



Audit and Risk Management Committee Charter

Composition

The Audit and Risk Management Committee will be composed of three directors. The members are appointed by the Board of Directors each year after the annual general meeting. The Board of Directors shall designate also a chairman from among the membership of the Audit and Risk Management Committee. The Audit and Risk Management Committee takes decisions by a simple majority.

Purpose

With respect to audit and risk related matters, the primary purpose of the Audit and Risk Management Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing:

- the integrity and transparency of financial statements and reports;
- the type and the presentation of information included in Aperam's earnings press releases, as well as key financial information provided to a governmental body or the public;
- Aperam's system of internal control regarding finance, accounting, legal, compliance and ethics established by the Board of Directors and senior management; and
- Aperam's auditing, accounting and financial reporting processes generally.

Responsibilities and Duties

The Audit and Risk Management Committee's primary duties and responsibilities relating to this function are to:

- be an independent and objective party to monitor Aperam's financial reporting process and internal controls system;
- review any major issues regarding accounting principles and financial statement presentations, including any significant changes in Aperam's selection or application of accounting principles, and major issues as to adequacy of the internal control environment;
- approve the appointment and fees of Aperam's external auditors;
- obtaining, at least once a year, a written statement from Aperam's external auditors to the effect that their independence has not been impaired;
- review and assess the performance of Aperam's external auditors and the internal audit department;
- provide transparent communication among Aperam's external auditors, the internal finance department, senior management, the internal audit department and the Board of Directors;
- monitor the independence of Aperam's external auditors; and
- communicate the Audit and Risk Management Committee's duties and responsibilities to the appropriate levels of management within Aperam.

With respect to risk management related matters, the primary function of the Audit and Risk Management Committee is to support the Board of Directors in fulfilling its corporate governance and oversight responsibilities by assisting with the monitoring and review of the risk management process of Aperam.

In that regard, its main responsibilities and duties are to assist the Board of Directors by developing recommendations regarding the following matters:

- oversight, development and implementation of a risk identification and management process and the review of this process in a consistent manner throughout Aperam;
- review of the effectiveness of Aperam's risk management framework, policies and process and the proposal of improvements, with the aim of ensuring that Aperam's management is supported by an effective risk management system;
- promotion of constructive and open exchanges on risk identification and management among senior management, the Board of Directors, the legal department and other relevant departments of Aperam;
- review of proposals to assess, define and review the level of risk tolerance to ensure that appropriate risk limits are in place;
- review of Aperam's internal and external audit plans to ensure that they include a review of the major risks facing Aperam;
- review the qualifications and work of the internal audit staff, its budget and staffing and, as appropriate, review significant findings and management's actions to address these findings; and
- making recommendations to senior management and the Board of Directors regarding risk management.

Authorities

In fulfilling its duties, the Audit and Risk Management Committee may seek the advice of outside experts.

The Audit and Risk Management Committee shall review and recommend to the Board of Directors the adequacy of its charter and proposed changes from time to time as needed.

Corporate Governance principle

Each of the members of the Audit and Risk Management Committee will be an independent director according to the Ten Principles of Corporate Governance of the Luxembourg Stock Exchange.

Meetings

The Audit and Risk Management Committee is required to meet at least four times a year.