



Information concerning the compensation of the Chairman of the Board of Directors and the Chief Executive Officer of Valeo

Based on the recommendations of the Nomination, Remuneration and Corporate Governance Committee, the Valeo Board of Directors approved on April 9, 2009 the financial terms of the appointment of Mr. Pascal Colombani as Chairman of the Board of Directors as of March 20, 2009, as well as the terms of the appointment of Mr. Jacques Aschenbroich as Chief Executive Officer as of March 20, 2009. The Board paid particular attention, in taking its decision, to the current environment and the general economic context.

Undertakings in favor of Mr. Pascal Colombani, Chairman of the Board of Directors

Mr. Pascal Colombani will receive as Chairman of the Board of Directors an annual fixed compensation of €250,000.

These provisions exclude any severance payment and any other deferred remuneration. Moreover, the Chairman will not receive attendance fees in relation to his corporate office within the Group and he will not receive any option to subscribe for or purchase shares or bonus shares.

Undertakings in favor of Mr. Jacques Aschenbroich as Chief Executive Officer

The financial terms of the appointment of Mr. Jacques Aschenbroich as Chief Executive Officer (CEO) as of March 20, 2009 were approved by the Board as follows:

- **Fixed compensation and insurance**

The Board decided to set his fixed annual compensation at €850,000. The Board also decided to grant Mr. Jacques Aschenbroich the benefit of the Unemployment Insurance for Corporate Directors (*Garantie Sociale des Chefs et Dirigeants d'entreprise*) of the collective and mandatory group insurance covering medical, invalidity and death, and life insurance in the event of death, incapacity or any consequence of an accident occurring during business travel.

- **Postponement of the variable compensation and pension plan**

In order to retain and motivate the new Chief Executive Officer with regard to the company's objectives, its social interest and market practices, the Board approved the principle of granting Mr. Jacques Aschenbroich:

- A variable compensation subject to precise criteria rewarding the performance of the company and its progress in the medium-term; and
- The current defined-benefit pension plan that applies to all senior executives (*cadres hors catégorie*) of Valeo and its French subsidiaries (or the new plan currently being studied which would replace it)¹, and the attribution of a five-year seniority status upon his taking office, given the age of Mr. Jacques Aschenbroich and the fact that he benefits from no other pension scheme today.

However, given the legislative and regulatory modifications currently being defined, the Board decided to postpone to a later meeting the implementation of a variable compensation and complementary pension plan.

- **Absence of severance payment, stock options or free shares**

The Board of Directors, based on the recommendations of the Nomination, Remuneration and Corporate Governance Committee, and with the agreement of Mr. Jacques Aschenbroich, decided that no severance pay for the CEO would be provided for at this stage, and that this matter will be reconsidered next year.

The Board of Directors, with the agreement of Mr. Jacques Aschenbroich, decided that he will not receive at this stage any option to subscribe for or purchase shares or bonus shares. Finally, the CEO will not receive attendance fees in relation to his corporate office within the Group.

¹ For a description of this pension plan, see paragraph 3.H.3 of the Company's 2008 Reference Document.