



Paris, 20 November 2015

## **Information relating to components of the compensation of executive directors**

In accordance with the AFEP-MEDEF Corporate Governance Code recommendations, Korian is publishing herein information relating to the conditions upon which Mrs Sophie Boissard has become Chief Executive Officer of Korian.

Upon the Appointments and Compensation Committee's recommendation, at its meeting on 18 November 2015, the Korian Board of Directors appointed Mrs Sophie Boissard as Chief Executive Officer of Korian, effective starting on 26 January 2016.

Upon the Appointments and Compensation Committee's recommendation, the Board of Directors approved the following components of compensation.

### **Fixed compensation**

Mrs Sophie Boissard's gross fixed annual compensation is set at €450,000.

Mrs Sophie Boissard will also receive a company vehicle valued at a maximum of €50,000. All reasonable expenses necessary to perform her job will also be paid by the Company.

### **Variable compensation**

Mrs Sophie Boissard's variable annual compensation may total a maximum of 100% of her fixed annual compensation if the performance conditions are met, and a maximum of 120% of her fixed annual compensation if they are surpassed.

For 2016, quantitative criteria will account for 2/3 of her variable compensation, and qualitative criteria will account for 1/3 of her variable compensation. These criteria will be defined by the Board of Directors at a later meeting. Considering the circumstances, on an exceptional basis, Mrs Sophie Boissard will receive a minimum of 2/3 of her annual fixed compensation (*prorata temporis*) for 2016.

### **Insurance**

Mrs Sophie Boissard will benefit from the group "medical expenses" and "incapacity, disability and death" coverage applicable to salaried managers in effect at Korian. She will also benefit from unemployment insurance and civil liability insurance.

### **Termination benefit**

In the event of termination or non-renewal of her corporate office (excluding for gross



negligence or misconduct) related to a change in strategy or control, Mrs Sophie Boissard will receive a termination benefit equal to the Annual Base Compensation (as defined below) increased by 25% per year of service, without exceeding twice the Annual Base Compensation.

The Annual Base Compensation equals the fixed and variable annual compensation received for the twelve months preceding the date on which her office is terminated or not renewed, excluding compensation received for medium or long-term profit-sharing plans for the Management teams and exceptional compensation that may be allocated occasionally by the Board of Directors on a discretionary basis.

A change in strategy is defined as a change in the Company's strategy that was the subject of the last financial communication made by the Chief Executive Officer, or a significant transaction for the Group that does not fall within the scope of the last medium-term plan approved by the Board of Directors in agreement with the Chief Executive Officer.

A change in control is defined as a substantial acquisition of equity interests in the Company accompanied by the appointment of a number of directors that could constitute a decisive influence on the Board of Directors' decisions.

This benefit will be subject to performance conditions, which will be defined by the Board of Directors during their a later meeting.

#### **Non-compete compensation**

In exchange for a two-year non-compete commitment, Mrs Sophie Boissard will benefit from a non-compete compensation amounting to 50% of her gross fixed annual compensation received for the twelve months preceding the date on which the event causing the departure occurs. The Board of Directors reserves the right to waive this commitment.

This allowance may be added to the termination benefit, where applicable, as long as the aggregate amount does not exceed two years of total compensation.

Upon the Appointments and Compensation Committee's recommendation, during its meeting on 18 November 2015, the Board of Directors also tasked its Chairman, Mr Christian Chautard, with the role of Interim Chief Executive Officer, from 18 November 2015 until 26 January 2016.



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## **ABOUT KORIAN**

**Korian, Europe's leading Ageing Well specialist**, founded in 2003, has the capacity to accommodate some 60,000 residents and patients in Europe (France, Germany, Italy and Belgium) and employs around 40,000 people. The Group manages over 600 facilities in four business lines: long-term care nursing homes, post-acute and rehabilitation care clinics, assisted living facilities and home-care services.

For more information, please visit the website: [www.korian.com](http://www.korian.com)

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**Korian is listed on Euronext Paris Compartment A and is included in the following indices: SBF 120, CAC Health Care, CAC Mid 60, CAC Mid & Small and MSCI Global Small Cap**

**Euronext ticker: KORI - ISIN: FR0010386334 – Reuters: KORI.PA – Bloomberg: KORI.FP**

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