

JCDecaux SA

Public Limited company with a Board of Directors and Supervisory Board with a capital of €3,245,684.82
Registered office: 17 rue Soyot - 92200 Neuilly-sur-Seine
307 570 747 Nanterre TCR

**PROJECT to CONVERT
JCDecaux SA
into a EUROPEAN COMPANY**

PROJECT FOR THE CONVERSION INTO A EUROPEAN COMPANY

This project ('Project') was developed by JCDecaux SA's Board of Directors with a view to converting this company into a 'European Company' ('SE'), in accordance with Section 5, Title II of Council Regulation (EC) 2157/2001 of 8 October 2001 on the Statute for a European company ('SE Regulations') and Article L. 225-245 -1(2) of the French Commercial Code.

The purpose of this Project is to explain and reason the economic and legal aspects of the conversion into a European company and to indicate the consequences of such a conversion on the situation of the Company's shareholders, employees, and creditors.

This plan to convert JCDecaux SA into an SE will be submitted for approval at the General Shareholders' Meeting on 14 May 2020.

I. DESCRIPTION OF THE CONVERSION PROJECT

A. Identity and characteristics of the company to be converted

(i) Form - registered office

JCDecaux SA ('**JCDecaux**' or the '**Company**') is a public limited liability company with a Board of Directors and a Supervisory Board incorporated under French law. Its registered office is located at 17, rue Soyer, Neuilly-sur-Seine (92200).

(ii) Place of registration - applicable law

JCDecaux SA is registered in the Nanterre Trade and Companies Register under number 307 570 747, and it is governed by the laws and regulations in force in France as well as its Articles of Association.

(iii) Business

JCDecaux is the world and European leader in outdoor advertising. Its consolidated turnover amounted to €3,890.2 million in 2019, distributed mainly between the following five businesses: street furniture, transport, billboards, events and illuminated announcements, and bike share systems.

The Group has direct operations in 86 countries worldwide, including 25 in the European Union, where it operates, across all businesses, some 645,000 advertising face units. It is the European billboard and outdoor advertising leader.

Sales in Europe (including the UK) represent over 50% of the Group's total turnover.

As at 31 December 2019, JCDecaux had over thirteen thousand permanent employees, over 58% of whom (7,600) work in Europe (including the UK). The Group is notably deploying significant resources pooled in several European countries, dedicated to the conversion and development acceleration strategy. Approximately 500 people Europe-wide are involved in:

- R&D, to imagine, develop, and allow the operation of new services, covering the entire industrial field, from Product Design and Technological Innovation, particularly as part of the digitisation of advertising faces;
- the Supply Chain, for the physical production of furniture and support for the teams of subsidiaries in their operations over the long terms of JCDecaux's contracts (based not only in France, but also in Spain and Germany); from Europe, it covers almost 80% of the Group's needs worldwide;
- its Data and programme strategy, with a DataCorp in charge of providing products, solutions, and services to use and maximise data at the service of our media ecosystem, and the independent and automated media planning and trading platform Viooh, launched in the United Kingdom and gradually deployed in several European countries (Germany, Denmark, Spain, France, Italy, Netherlands, etc.).

(iv) Term

The Company's term will expire, except in the case of early dissolution or extension decided by an Extraordinary General Shareholders' Meeting, on 5 June 2074.

(v) Stock market - capital

As at 31 December 2019, JCDecaux SA's share capital was divided into 212,902,810 shares, fully paid up.

Its shares are listed on the Euronext Paris regulated market.

B. Grounds for the conversion

JCDecaux, created in France in 1964 with strong national presence, has been established in other European countries for a long time: Portugal and Belgium in 1970s; Germany, the Netherlands, and northern Europe in the 1980s; 1999 in France, Europe, and the United States through the acquisition of Havas Media Communication (Avenir); and central Europe and Italy in the 2000s, notably through the partnerships with Gewista and IGP. JCDecaux has made several major acquisitions in the European Union: Italy in 2001 (IGP), Germany in 2003 (Gewista) and 2009 (Wall), and Spain in 2015 (Cemusa).

JCDecaux means to develop its business both in Europe and worldwide, both through French companies in its portfolio that are widely established abroad and directly through acquisitions of companies abroad.

This development has led the Board of Directors to wish to reflect this European and international dimension, both with regards to its employees and its other partners, in the Company's legal form.

As such, the Board of Directors proposed to develop the latter to support this reality: the status of European company best reflects JCDecaux's European and international nature.

Already adopted by nearly 3,500 companies in Europe, this company form has the advantage of benefiting from uniform rules recognised throughout the European Union and outside the European Union by international investors, consistent with the JCDecaux's market environment.

The Company will thus be able to benefit from a legal status that is a strong symbol in the majority of the countries in which it operates.

This legal form also reinforces the Group's attractiveness with its stakeholders by conferring on JCDecaux the image of economic power, talent pool, and technological and creative excellence generally associated with Europe worldwide.

C. Conversion conditions

Under the SE Regulations, a public limited company, incorporated under the law of a Member State and having its registered office and its head office within the European Union, can convert itself into an SE:

- if it has had, for at least two years, a subsidiary company governed by the law of another Member State; and
- if its subscribed capital amounts to at least €120,000.

These conditions are met since JCDecaux, a public limited company incorporated under French law, having its registered office and head office in France,

- has a share capital of €3,245,684.82, and
- has had, for more than two years, several subsidiary companies within the European Union.

D. Conversion legal rules

The conversion into a European company, subject of this plan, is governed by the following texts:

- the SE Regulations (including Articles 2(4) and 37 on forming a European Company through conversion);
- Articles L. 225-245-1 and R. 229-20 to R. 229-22 of the French Commercial Code; and
- Council Directive 2001/86/EC of 8 October 2001 supplementing the Statute for a European company with regard to the involvement of workers ('SE Directive') as well as France's national provisions for transposing the SE Directive as provided for in Articles L. 2351-1 et seq. of the French Labour Code.

II. CONVERSION PROJECT CONSEQUENCES

A. Legal consequences of the conversion

(i) Company name after conversion

After the final completion of the conversion, the Company will have the corporate name 'JCDecaux SE'.

(ii) Company registered office and head office

JCDecaux SE's registered office and head office will be located in France at 17, rue Soyer à Neuilly-sur-Seine (92200).

(iii) Articles of Association

The current articles of association will be adapted to the European company form and will comply with the SE Regulations and applicable French law.

JCDecaux SE will maintain a dual structure, in accordance with Articles 38b) and 39 to 42 of the SE Regulations and will therefore continue to have a Board of Directors and a Supervisory Board.

(iv) JCDecaux SE legal entity and shares

Under Article 37(2) of the SE Regulations, the conversion will neither result in JCDecaux Sa's dissolution nor in the creation of a new legal entity. After final completion of the conversion and as from its registration in the Nanterre Trade and Companies Register as an SE, the Company will simply continue its business in the form of a European company.

The number of shares issued by JCDecaux SA and their par value will not be changed by the conversion. These shares will remain listed on the Euronext Paris market (compartment A. ISIN code FR0000077919).

(v) SE structure

The SE Regulations provide for a limited number of rules concerning SE operation and essentially refer to national legislation on the matter. JCDecaux SE's operation will therefore be mainly governed by the French Commercial Code applicable to the management and administration of public limited companies with a Board of Directors and Supervisory Board, with the exception of certain rules laid down by the SE Regulations.

All the rules provided for by the SE Regulations have been included in the draft new articles of association appended to this document.

Therefore, the Company will retain its current public limited company bodies, in accordance with the SE Regulations, namely:

➤ General Shareholders' Meeting

The General Shareholders' Meeting will continue to have the same powers.

The majority rules for General Shareholders' Meetings, applicable since 2020, under French law no. 2019-744 of 19 July 2019 to simplify, clarify, and update company law, will not be changed since, in accordance with the SE Regulations, the calculation of the majority for the adoption of resolutions at the SE's General Shareholders' Meetings will be based on 'votes cast' which does not include the votes attached to shares for which a shareholder has not taken part in the vote or has abstained.

➤ Unchanged governance

JCDecaux SE will maintain a dual Board and Directors and Supervisory Board structure, in accordance with Articles 38 b) and 39 to 42 of the SE Regulations, and will therefore continue to have a Board of Directors and a Supervisory Board. The powers of the Board of Directors and the Supervisory Board will remain unchanged.

The final completion of the Company's conversion into a European company will not entail any change in the composition of its Board of Directors or its Supervisory Board, and the terms of office of each member will continue under the same conditions for the remainder of their term. As necessary, the General Shareholders' Meeting will note and confirm the continuation of current terms of office in the European company.

The three committees of the Board of Directors, the Audit Committee, the Remuneration and Appointments Committee, and the Ethics Committee will continue to exist with the same composition and the same prerogatives.

The Company will continue to comply with the AFEP-MEDEF Code to the extent applicable to companies with a Board of Directors and a Supervisory Board.

In accordance with the provisions applicable to European companies, the members present and represented will be taken into account in calculating the quorum for Supervisory Board meetings.

(vi) Regulated agreements

In accordance with Article L. 229-7 of the French Commercial Code, JCDecaux SE's Articles of Association must provide for the application of the procedure relating to regulated agreements by reference to the provisions applicable to public limited companies under French law.

(vii) JCDecaux SE auditors

The final completion of the Company's conversion into a European company will not entail any change in the Company's auditor's mandate which will continue under the same conditions for the remainder of the term.

As necessary, the General Shareholders' Meeting will note and confirm the continuation of current terms of office in the European company.

B. Consequences for shareholders

The conversion will not affect the rights of the company's shareholders.

As such, the financial commitment of each shareholder will remain limited to that which they subscribed to prior to the Company's transformation. The conversion will not affect each shareholder's share in the Company's voting rights; in particular, the provisions of the Articles of Association on double voting rights will remain unchanged.

The conversion will in itself have no impact on the value of JCDecaux SA shares. As such, the number of shares issued by the Company will not be changed as a result of this conversion. The Company will remain listed on the Euronext Paris market.

Conversion into a European company will strengthen the political rights of shareholders, Article 55(1) of the SE Regulations recognising the right for one or more shareholders who together hold at least 10% of the Company's subscribed capital to request the Company to convene a general meeting and draw up the agenda.

The conversion into a European company must be approved by a JCDecaux SA Extraordinary General Shareholders' Meeting.

C. Consequences for creditors

The conversion will not in itself entail any change in the rights of the Company's creditors. Creditors prior to the conversion will retain all of their rights in respect of the Company following the completion of the conversion. The creditors will also retain any guarantees that might have been granted to them prior to the final completion of the transformation.

As a matter of form, JCDecaux will invite bondholders holding Company bonds and concerned by the implementation of Article L. 228-65 of the French Commercial Code to express their opinion on the Conversion Project within the required deadlines.

D. Consequences for employees - Information on procedures relating to employee involvement

No changes will be made to the employment contracts of employees of the Company and its subsidiaries and establishments due to its conversion into a European company. As such, their employment contracts will continue under the same terms and conditions as prior to final completion of the conversion.

The conversion will not affect the rights of employees over the shares they hold in the JCDecaux Développement shareholding fund or their rights over any purchase options and their rights in respect of shares they may acquire in the context of a possible capital increase reserved for employees.

JCDecaux will invite the employee representatives of the Company, its subsidiaries and its European establishments (**'Employee Representatives'**), as provided for by law, to set up a special negotiating group (**'SNG'**). The purpose of the SNG is to set up a negotiation procedure with a view to obtaining a written agreement with the Employee Representatives on the terms of involvement of employees of JCDecaux, its subsidiaries and European establishments in the European company.

SNG members will be appointed according to the procedures defined for each of the countries concerned. This group will liaise with the Management during negotiations.

SNG members will be convened to meet by JCDecaux's corporate officers. Negotiations may continue for six months from the SNG's first meeting. They may be extended, by mutual agreement between the parties, without the maximum duration of negotiations being able to exceed one year.

SNG negotiations on the involvement of employees of the Company, its subsidiaries and its European establishments in the European company may lead to the following situations:

- conclusion of an *ad hoc* agreement determining the terms of employee involvement in the European company;
- no agreement, in which case the subsidiary provisions of the SE Directive and Articles L. 2353-1 et seq. of the French Labour Code will apply to organise the involvement of Company employees in the European company.

E. Tax aspects of the conversion

JCDecaux's conversion into a European company is not likely to have a tax impact in terms of corporate income tax since it will not create a new legal entity or change the Company's tax treatment (for tax purposes, JCDecaux SE will remain assimilated to a public limited company) or transfer the registered office, an asset, or a service of the Company abroad.

In terms of registration fees, the operation must be registered within thirty days of its completion; as this operation is not considered a company incorporation, it does not entail the payment of any capital duty but will only be subject to a minimal registration fee as provided for in Article 680 of the General Tax Code (currently €125).

III. PROCEDURE

A. Independent conversion experts

Pursuant to articles 37(6) of the SE Regulations and L. 225-245-1 of the French Commercial Code, one or more Independent conversion experts must be appointed by the President of the Commercial Court of Nanterre ruling on the application.

In accordance with Article R. 229-21 of the French Commercial Code, the conversion auditors will be chosen from among the statutory auditors registered on the list provided for in Article L. 822-1 of the French Commercial Code or from the experts registered on one of the lists established by the courts and tribunals.

Independent conversion experts will be in charge of preparing a report for the shareholders attesting, in accordance with Article L. 225-245-1 of the French Commercial Code, that the Company has net assets at least equivalent to the capital increased by reserves the distribution of which is prevented by law or the articles of association.

B. Special advantages

The members of the Board of Directors and the Supervisory Board will not be entitled to any special advantage in the context of JCDecaux SA's conversion into a European company.

Independent conversion experts will be remunerated by the Company following completion of their assignment.

C. Conversion project registration and advertising

The conversion project will be filed with the registry of the Commercial Court of Nanterre, registry within the jurisdiction of which JCDecaux is registered, and will be advertised by the insertion of a notice in a legal gazette and the Bulletin des Annonces Légales Obligatoires (BALO) at least one month before the date of the General Shareholders' Meeting convened to decide on the conversion operation.

D. Approval of the Company's conversion project and articles of association

Pursuant to Article 37(7) of the SE Regulations and Article L. 225-245-1 of the French Commercial Code, the Company's Extraordinary General Shareholders' Meeting will decide on the conversion project and JCDecaux's Articles of Association, subject to the quorum and majority conditions required for amending the articles of association of public limited companies as provided for in Article L. 225-96 of the French Commercial Code.

E. Conversion entry into effect

The conversion into a European company will take effect from JCDecaux's registration as a European Company in the Trade and Companies Register. In accordance with Article 12(2) of the SE Regulations, the European company can only be registered once the procedure relating to employee involvement has been completed. As such, as described above, the SNG, made up of employee representatives from JCDecaux, its subsidiaries and its European establishments, will be set up as soon as possible in order to start discussions, for a period of six months, unless extended by mutual agreement, within the limit of one year.

Further to discussions with the SNP, two situations may arise:

- conclusion of an agreement relating to the terms of employee involvement;
- failure of negotiations and application of the '*reference provisions*' set by the SE Regulations, namely the creation of a European Company Committee, governed by Articles L. 2353-1 et seq. of the French Labour Code.

The conversion into a European Company and its registration in the Trade and Companies Register will thus take place after discussions with the SNG and following its approval by the Company's Extraordinary General Shareholders' Meeting.

It will be published in the Official Journal of the European Union.

Neuilly sur Seine, 16 March 2020

**For the Management Board,
Jean-Charles DECAUX, Managing Director**