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Allotment of performance shares to the Chairman and Chief Executive Officer and to the Deputy Chief Executive Officer

Further to the Compensation Committee's recommendation, and in accordance with the modalities set by the Board of Directors at its meeting of March 24, 2021 and announced to the shareholders in the Board of Directors' report on the resolutions submitted to the Shareholders' Meeting of May 26, 2021 (twenty-fifth resolution) as well as in the press releases dated March 24, 2021 on the compensation policy for the Chairman and Chief Executive Officer and for the Deputy Chief Executive Officer for the financial year 2021 (available on the Company's website, www.valeo.com), the Board of Directors decided, at its meeting held on May 26, 2021, on the basis of the twenty-fifth resolution of the Shareholders' Meeting of May 26, 2021, to allot 2,070,829 free shares and performance shares to employees and corporate officers of the Group, including 118,536 performance shares for the Chairman and Chief Executive Officer and 57,871 performance shares for the Deputy Chief Executive Officer.

The Board of Directors, on the recommendation of the Compensation Committee, decided to apply a discount to the amount of the allocation (IFRS valuation) of 10% compared to the maximum permitted by their respective compensation policy (270% for the Chairman and Chief Executive Officer and 200% for the Deputy Chief Executive Officer).

It is noted that following the separation of the roles of Chairman and Chief Executive Officer planned for January 2022, Jacques Aschenbroich will remain Chairman of the Board of Directors until the end of his term of office as director, i.e. until May 2023. Therefore, it has been agreed that the number of performance shares that would be definitively granted to him under the 2021 plan would be reduced on a *pro rata* basis according to the period during which he will have exercised the associated functions of Chairman and Chief Executive Officer.

Performance shares are conditional upon achieving performance as measured against criteria set out in detail in the Board of Directors' report on the resolutions submitted to the Shareholders' Meeting of May 26, 2021 (twenty-fifth resolution) and in Valeo's 2020 Universal Registration Document.