

### Allotment of performance shares to the Chief Executive Officer

Further to the Compensation Committee's recommendation, the Board of Directors, at its meeting on March 23, 2022, decided, pursuant to the twenty fifth resolution of the Shareholders' Meeting held on May 26, 2021, to allot 2,308,057 free shares and performance shares to employees and corporate officers of the Group, including 100,154 performance shares for the Chief Executive Officer.

The allotment of the performance shares complies with (i) the compensation policy of Christophe Périllat as Chief Executive Officer in anticipation of the separation of the roles of Chairman and Chief Executive Officer that was pre-approved by 95.14% at the Shareholders' Meeting held on May 26, 2021 (the "**Pre-Approved Compensation Policy of the Chief Executive Officer**"), and (ii) the compensation policy of Christophe Périllat as Chief Executive Officer for 2022, the terms and conditions of which remained unchanged from the Pre-Approved Compensation Policy of the Chief Executive Officer<sup>1</sup>, which will be submitted to the Shareholders' Meeting on May 24, 2022 (the "**2022 Compensation Policy of the Chief Executive Officer**").

Due to the extreme volatility of the financial markets and the sharp drop in the stock price of the automotive sector companies in Europe, including Valeo, since the beginning of the Russo-Ukrainian conflict, the amount of the allotment granted to the Chief Executive Officer (IFRS valuation) was calculated with a discount of 26% as compared to the maximum permitted under the compensation policy (200% of the annual fixed compensation). This discount corresponds to the ratio between the average share price for the last 20 days generally used by Valeo and the average share price over the last 60 days prior to the allotment of performance shares. Based on the share price on the date of the Board of Director's meeting (average of 20 days, IFRS valuation), this corresponds to 100,154 shares, valued under IFRS at 14.46 euros, i.e. 74% as compared to the maximum permitted under the compensation policy.

The table below summarizes in a synthetic way the criteria and methods used to assess the allotment of the performance shares:

Criterion	Weight/Assessment
<b>Internal performance criterion: ROCE rate (30%)</b> <sup>(1)</sup>	Performance measured by two criteria (ROCE rate and EBITDA level) for each of the three financial years (Y, Y+1 and Y+2) of the vesting period. The relevant criterion will be satisfied if, for each financial year covered under the grant the rate effectively achieved for such criterion is greater than or equal to the target rate established by the Board of Directors, it being understood that (i) the target rate cannot be lower than the guidance for the financial year of reference, (ii) the selected criterion cannot be changed by the Board of Directors at a later date and (iii) the target rates cannot be changed by the Board of Directors at a later date, except by a duly justified decision in the context of exceptional circumstances beyond the beneficiaries' control. <ul style="list-style-type: none"> <li>• If, for each financial year covered by the scheme, the rate of achievement of the corresponding criterion is greater than or equal to the target rate for each of those three financial years: 100%.</li> <li>• If, for only two of the financial years covered by the scheme, the rate of achievement of the corresponding criterion is greater than or equal to the target rate for each of those two financial years: 50%.</li> <li>• If, for only one of the financial years covered by the scheme, the rate of achievement of the corresponding criterion is greater than or equal to the target rate for that financial year: 20%.</li> <li>• If the target rate for the corresponding criterion is not satisfied for any of the financial years covered by the scheme: 0%.</li> </ul>
<b>Internal performance criterion: EBITDA level (30%)</b> <sup>(1)</sup>	
<b>External performance</b>	TSR recorded over a period of three years from January 1 of the allotment year to December 31 of the year prior to delivery.

<sup>1</sup> Subject to the annual variable compensation criteria which have been added.

<b>critterion: TSR (20%)</b>	<ul style="list-style-type: none"> <li>• If Valeo's TSR recorded over the reference period is greater than the CAC 40 index's TSR recorded over the reference period: 100% (0% if equal or lower).</li> <li>• If Valeo's TSR recorded over the reference period is greater than the median of the TSRs of the companies in the European Automotive Panel over the reference period: 100% (0% if equal or lower).</li> </ul>
<b>Corporate social responsibility: CO<sub>2</sub> emissions (10%)<sup>(2)</sup></b>	CSR criterion recorded over a period of three years from January 1 of the allotment year to December 31 of the year prior to delivery and published at the time of the free shares allotment:
<b>Corporate social responsibility: the number of women within the Group's management committees (relating to the 300 most important Group management positions) (10%)<sup>(3)</sup></b>	<ul style="list-style-type: none"> <li>• If the level of CO<sub>2</sub> emissions recorded over the reference period is lower than or equal to the target rate established for the reference period: 100% (0% if greater);</li> <li>• If the number of women within the Group's management committees (relating to the 300 most important Group management positions) recorded over the reference period is greater than or equal to the target rate established for the reference period: 100% (0% if lower).</li> </ul>
<p>(1) For 2022, the guidance is 8.60% for the ROCE rate (including Valeo Siemens eAutomotive (VSeA) over 12 months) and 11.80% for the EBITDA (based on the integration of VSeA after July 2022 following the acquisition by Valeo of the 50% stake held by Siemens in VSeA), it being specified that this guidance does not take into account the unfavourable economic and financial consequences likely to result from the war in Ukraine.</p> <p>(2) For the 2022 plan, the achievement of this target (excluding VSeA) will be assessed as at December 31, 2024, on the basis of the carbon neutrality objective by 2050 and, by December 31, 2030, a plan to reduce emissions related to its operating activities (Scopes 1 and 2) by 75% and emissions related to its supply chain and to the end use of its products (Scope 3) by 15% compared to January 1, 2020, as presented in Chapter 4, section 4.1.3 "Valeo's carbon neutrality Plan by 2050" of the 2020 Universal Registration Document. This 2030 objective (excluding VSeA) implies an annual reduction of -0.75 Mt CO<sub>2</sub> from 49.6 Mt CO<sub>2</sub> at January 1, 2020 to 41.4 Mt CO<sub>2</sub> at December 31, 2030. Accordingly, based on the linear annual progression until 2030, the rate of achievement of this target (excluding VSeA) is set at a maximum of 45.85 Mt CO<sub>2</sub> by December 31, 2024.</p> <p>(3) For the 2022 plan, the achievement of this target will be assessed as at December 31, 2024 on the basis of the objective of doubling the number of women on the various Group's management committees (relating to the 300 most important Group management positions) from 16% of women as at January 1, 2020 to 32% of women as at December 31, 2030. Accordingly, based on a linear annual progression, the rate of achievement of this target is set at a minimum of 23 % of women in the Group's management committees (relating to the 300 most important Group management positions) by December 31, 2024, on a like for like basis, which constitutes an acceleration of the intermediate objective for 2024 set at 20% by Valeo's Board of Directors in 2020 (as described in sub-section 3.2.1 "Composition of the Board of Directors", paragraph "Diversity policy within the governing bodies" of the 2020 Universal Registration Document).</p>	