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Information relating to Jacques Aschenbroich's compensation for his role as Chairman of the Board of Directors in anticipation of the separation of the roles of Chairman of the Board of Directors and Chief Executive Officer from January 2022

In accordance with the succession plan unanimously approved by the Board of Directors on October 27, 2020 and disclosed on the same day, Jacques Aschenbroich will continue to act as Chairman of the Board of Directors until the end of his current term of office as Director, i.e. until May 2023, and will be vested with specific missions which aim to ensure a smooth transition with Christophe Périllat who will succeed Jacques Aschenbroich in his role as Chief Executive Officer of the Company from January 2022.

The Board of Directors held on March 24, 2021, on the recommendation of the Compensation Committee, set the compensation policy of the Chairman of the Board of Directors which will be submitted for approval at the Shareholders' Meeting of May 26, 2021 in anticipation of the separation of the roles of Chairman of the Board of Directors and Chief Executive Officer planned for January 2022 (*ex ante* vote) in accordance with Article L. 22-10-8 (former Article L. 225-37-2) of the French Commercial Code.

Fixed compensation

The Chairman of the Board of Directors is entitled to an annual fixed compensation, excluding any other compensation element, in accordance with the recommendations of the AFEP-MEDEF Code.

The Board of Directors held on March 24, 2021, has decided, on the recommendation of the Compensation Committee, to set Jacques Aschenbroich's annual fixed compensation for his role as Chairman of the Board of Directors following the separation of the roles of Chairman of the Board of Directors and Chief Executive Officer taking into consideration the following elements:

- Jacques Aschenbroich's experience, skills and career within Valeo;
- the range and scope of the specific missions that would be assigned to him as Chairman of the Board of Directors during the managerial transition period¹;
- the benchmark study of an external advisor (Willis Towers Watson) on the compensation of Chairmen of a Board of Directors who have specific missions and who previously held executive positions in the same company²;
- the compensation given to Jacques Aschenbroich as Chairman of the Board of Directors being (i) temporary (until the end of his term of office as Director in May 2023), (ii) expressly indexed

¹ *The specific missions entrusted to Jacques Aschenbroich as Chairman of the Board of Directors will be carried out at the request of the Chief Executive Officer and will be without prejudice to (i) the executive functions of the Chief Executive Officer, who alone is responsible for the executive and operational management of Valeo and (ii) the powers of the Board of Directors:*

- *contribution to executive management: consultation of the Chairman of the Board of Directors by the Chief Executive Officer (at his request), support and advice to the Chief Executive Officer on various subjects relating to Valeo (governance, strategy, operations and significant projects);*
- *relations with public authorities, institutions and business partners: representation of Valeo (at the Chief Executive Officer's request) on a national and international scale, with respect to public authorities, institutions and business partners (in particular Chinese clients and other Asian clients). Assistance to the Chief Executive Officer (at his request) in the context of Valeo's relationship with its historical and strategic partners;*
- *relationship with the shareholders: monitoring, in coordination with the Chief Executive Officer, the quality of relations and dialogue with Valeo's shareholders; and*
- *corporate social responsibility: promoting Valeo's values, image and culture. Joint participation with the Chief Executive Officer, in actions carried out by Valeo, in particular in the field of corporate social responsibility, ethics and compliance.*

² *This panel is available on the Company's website (www.valeo.com), under "Corporate Governance".*

on Jacques Aschenbroich's role during the transition period and not constituting a reference point for a future role as Chairman of the Board of Directors and (iii) related to exceptional circumstances necessary for the implementation of the succession plan within Valeo, in this particularly complex period due to the Covid-19 crisis, and to the essential role of Jacques Aschenbroich in such implementation;

- his contribution to a successful managerial transition.

On this basis, the Board of Directors held on March 24, 2021, on the recommendation of the Compensation Committee, set Jacques Aschenbroich's annual fixed compensation following the separation of the roles of Chairman of the Board of Directors and of Chief Executive Officer until the end of his term of office which will terminate in May 2023 at EUR 800,000.

Variable compensation

Jacques Aschenbroich will not be entitled to variable compensation.

Long-term compensation policy – Allotment of performance shares

No performance shares will be allotted to Jacques Aschenbroich for his sole role as Chairman of the Board of Directors.

At the end of the holding period set out by the Board of Directors, the Chairman of the Board of Directors will also have to hold a significant number of vested performance shares in the form of registered shares until the end of his term of office. This holding obligation corresponds to 50% of the vested performance shares³.

Pension plan

The Chairman of the Board of Directors will not benefit from any additional right in the Company supplementary pension plan.

Benefits in kind

Jacques Aschenbroich will be provided, as Chairman of the Board of Directors, with a company car and a driver.

Other compensation components – No multi-annual variable compensation, compensation or benefits on appointment, exceptional compensation, termination benefits, non-compete compensation, director's compensation, benefits of any kind under agreements with the Company or any Group company or options or any other long-term compensation component

The Chairman of the Board of Directors will not be entitled to multi-annual variable compensation, compensation or benefits on appointment, exceptional compensation, termination benefits or non-compete compensation.

The Chairman of the Board of Directors will not receive compensation in his capacity as director. The Chairman of the Board of Directors will not be entitled to any compensation or other benefits as a result of agreements entered into with the Company or any Group company.

No stock purchase or subscription options or other long-term compensation component will be granted to the Chairman of the Board of Directors.

³ Since joining the Group as Chief Executive Officer on March 20, 2009, Jacques Aschenbroich has not sold any shares obtained by exercising stock purchase or subscription options allotted to him, nor sold any vested performance shares.