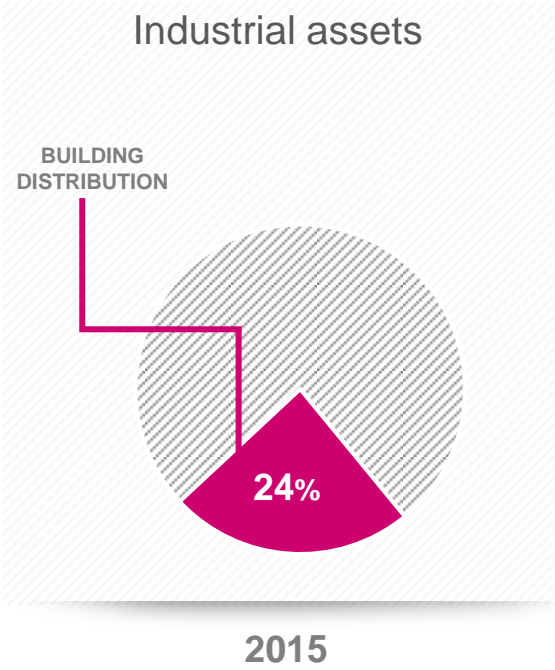
2015/2014



2014

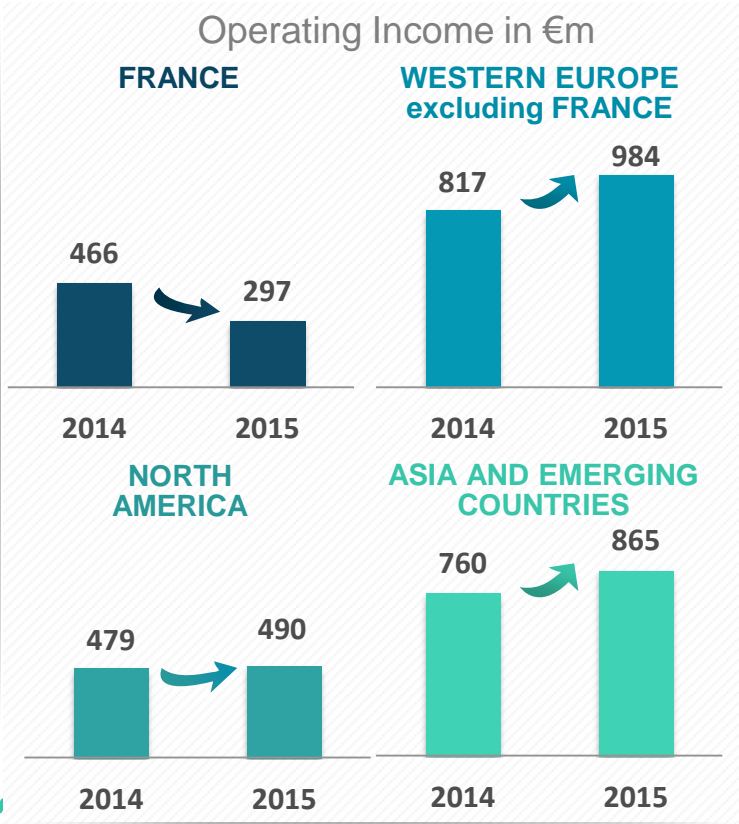
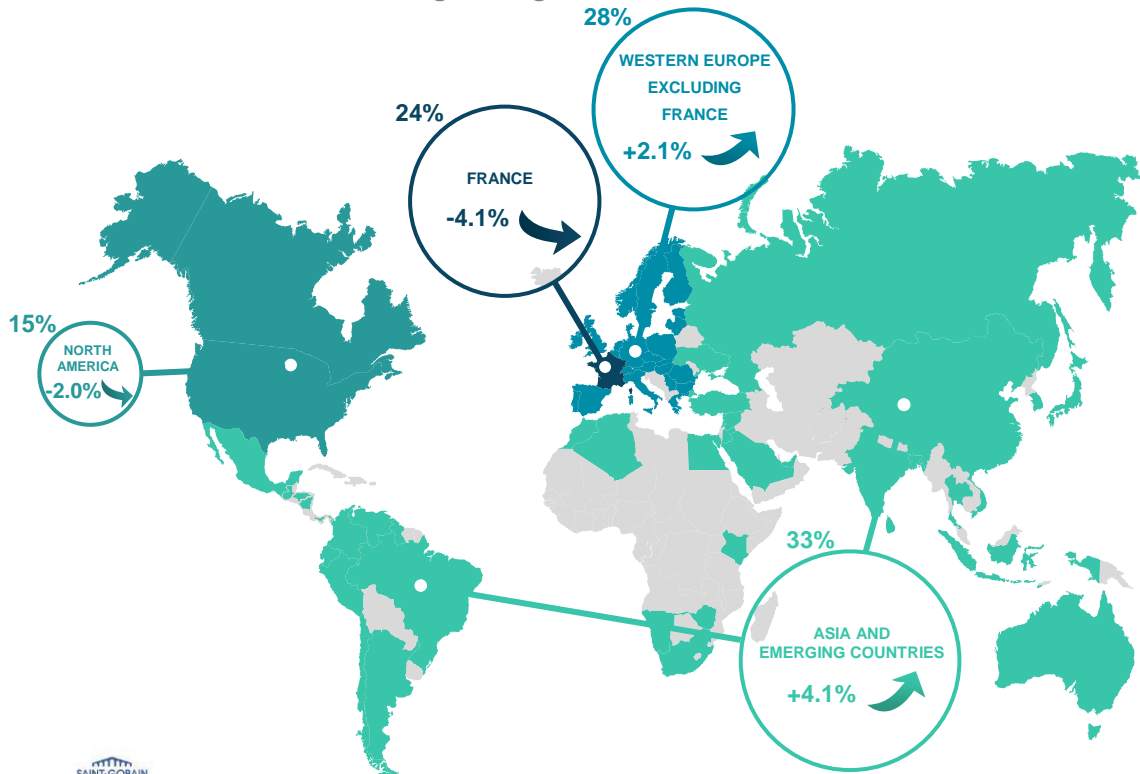
2015

BUILDING DISTRIBUTION DAMPENED BY FRANCE



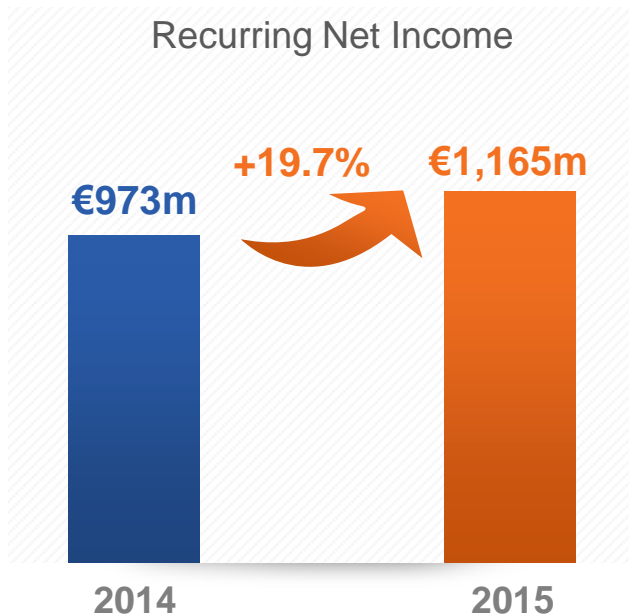
IMPROVED PERFORMANCE DRIVEN BY EUROPE (EXCLUDING FRANCE) AND BY EMERGING COUNTRIES

Industrial assets and organic growth

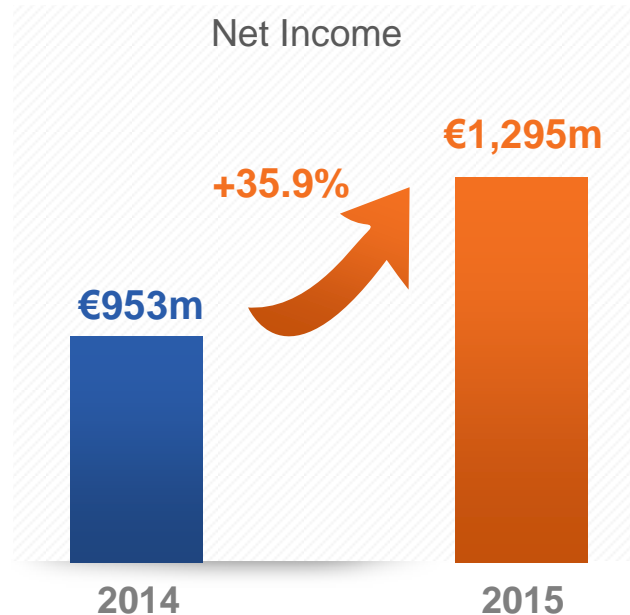


A STRONG IMPROVEMENT IN NET INCOME AND EPS

€m and % of sales



Recurring EPS: €2.09 (+20.1%)



EPS: €2.32 (+36.5%)

A PROFITABLE GROUP AND A SOUND FINANCIAL STRUCTURE

Cash Flow
+8.5%



28 days

OWCR
-2 days

26 days

2014

2015

Net debt

€4.8bn
Net Debt

€19.3bn
Shareholders' Equity

25%
Gearing Ratio

1.2
Net Debt/EBITDA

A DIVIDEND OFFERING A REGULAR, ATTRACTIVE NET YIELD

€1.24 per share

3.1%

Dividend yield

59%

Payout rate based on recurring
net income

» in cash

» June 6, 2016: ex-date

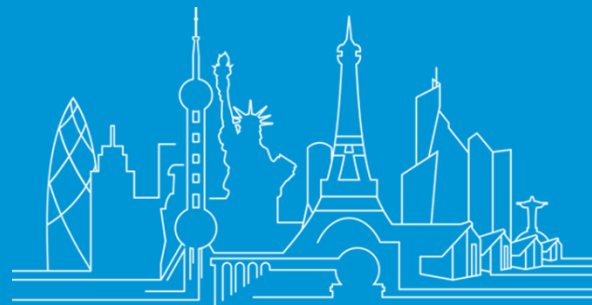
» June 8, 2016: payment date



2015 Results

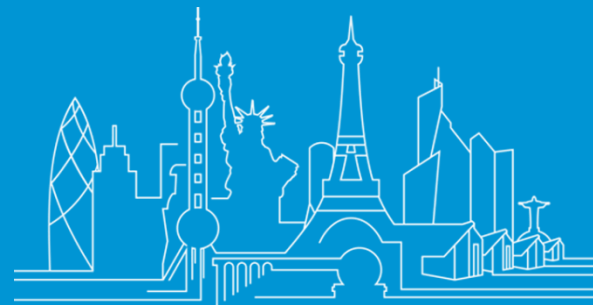
General Meeting

June 2, 2016





Saint-Gobain Strategy and Perspectives



Pursue with our strategic axes

Operational excellence



Innovation & differentiation

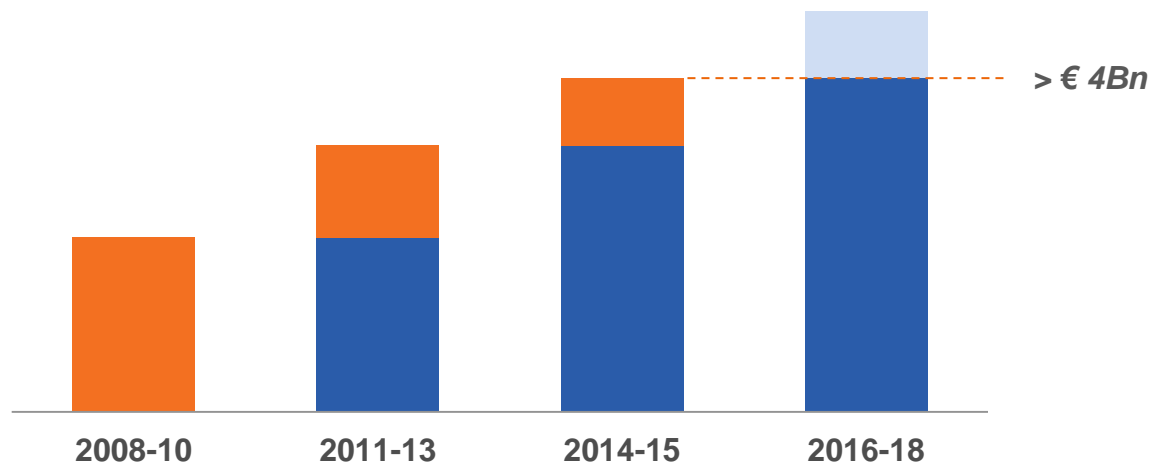


Geographical expansion



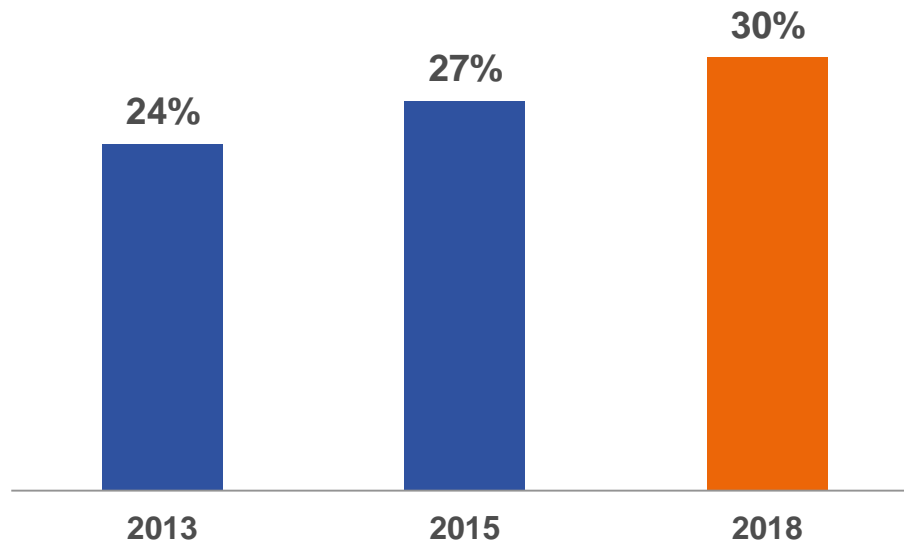
Capture the performance improvement potential

Costs savings



Strengthen our leadership through innovation and differentiation

New solutions ratio*

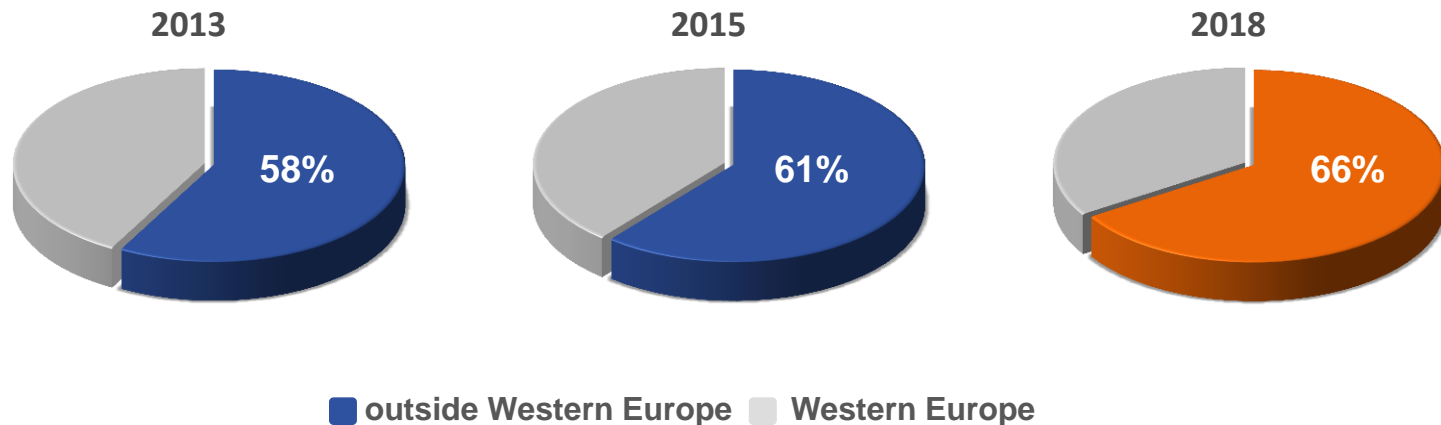


** IM + CP, share of sales related to products and solutions less than five years old and considered as new by our customers*



Push forward the geographical expansion

Industrial assets outside Western Europe*



* IM + CP, based on 2013 exchange rates



Digital reshapes our markets and operations

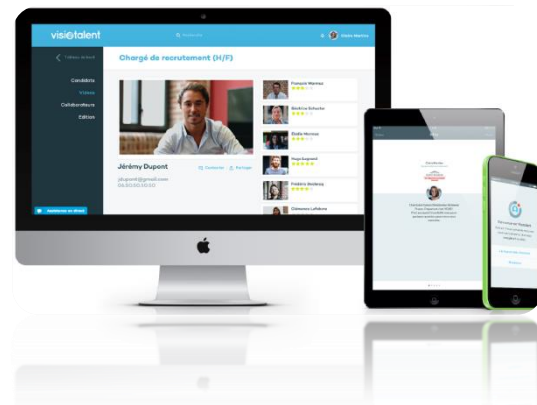
Customer journey



Digital factory



Digitalisation of the HR function



Corporate Social Responsibility (CSR) at the heart of our development model

11 CSR performance indicators

Materialize



- ✓ Managers' training to the Group Behavior and Action Principles
- ✓ Conformity with the CSR international standards

Protect



- ✓ Reduction of CO₂ emissions
- ✓ Reduction of environmental incidents



- ✓ Multi-comfort projects
- ✓ Eco-innovation training

Contribute



- ✓ Direct and indirect employment
- ✓ Share of local procurement

Favor



- ✓ Diversity index (gender, nationality, experience)
- ✓ Security
- ✓ Loyalty index (absenteeism, training, mobility, resignation)



Saint-Gobain, a committed actor of the COP21

Business & Climate Summit
Paris



Support to the COP21
Paris



Signing of the Agreement
New York



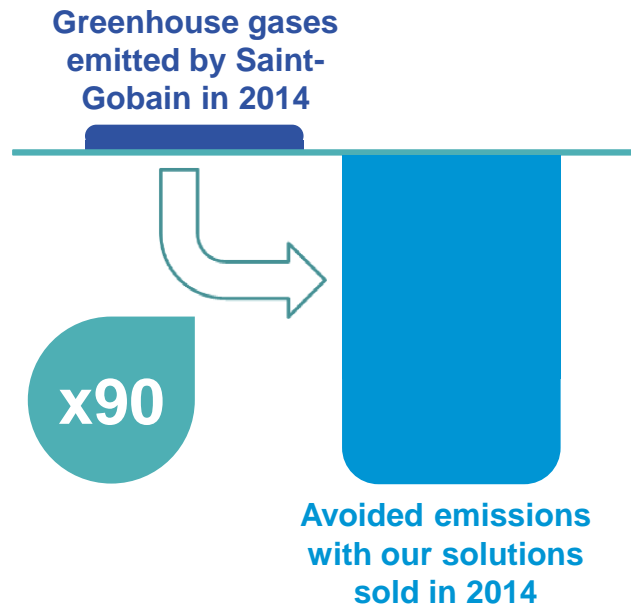
May 2015

December 2015

April 2016



Act against climate change



Internal carbon pricing

2025 objectives (vs. 2010)

-15% of energy consumption

-20% CO2 emissions





Saint-Gobain Strategy and Perspectives



**Report of Mr. Philippe VARIN, Chairman of
the Nomination, Remuneration and
Governance Committee on governance
and the compensation of Mr. Pierre-André
de Chalendar for 2015 submitted to
the advisory vote of the shareholders**



BOARD OF DIRECTORS

- ▶ The Board of Directors is comprised (until this General Meeting) of 17 members, including:
 - 7 independent Directors (50%, according to the criteria set by the AFEP-MEDEF Corporate Governance Code for French listed companies)
 - 6 women (40%)
 - 2 employee Directors
 - 1 Director representing employee shareholders
- ▶ 8 meetings in 2015
- ▶ Average attendance rate: 92%
- ▶ Compagnie de Saint-Gobain refers to the AFEP-MEDEF Corporate Governance Code

BOARD OF DIRECTORS' COMMITTEES

	Number of meetings held in 2015	Attendance rate
Audit and Risk Committee <i>75% of independent Directors, including its Chairman</i>	5	80%
Nomination, Remuneration and Governance Committee <i>75% of independent Directors, including its Chairman</i>	4	100%
Strategy and Corporate Social Responsibility Committee	6	100%

- The composition of each Committee is provided on page 15 of the Notice of Shareholders' Meeting

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS PROPOSED TO THE GENERAL MEETING (1/3)

Proposed renewal of three Directors:



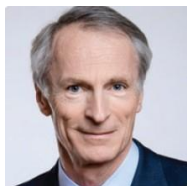
- **Mr. Bernard GAUTIER**

- Member of the Nomination, Remuneration and Governance Committee (since 2008)
- Member of the Management Board of Wendel



- **Mr. Frédéric LEMOINE**

- Member of the Strategy and Corporate Social Responsibility Committee (since 2009) and member of the Audit and Risk Committee (since 2010)
- Chairman of the Management Board of Wendel



- **Mr. Jean-Dominique SENARD**

- Independent Director, Chairman of the Audit and Risk Committee (since 2012)
- Chief Executive Officer of Michelin

- Their biographies are provided on pages 18 and 19 of the Notice of Shareholders' Meeting

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS PROPOSED TO THE GENERAL MEETING (2/3)

Appointment of a new independent Director proposed to the General Meeting:



- **Mrs. Iêda Gomes YELL, Founding President of Energix Strategic Ltd**
 - Mrs. Iêda Gomes YELL is Brazilian and British. She was Chief Executive Officer of Companhia de Gas de São Paulo. She has then held several management positions within the BP group and professional organizations
 - Director and member of the Strategic Committee and Audit and Risk Committee of Bureau Veritas (a French listed company)
- Her biography is provided on page 17 of the Notice of Shareholders' Meeting

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS PROPOSED TO THE GENERAL MEETING (3/3)

► Composition of the Board of Directors assuming the appointment of Mrs. Iêda Gomes YELL is approved and the terms of office of the three Directors are renewed by this General Meeting:

- Independence of 54% of the members of the Board of Directors, in compliance with the recommendations of the AFEP-MEDEF Code
- 36% of women, below the recommendation of the AFEP-MEDEF Code (40%)

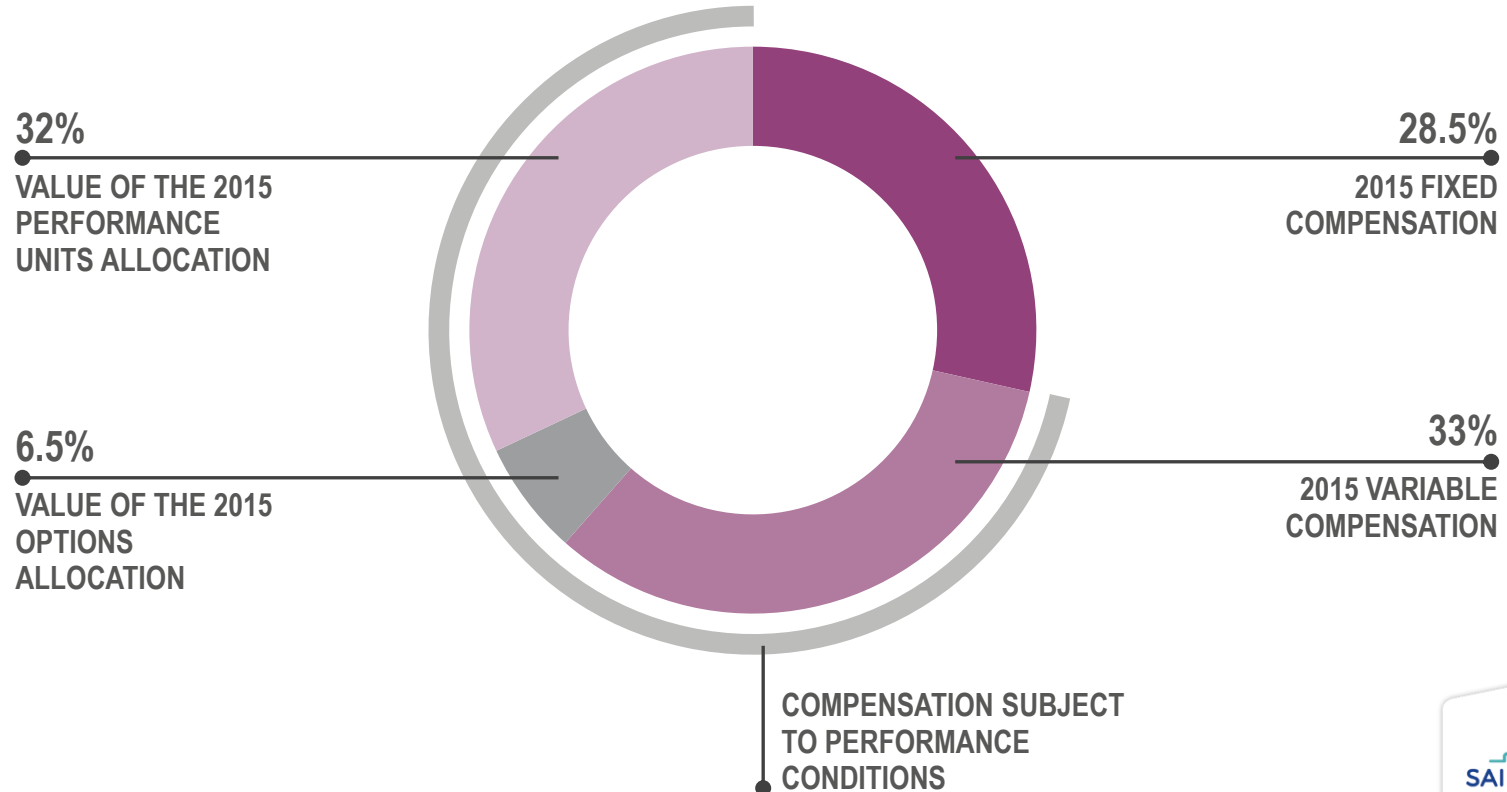
SUMMARY OF THE COMPONENTS OF THE COMPENSATION DUE OR GRANTED TO THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER IN RESPECT OF FISCAL YEARS 2015 AND 2014

<i>(in euros, before social charges and income tax)</i>	Fiscal year 2015	Fiscal year 2014
Fixed compensation	1,100,000	1,100,000
Annual variable compensation	1,284,067	1,178,100
Other compensation components (benefits in kind)	2,652	2,652
Stock options (IFRS valuation)	50,000 options, i.e. 245,000	50,000 options, i.e. 129,000
Performance shares	0	0
Performance units (IFRS valuation)	60,000 units, i.e. 1,232,400	60,000 units, i.e. 1,114,800
Total	3,864,119	3,524,552

Balance between the components of the compensation

- Allocations of stock options, performance shares and performance units to the Chairman and Chief Executive Officer are subject to a service condition and demanding performance conditions outlined in Saint-Gobain's 2015 Registration Document, and cannot represent a value greater than 100% of his total gross maximum compensation
 - amounted to 50% of his total gross maximum compensation in 2015

SUMMARY OF THE COMPONENTS OF THE COMPENSATION DUE OR GRANTED TO THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER IN RESPECT OF FISCAL YEAR 2015



FIXED AND VARIABLE COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Fixed compensation: €1,100,000 (unchanged since 2010)

Variable compensation: €1,284,067 (+4.65% over 2014)

Amount determined based on the achievement rate of quantitative and qualitative objectives fixed by the Board of Directors, capped at 170% of the fixed compensation

Quantitative objectives (2/3) - each accounting for 1/4 -
ROCE (<i>Return on Capital Employed</i>)
Group's operating income
Group's recurring net income per share
Operating Free Cash Flow
Achievement rate: 63 %

Qualitative objectives (1/3)
Sale of Verallia (Packaging Sector)
Management of the Sika transaction
Deployment of the corporate social responsibility policy (in particular, completion of the Group roadmap, safety, human resources policy, CO2 avoidance methodology)
Implementation of the Group's digital transformation
Achievement rate: 80 %

Overall achievement rate: 69%

OTHER COMPONENTS OF THE COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

- ▶ No variable deferred compensation
- ▶ No multi-annual variable compensation
- ▶ No exceptional compensation
- ▶ No attendance fees from Group's companies
- ▶ Company car

2015 LONG-TERM COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER (1/2)

- ▶ Common principles governing the stock options and performance units plans
 - Demanding obligations to acquire and/or hold Saint-Gobain shares
 - Prohibition to hedge the risk (until the cessation of his duties as Chairman and Chief Executive Officer)

2015 LONG-TERM COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER (2/2)

Stock options (exercisable as from 2019)

- ▶ **from 0 to 50,000, subject to fulfillment of the following cumulative conditions:**
 - (i) a service condition; and
 - (ii) a performance condition, linked to two criteria (internal and external):
 - **Stock market performance of Saint-Gobain shares vis-à-vis the CAC40 stock market index (70% of the options initially allocated)**
 - **ROCE of the Saint-Gobain Group (30% of the options initially allocated)**

Performance units (exercisable as from 2019)

- ▶ **from 0 to 60,000, subject to fulfillment of the following cumulative conditions:**
 - (i) a service condition; and
 - (ii) a performance condition, linked to the same criteria as for stock options but with the opposite weighting
 - **Cap: 10% of the overall grant of performance shares and performance units. In 2015, the allocation of performance units to the Chairman and Chief Executive Officer amounted to 5.7% of the overall grant**

COMPENSATION FOR LOSS OF OFFICE AND NON-COMPETE INDEMNITY

- ▶ Mr. Pierre-André de CHALENDAR has resigned from his employment contract in 2010
- ▶ Approved by the 2014 General Meeting
- ▶ Due in the event of forced departure related to a change of control or strategy
- ▶ Compensation for loss of office
 - **Amount:** not to exceed twice the sum of his gross annual compensation and of the average of his annual variable compensation in respect of the last three full fiscal years in office (the « Gross Total Annual Compensation »)
 - **Performance condition:** the variable compensation must have been, on average, at least equal to one-half of its maximum amount set 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
 - **Limit:** the sum of the non-compete indemnity and of the compensation for loss of office cannot exceed twice the amount of the Gross Total Annual Compensation
 - **The Board is entitled to unilaterally waive application of the non-compete agreement**

SUPPLEMENTARY PENSION PLAN

- ▶ Approved by the 2014 General Meeting
- ▶ Applicable to all employees who joined Compagnie de Saint-Gobain prior to January 1, 1994 (i.e., as of December 31, 2015, 178 retired employees and 34 potential active employees)
- ▶ To benefit from the plan:
 - **Service condition** : to be a Saint-Gobain employee
 - **Retire at 60 or over**, with a full pension under the compulsory government-sponsored schemes
 - **Having contributed to the plan for at least 15 years**
- ▶ Amount (assuming retirement with the maximum number of years of service – 35 years – and excluding pension benefits paid under the basic and compulsory pension schemes): approximately 35% of his latest fixed compensation
 - **Significantly lower than the AFEP-MEDEF Code's recommended ceiling** set at 45% of the sum of the fixed and variable compensation
 - **Annual increase in potential rights** = 1.5% of his fixed compensation per year of seniority

**Report of Mr. Philippe VARIN, Chairman of
the Nomination, Remuneration and
Governance Committee on governance
and the compensation of Mr. Pierre-André
de Chalendar for 2015 submitted to
the advisory vote of the shareholders**





STATUTORY AUDITORS' REPORTS



■ Reports on the consolidated financial statements and on the parent company financial statements (pages 228 to 229 and 259 of the 2015 Registration Document respectively)

- 1st and 2nd resolutions of the Ordinary Shareholders' meeting

Purpose

- The purpose 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

Opinion on the financial statements and specific verifications

- We issued an unqualified opinion on the consolidated financial statements and on the parent company financial statements
- The information given in the management report of the Board of Directors and in the Notes to the financial statements is appropriate

Justification of our assessments

	Focus points	Specific procedures
Consolidated financial statements	<ul style="list-style-type: none"> ○ Measurement of property, plant and equipment and intangible assets ○ Employee benefits ○ Provisions 	<ul style="list-style-type: none"> ○ Assessing the methods applied in implementing impairment tests of property, plant and equipment and intangible assets and the estimates and assumptions used ○ Assessing whether the assumptions used are appropriate and examining, on a test basis, the calculations of employee benefits made by independent actuaries ○ Assessing whether the methods and data used to determine the provisions are appropriate
Parent company financial statements	<ul style="list-style-type: none"> ○ Financial investments and investments in subsidiaries and affiliates 	<ul style="list-style-type: none"> ○ Assessing the approach used and the reasonableness of estimates made

■ Special report on related party agreements and commitments (pages 262 to 265 of the 2015 Registration Document)

- 4th resolution of the Ordinary Shareholders' meeting
- 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 the approval of the Annual General Meeting
- Agreements and commitments previously approved by the Annual General Meeting:
 - 3 were implemented during the year
 - 2 remained in force but were not implemented during the year

- Report on the report of the Chairman of the Board of Directors on internal control and risk management procedures
(page 160 of the 2015 Registration Document)
- 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
(pages 285 to 287 of the 2015 Registration Document)
 - We have no matter to draw to your attention regarding these reports

■ Special report on the share capital transactions

- 13th and 14th resolutions of the Extraordinary Shareholders' meeting
- Your Board of Directors is asking your authorization to:
 - Grant stock options exercisable for existing or new shares to the benefit of employees and executive Directors (13th resolution)
 - Grant free existing shares to the benefit of employees and executive Directors (14th resolution)
- We have no matter to report on the information given in the report of the Board of Directors regarding the proposed transactions
- In accordance with the French Commercial Code, we will establish additional reports, where appropriate, in case of use of these authorizations by the Board of Directors



STATUTORY AUDITORS' REPORTS

