

VALEO

French *société anonyme* with a Board of Directors
with share capital of EUR 238,387,620
Registered office: 43, rue Bayen – 75017 Paris
552 030 967 R.C.S. Paris

NOTICE OF MEETING (AVIS DE REUNION)

Shareholders of Valeo (the "**Company**") are invited to attend an Ordinary and Extraordinary Shareholders' Meeting on 26 May 2016 at 2:30 p.m. at the Pavillon Gabriel, 5, avenue Gabriel, 75008 Paris, to deliberate on the following agenda and proposed resolutions:

Agenda

Agenda for the Ordinary Shareholders' Meeting:

1. Approval of the unconsolidated financial statements for the financial year ended 31 December 2015;
2. Approval of the consolidated financial statements for the financial year ended 31 December 2015;
3. Allocation of earnings for the financial year ended 31 December 2015 and setting of dividend;
4. Approval of agreements and undertakings governed by Articles L. 225-38 *et seq.* of the French Commercial Code;
5. Approval of an undertaking governed by Article L. 225-42-1 of the French Commercial Code regarding Jacques Aschenbroich;
6. Appointment of Mari-Noëlle Jégo-Laveissière as a director;
7. Appointment of Véronique Weill as a director;
8. Re-appointment of Thierry Moulonguet as a director;
9. Re-appointment of Georges Pauget as a director;
10. Re-appointment of Ulrike Steinhorst as a director;
11. Decision on the annual amount of the director fees;
12. Re-appointment of Ernst & Young et autres as a Principal Statutory Auditor;
13. Re-appointment of Mazars as a Principal Statutory Auditor;
14. Re-appointment of Auditex as an Alternate Statutory Auditor;
15. Appointment of Jean-Maurice El Nouchi as an Alternate Statutory Auditor;
16. Opinion on the compensation components owed or awarded to Pascal Colombani, regarding his duties as Chairman of the Board of Directors, for the financial year ended 31 December 2015;
17. Opinion on the compensation components owed or awarded to Jacques Aschenbroich, regarding his duties as Chief Executive Officer, for the financial year ended 31 December 2015;
18. Authorisation to be granted to the Board of Directors to carry out transactions on the Company's shares;

Agenda for the Extraordinary Shareholders' Meeting:

19. Division by three (3) of the unitary par value of the Company's shares; delegation of powers to the Board of Directors and corresponding amendment of the articles of association;
20. Authorisation to the Board of Directors to carry out allocations of free shares (existing or to be issued) to the employees or corporate officers of the Group or certain employees or corporate officers, with cancellation of the shareholders' preferential subscription right;
21. Decision on an age limit for directors – amendment of article 14.3 of the articles of association;
22. Extension of the age limit applicable to the Chief Executive Officer and any Vice-Chief Executive Officers – amendment of article 18.7 of the articles of association;
23. Compliance of the articles of association with the new wording of Articles L. 225-38 and L. 225-39 of the French Commercial Code deriving from Ordinance no. 2014-863 of 31 July 2014 – amendment of article 19 of the articles of association; and
24. Powers to complete formalities.

Ordinary Business

First resolution (Approval of the unconsolidated financial statements for the financial year ended 31 December 2015)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, having reviewed the report of the Chairman of the Board of Directors, the Board of Directors' management report, the Board of Directors' report and the Statutory Auditors' general report, as well as the unconsolidated financial statements for the financial year ended 31 December 2015, which include the balance sheet, profit and loss statement and notes to the financial statements, approved the unconsolidated financial statements for the financial year ended 31 December 2015, as presented, and all of the transactions reflected in these financial statements and summarised in these reports, which show, for this financial year, a profit amounting to EUR 243,740,414.47.

Second resolution (Approval of the consolidated financial statements for the financial year ended 31 December 2015)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, having reviewed the report of the Chairman of the Board of Directors, the Board of Directors' management report, including the report on the management of the Group, the Board of Directors' report and the Statutory Auditors' general report, as well as the Company's consolidated financial statements for the financial year ended 31 December 2015, which include the balance sheet, the profit and loss statement and the notes to the financial statements, approved the consolidated financial statements for the financial year ended 31 December 2015, as presented, and all of the transactions reflected in these financial statements and summarised in these reports.

Third resolution (Allocation of earnings for the financial year ended 31 December 2015 and setting of dividend)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, acknowledged that the financial statements for the financial year ended 31 December 2015 and approved at this Shareholders' Meeting showed a profit for the financial year of EUR 243,740,414.47 and decided, at the proposal of the Board of Directors, to allocate said profit as follows:

Profit	EUR 243,740,414.47
Earnings previously retained	EUR 1,493,648,515.74
Distributable earnings	EUR 1,737,388,930.21
Allocation to dividends	EUR 235,371,555.00 ⁽¹⁾
New amount of retained earnings	EUR 1,502,017,375.21

(1) The total amount of the distribution referred to above is calculated based on the number of shares entitled to dividends as of 31 December 2015, i.e. 78,457,185 shares. It is specified that if the number of shares entitled to dividends changes between 1 January 2016 and the ex-dividend date, depending in particular on the number of treasury shares, as well as the final allotment of free shares and exercise of the options (if the beneficiary is entitled to a dividend in accordance with the provision of the relevant plans), the total amount of the dividend would be adjusted accordingly and the amount allocated to retained earnings would be determined on the basis of the amount of the dividend effectively paid.

The dividend was set at EUR 3.00 (three euros) per share for each of the shares entitled to dividends.

The ex-dividend date will be 30 May 2016 and dividend payments will be made starting on 1 June 2016. It is specified that if, at the time such dividends are paid, the Company holds treasury shares, the sums corresponding to the unpaid dividends in respect of these shares will be allocated to the "retained earnings" account.

When paid to shareholders who are individuals and tax residents of France, this distributed dividend amounting to EUR 3.00 (three euros) per share will be eligible for the 40% tax allowance provided for in Article 158,3-2° of the French Tax Code. Furthermore, pursuant to the provisions of Article 117 *quater* of the French Tax Code, dividends received are subject to a mandatory non-definitive withholding tax, which constitutes an advance for income tax purposes.

Pursuant to the applicable laws, the Shareholders acknowledged that the dividends distributed over the last three financial years prior to the financial year ended 31 December 2015 were as follows:

Financial year	Number of shares entitled to dividends	Dividend per share (in EUR)	Total (in million EUR)
2012	76,980,278	1.50	115.4 ⁽¹⁾
2013	77.923.333	1.70	132.4 ⁽¹⁾
2014	77,767,218	2.20	172.1 ⁽¹⁾

(1) Amounts eligible for the 40% tax allowance applying to individuals who are tax residents of France pursuant to Article 158,3-2° of the French Tax Code.

Fourth resolution (Approval of agreements and undertakings governed by Articles L. 225-38 et seq. of the French Commercial Code)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report on agreements and undertakings governed by Articles L. 225-38 et seq. of the French Commercial Code, acknowledged that the Statutory Auditors had not been advised of any new agreement or undertaking authorised during the financial year ended 31 December 2015 and not already approved at a Shareholders' Meeting and approved the special report.

Fifth resolution (Approval of an undertaking governed by Article L. 225-42-1 of the French Commercial Code regarding Jacques Aschenbroich)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report on agreements and undertakings governed by Articles L. 225-38 and L. 225-40 to L. 225-42-1 of the French Commercial Code, acknowledged the conclusions of the Statutory Auditors' special report and approved the undertaking governed by Article L. 225-42-1 of the French Commercial Code referred to therein and regarding Jacques Aschenbroich.

Sixth resolution (Appointment of Mari-Noëlle Jégo-Laveissière as a director)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, having reviewed the Board of Directors' report, appointed Mari-Noëlle Jégo-Laveissière as a director of the Company for a period of four (4) years ending at the close of the

Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2019.

Seventh resolution (Appointment of Véronique Weill as a director)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, having reviewed the Board of Directors' report, appointed Véronique Weill as a director of the Company for a period of four (4) years ending at the close of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2019.

Eighth resolution (Re-appointment of Thierry Moulonguet as a director)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, having reviewed the Board of Directors' report and acknowledged that the term of office of Thierry Moulonguet was to expire on the meeting date, decided to renew his appointment for a further period of four (4) years ending at the close of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2019.

Ninth resolution (Re-appointment of Georges Pauget as a director)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, having reviewed the Board of Directors' report and acknowledged that the term of office of Georges Pauget was to expire on the meeting date, decided to renew his appointment for a further period of four (4) years ending at the close of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2019.

Tenth resolution (Re-appointment of Ulrike Steinhorst as a director)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, having reviewed the Board of Directors' report and acknowledged that the term of office of Ulrike Steinhorst was to expire on the meeting date, decided to renew her appointment for a further period of four (4) years ending at the close of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2019.

Eleventh resolution (Decision on the annual amount of the director fees)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, having reviewed the Board of Directors' report, set the annual amount of director fees allocated to the Board of Directors for financial year 2016 and all subsequent financial years until a new decision is made on the matter at EUR 1,100,000.

Twelfth resolution (Re-appointment of Ernst & Young et autres as a Principal Statutory Auditor)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, having reviewed the Board of Directors' report and acknowledged that the term of appointment of Ernst & Young et autres as a Principal Statutory Auditor was to expire on the meeting date, decided to renew said appointment for a further period of six (6) financial years ending at the close of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2021.

Thirteenth resolution (Re-appointment of Mazars as a Principal Statutory Auditor)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, having reviewed the Board of Directors' report and acknowledged that the term of appointment of Mazars as a Principal Statutory Auditor was to expire on the meeting date, decided to renew said appointment for a further period of six (6) financial years ending at the close of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2021.

Fourteenth resolution (Re-appointment of Auditex as an Alternate Statutory Auditor)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, having reviewed the Board of Directors' report and acknowledged that the term of appointment of Auditex as an Alternate Statutory Auditor was to expire on the meeting date, decided to renew said appointment for a further period of six (6) financial years ending at the close of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2021.

Fifteenth resolution (Appointment of Jean-Maurice El Nouchi as an Alternate Statutory Auditor)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, having reviewed the Board of Directors' report and acknowledged that the term of appointment of Philippe Castagnac as an Alternate Statutory Auditor was to expire on the meeting date, decided to appoint Jean-Maurice El Nouchi as an Alternate Statutory Auditor for a period of six (6) financial years ending at the close of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2021.

Sixteenth resolution (Opinion on the compensation components owed or awarded to Pascal Colombani, regarding his duties as Chairman of the Board of Directors, for the financial year ended 31 December 2015)

The Shareholders, consulted in accordance with the recommendation set out in Article 24.3 of the Afep-Medef code of corporate governance revised in November 2015, the Company's official corporate governance code pursuant to Article L. 225-37 of the French Commercial Code, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, issued a favourable opinion on the compensation components owed or awarded to Pascal Colombani for the financial year ended 31 December 2015, as presented in the special report of the Board of Directors for the Shareholders' Meeting on compensation components owed or awarded to individual corporate officers by Valeo group companies for the financial year ended 31 December 2015.

Seventeenth resolution (Opinion on the compensation components owed or awarded to Jacques Aschenbroich, regarding his duties as Chief Executive Officer, for the financial year ended 31 December 2015)

The Shareholders, consulted in accordance with the recommendation set out in Article 24.3 of the Afep-Medef code of corporate governance revised in November 2015, the Company's official corporate governance code pursuant to Article L. 225-37 of the French Commercial Code, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, issued a favourable opinion on the compensation components owed or awarded to Jacques Aschenbroich for the financial year ended 31 December 2015, as presented in the special report of the Board of Directors for the Shareholders' Meeting on compensation components owed or awarded to individual corporate officers by Valeo group companies for the financial year ended 31 December 2015.

Eighteenth resolution (Authorisation to be granted to the Board of Directors to carry out transactions on the Company's shares)

The Shareholders, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, having reviewed the Board of Directors' report and the information provided in the description of the programme prepared in accordance with Articles 241-1 *et seq.* of the General Regulations of the *Autorité des marchés financiers* (AMF), the French markets authority;

1. authorised the Board of Directors, in accordance with Articles L. 225-209 *et seq.* of the French Commercial Code, European regulations, the AMF General Regulations and any other provisions as may be applicable in the future, to purchase or arrange for the purchase of shares in the Company for the purpose of:
 - the implementation of any stock option plan enabling its beneficiaries (in particular, any employee or corporate officer of the Company or of any company or entity that is related to the Company in accordance with the provisions of Article L. 225-180 of the French Commercial Code, or any other beneficiary that could, in compliance with the applicable laws, be entitled to such options) to acquire, in return for payment or by all means, Company's shares under the terms of Articles L. 225-177 *et seq.* of the French Commercial Code, or other similar plan; or
 - the allotment of free shares under the terms of Article L. 225-197-1 *et seq.* of the French Commercial Code, in particular, to any employee of the Company or of companies or entities that are related to the Company in accordance with the provisions of Article L. 225-197-2 of the French Commercial Code, to any corporate officer of the Company or of companies or entities that are related to the Company in accordance with the provisions of Article L. 225-197-1, II of the French Commercial Code, or to any other beneficiary authorised by law to be granted such shares; or
 - the allotment or sale of shares to employees as part of their involvement in the performance and the growth of the Company or pursuant to a company or group employee savings plan (or similar plan) in accordance with the applicable laws, in particular Articles L. 3332-1 *et seq.* of the French Employment Code; or
 - in general, to comply with obligations with respect to stock option plans or other allocations of shares to employees or corporate officers of the issuer or of a related company; or
 - the delivery of shares upon the exercise of rights attached to securities giving access to the share capital by redemption, conversion, exchange, presentation of a warrant or any other means; or
 - the retention of a number of shares representing no more than 5% of the Company's share capital in order to ultimately deliver them (as exchange consideration, payment or other) in connection with external growth transactions, mergers, spin-offs or contributions; or
 - the cancellation of all or part of the shares so acquired, in compliance with the provisions of Article L. 225-209(2) of the French Commercial Code and pursuant to the authorisation to reduce the Company's share capital granted at the Extraordinary Shareholders' Meeting of 26 May 2015 (nineteenth resolution) or any subsequent resolution for the same purpose; or
 - market-making in the secondary market or maintenance of the liquidity of Valeo shares through an investment services provider acting independently and without being influenced by the Company, pursuant to a liquidity contract compliant with the ethical code recognised by the AMF; or
 - carrying out any market practice that is or may become authorised by the AMF;

2. decided that this programme is also intended to allow the Company to carry out any transactions on its shares for any other purpose that is or may be authorised in the future by the applicable laws and regulations. In this case, the Company will inform its shareholders by way of a press release;
3. decided that the total number of shares purchased by the Company during the share buyback programme may not exceed 10% of the shares composing the Company's share capital at any time; this percentage is to be applied to a share capital adjusted to reflect transactions affecting the share capital subsequent to this Shareholders' Meeting, it being specified that (i) in accordance with Article L. 225-209 of the French Commercial Code, where shares are bought back to increase liquidity pursuant to the AMF General Regulations, the number of shares taken into account for purposes of calculating the above-mentioned 10% maximum limit will be equal to the number of shares purchased, after deduction of the number of shares sold during the authorisation period; and (ii) the number of shares acquired in view of their retention and future delivery in connection with external growth transactions, mergers, spin-offs or contributions may not exceed 5% of the Company's share capital;
4. decided that acquisitions, sales, transfers, deliveries or exchanges of shares may be carried out in one or more instalments, by any means authorised or that may become authorised by the regulations in force and in particular through acquisitions or sales on the stock exchange or over-the-counter, including block purchases or sales (with no limit on the portion of the share buyback programme that may be carried out by this means), by public tender offer or public exchange offer, through repurchase agreements, the use of options or other derivative financial instruments whether traded on regulated markets or through multilateral trading systems, *via* a systematic internaliser or over the counter, in any case, either directly or indirectly through an investment services provider;
5. decided that the Board of Directors will be entitled to determine the appropriate time to carry out these transactions, within the limits set out by the applicable laws and regulations. However, without prior consent from the Shareholders, the Board of Directors may not use this authorisation following the submission by a third party of a preliminary public tender offer for the shares of the Company and until the end of the offer period;
6. decided that (i) the maximum share purchase price under this resolution will be EUR 210 per share or EUR 70 per share in the event of the approval of the nineteenth resolution and, (ii) in accordance with the provisions of Article R. 225-151 of the French Commercial Code, the maximum aggregated amount allotted to the share buyback programme set out in this resolution will amount to EUR 1,668,713,340;
7. delegated to the Board of Directors, with powers to sub-delegate under the conditions set out by the applicable laws, powers to adjust the aforementioned maximum purchase price in the event of a change in the par value of the share, share capital increase by incorporation of reserves, allotment of free shares, stock split or reverse stock split, distribution of reserves or of any other assets, amortisation of capital or any other transaction affecting shareholders' equity, so as to take account of the impact of such transactions on the value of the shares;
8. granted full powers to the Board of Directors, with powers to sub-delegate under the conditions set out by law, to decide and to implement the present authorisation and, if necessary, to specify the conditions and determine the terms thereof, to carry out the share buyback programme and, in particular, to place share market orders, enter into any agreement, allocate or reallocate the purchased shares to the various objectives pursued in accordance with the applicable laws and regulations, establish the terms and conditions pursuant to which, if applicable, the rights of the holders of securities, free shares or options will be preserved, in accordance with applicable legal, regulatory or contractual provisions, make any declarations to the AMF or any other competent authority and to carry out any other

formalities and generally do all that is necessary in order to implement the present authorisation; and

9. set the term of validity of this authorisation at eighteen months as from the date of this Shareholders' Meeting and acknowledged that, as of the same date, it cancels any unused portion of the authorisation granted at the Shareholders' Meeting of 26 May 2015 (twelfth resolution).

Extraordinary business

Nineteenth resolution (Division by three (3) of the unitary par value of the Company's shares; delegation of powers to the Board of Directors and corresponding amendment of the articles of association)

The Shareholders, voting in accordance with the quorum and majority rules applicable to extraordinary shareholders' meetings, having reviewed the Board of Directors' report and acknowledged the fact that the par value of the Company's share corresponds to the amount of the share capital divided by the total number of issued shares:

1. decided to divide the par value of each of the Company's shares by three (3), thus reducing it from an amount of three (3) euros per share to one (1) euro per share; the share capital amount will remain unchanged;
2. decided that each share of a par value of three (3) euros existing on the effective date of the division of the par value will automatically be exchanged for three (3) new shares of a par value of one (1) euro;
3. acknowledged that the division of the par value and exchange of existing shares for new shares will not affect the rights attached to such shares as provided by the Company's articles of association and by law: the new shares will retain the same rights as those for which they are exchanged, including any double voting rights, it being understood, for those shares in the process of gaining double voting rights, that the four (4) year time frame will commence on the date of registration in the name of the holder of the shares for which the new shares are exchanged;
4. delegated full powers to the Board of Directors, with the power to sub-delegate under the conditions set by law, to:
 - organise and carry out the division of the par value of the shares and set the effective date, which must be later than the payment date of the dividend for the financial year ended 31 December 2015;
 - determine the precise number of new shares to be issued depending on the number of shares comprising the share capital on the effective date of the division and manage the exchange of new shares for these shares;
 - make all adjustments as may be necessary as a result of the division of the par value, including (i) any adjustments to the number of shares to be obtained by the beneficiaries of share subscription or purchase options allocated prior to the division and the exercise price of those options, (ii) any adjustments to the number of shares allocated free of charge prior to the division (free shares or performance-related free shares) and (iii) any automatic adjustments as may be necessary with respect to the Company's share buyback programme;
 - make the corresponding amendments to (i) article 6 (Share capital) with respect to the share capital amount and total number of shares and (ii) article 14 (Directors' term of office – Age limit – Conditions – Compensation) with respect to the number of shares to be held by each director;
 - carry out all actions and complete all formalities and filings as may be necessary as a result of this decision; and
 - in general, take all necessary or useful steps to implement this resolution.

Twentieth resolution (Authorisation to the Board of Directors to carry out allocations of free shares (existing or to be issued) to the employees or corporate officers of the Group or certain employees or corporate officers, with cancellation of the shareholders' preferential subscription right)

The Shareholders, voting in accordance with the quorum and majority rules applicable to extraordinary shareholders' meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report:

1. authorised the Board of Directors, acting in accordance with Articles L. 225-197-1 *et seq.* of the French Commercial Code, with the power to sub-delegate such authority within the limits set by law, to carry out, in one or more instalments, allocations of free shares, whether existing or to be issued, to individual beneficiaries or to categories of beneficiaries to be determined by the Board of Directors from among the employees of the Company or companies or groups affiliated with the Company under the conditions provided for in Article L. 225-197-2 of the French Commercial Code or among the corporate officers of the Company or companies or groups affiliated therewith and meeting the conditions set forth in Article L. 225-197-1-II of the same Code, under the conditions defined below;
2. decided that the total number of existing shares or shares to be issued pursuant to this authorisation (i) may not exceed 1,300,000 shares or 3,467,000 shares in the event of the approval of the nineteenth resolution and (ii) may not represent more than 10% of the share capital on the date of the Board of Directors' decision; as applicable, any shares to be issued as a result of the adjustments to be made to protect the rights of the beneficiaries of free shares will not be included in this limit;
3. decided that the total number of existing shares or shares to be issued pursuant to this authorisation for corporate officers of the Company may not exceed 65,000 shares (corresponding to approximately 0.08% of the Company's share capital as at 24 March 2016) or 195,000 shares in the event of the approval of the nineteenth resolution, on the date of the Board of Director's decision; as applicable, any shares to be issued as a result of the adjustments to be made to protect the rights of the beneficiaries of free shares will not be included in this limit;
4. decided that the allocations of shares to the beneficiaries will become final after a minimum vesting period of three years, it being understood that the allocations will become final before the expiry of the vesting period and that the shares may be transferred without restriction in the event that the beneficiary should become disabled (second or third category as defined in Article L. 341-4 of the French Social Security Code or foreign equivalent); the Shareholders further authorised the Board of Directors to set or not to set an obligation for the beneficiaries to retain the shares after the expiry of the vesting period;
5. decided, with respect to those shares allocated free of charge to corporate officers, that the finalisation of the acquisition will be subject to the fulfilment of performance conditions to be set by the Board of Directors;
6. granted full powers to the Board of Directors, with the power to sub-delegate within the limits set by law, to implement this authorisation and in particular to:
 - determine if the shares to be allocated free of charge are existing and/or to be issued and, as applicable, amend that determination prior to the final allocation of the shares,
 - select the beneficiaries or category(ies) of beneficiaries of the allocations of shares from among the employees and corporate officers of the Company and companies or groups affiliated therewith and the number of shares to be allocated to those beneficiaries,
 - set the conditions and, as applicable, the criteria for allocating shares, including the minimum vesting period and, if any, the retention period applicable to each beneficiary, under the conditions set forth above, it being understood, with respect to the free shares allocated to corporate officers, that the Board of Directors must either (a) decide that the free shares may not be transferred by the beneficiary until the end of his/her term of appointment or (b) set

the number of free shares that must be retained in registered form until the end of the beneficiary's term of appointment,

- provide for an option to suspend allocation rights on a temporary basis,
 - make an official record of the final allocation dates and, as applicable, the dates from which the shares may be transferred without restriction, taking into account legal limits,
 - set the date upon which newly issued shares will bear dividends,
 - register the free shares in an account under the name of the holder, stating whether any retention period is applicable and, if so, for how long; terminate the retention period,
 - where new shares are issued and as applicable, deduct any amounts necessary for paying up the shares from the reserves, profits or issue premiums, make an official record of any rights issues undertaken pursuant to this authorisation, make any corresponding amendments to the articles of association and, in general, take all actions and complete all formalities as may be necessary;
7. decided that the Company may make any applicable adjustments to the number of shares allocated free of charge in order to protect beneficiaries' rights in the event of any transactions carried out on the Company's shares, including any change to the par value, capital increase by incorporation of reserves, allocation of free shares, issue of new shares with preferential subscription rights for existing shareholders, stock split or reverse stock split, distribution of reserves, issue premiums or any other assets, amortisation of capital, change to the distribution of profits due to the creation of preference shares or any other transaction affecting the equity or share capital (including a public tender offer and/or change of control), it being understood that any shares allocated pursuant to these adjustments will have the same official allocation date as the shares that were initially allocated;
 8. recognised that, in the event of an issue of new shares to be allocated free of charge and as the share allocations become final, this authorisation will constitute a share capital increase by incorporation of reserves, profits or issue premiums for the beneficiaries of said shares, with cancellation of the shareholders' preferential subscription rights;
 9. acknowledged that, if the Board of Directors were to use this authorisation, it must notify the Shareholders each year at the ordinary shareholders' meeting of any transactions carried out pursuant to Articles L. 225-197-1 to L. 225-197-3 of the French Commercial Code under the conditions set forth in Article L. 225-197-4 of the same Code;
 10. acknowledged that this authorisation cancels any unused portion of any previous resolutions authorising the Board of Directors to carry out allocations of free shares (existing or to be issued) to the employees and corporate officers of the Group or to certain employees and corporate officers, pursuant to the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code, effective as of the Meeting date;
 11. decided that this authorisation will remain valid for a period of twenty-six months as of the Meeting date.

Twenty-first resolution (*Decision on an age limit for directors – amendment of article 14.3 of the articles of association*)

The Shareholders, voting in accordance with the quorum and majority rules applicable to extraordinary shareholders' meetings, having reviewed the Board of Directors' report, decided to amend article 14.3 of the Company's articles of association as follows (the remainder of article 14 will remain unchanged):

Previous wording	New wording
<p>"Article 14 DIRECTORS' TERM OF OFFICE – AGE LIMIT – CONDITIONS – COMPENSATION</p> <p>3. No individual who is more than 70 years of age may be appointed a member of the Board of Directors if his/her appointment results in more than one-third of the members of the Board of Directors being over 70 years of age. This age limit shall apply to the permanent representatives of legal entities that serve as directors."</p>	<p>"Article 14 DIRECTORS' TERM OF OFFICE – AGE LIMIT – CONDITIONS – COMPENSATION</p> <p>3. No individual may be appointed or re-appointed as a member of the Board of Directors if he or she has reached or will reach 70 years of age during the financial year of his or her appointment or re-appointment. This age limit shall apply to the permanent representatives of legal entities that serve as directors."</p>

Twenty-second resolution (*Extension of the age limit applicable to the Chief Executive Officer and any Vice-Chief Executive Officers – amendment of article 18.7 of the articles of association*)

The Shareholders, voting in accordance with the quorum and majority rules applicable to extraordinary shareholders' meetings, having reviewed the Board of Directors' report, decided to amend article 18.7 of the Company's articles of association as follows (the remainder of article 18 will remain unchanged):

Previous wording	New wording
<p>"Article 18 GENERAL MANAGEMENT</p> <p>7. The duties of the Chief Executive Officer and Vice-Chief Executive Officers shall end no later than upon adjournment of the Shareholders' Meeting reviewing the financial statements of the fiscal year during which they reach the age of 65."</p>	<p>"Article 18 GENERAL MANAGEMENT</p> <p>7. The term of office of the Chief Executive Officer and any Vice-Chief Executive Officers must terminate, at the latest, at the end of the Shareholders' Meeting called to review the financial statements for the financial year during which he or she reaches the age of 68."</p>

Twenty-third resolution (*Compliance of the articles of association with the new wording of Articles L. 225-38 and L. 225-39 of the French Commercial Code deriving from Ordinance no. 2014-863 of 31 July 2014 – amendment of article 19 of the articles of association*)

The Shareholders, voting in accordance with the quorum and majority rules applicable to extraordinary shareholders' meetings, having reviewed the Board of Directors' report, decided to amend article 19 of the Company's articles of association as follows:

Previous wording	New wording
<p>"Article 19 REGULATED AGREEMENTS</p> <p>[no changes to paragraph 1] [no changes to paragraph 2]</p> <p>The provisions of the two paragraphs above do not apply to agreements entered into in the ordinary course of business and on arms' length terms, which shall be subject to the procedure set forth in Article L.225-39 of the French Commercial Code."</p>	<p>"Article 19 REGULATED AGREEMENTS</p> <p>[no changes to paragraph 1] [no changes to paragraph 2]</p> <p>The prior authorisation granted by the Board of Directors must be substantiated, stating the benefit to be gained by the Company in entering into the agreement, including the financial terms relating thereto.</p> <p>The provisions of the previous three paragraphs shall not apply to agreements entered into in the ordinary course of business and at arm's length terms or between two companies of which one directly or indirectly owns the full share capital of the other after deduction of the minimum number of shares necessary to meet the requirements of Article 1832 of the</p>

Previous wording	New wording
	<i>French Civil Code or Articles L. 225-1 and L. 226-1 of the French Commercial Code, as applicable."</i>

Twenty-fourth resolution (Powers to complete formalities)

The Shareholders, voting in accordance with the quorum and majority rules applicable to extraordinary shareholders' meetings, granted full powers to the bearer of an original or copy of these minutes or an extract therefrom to complete all filings and formalities as may be required by law.

Preliminary formalities to attend the Shareholders' Meeting. – All shareholders can take part in the Shareholders' Meeting in accordance with applicable legal and regulatory requirements, regardless the number of shares they own, either by personally attending, by being represented at the Shareholders' Meeting, by voting by mail, or by giving a proxy to the Chairman of the Shareholders' Meeting.

In accordance with Article R. 225-85 of the French Commercial Code, only the shareholders who can prove their status by the registration of their shares in their name or in the name of the intermediary registered on their behalf (pursuant to subparagraph 7 of Article L. 228-1 of the French Commercial Code), on the second business day preceding the Shareholders' Meeting at midnight (00:00 hour), Paris time, *i.e.* on 24 May 2016 at midnight (00:00 hour), Paris time, either in the registered share accounts kept by the Company (or its agent), or in the bearer share accounts kept by the authorised intermediary, will be permitted to take part in the Shareholders' Meeting.

— **for registered shareholders:** this registration in the registered share accounts on 24 May 2016, at midnight (00:00 hour), Paris time, is sufficient to allow them to take part in the Shareholders' Meeting;

— **for bearer shareholders:** registration of their shares in bearer share accounts kept by financial intermediaries is established by a certificate of investment issued by those intermediaries under the conditions provided by Article R. 225-85 of the French Commercial Code, and that should be attached:

- (1) to the mail voting form; or
- (2) to the proxy form; or
- (3) to the request for an admission ticket;

prepared in the name of the shareholder or on behalf of a shareholder represented by the registered intermediary.

A certificate is also issued to shareholders wishing to take part in the meeting in person and who have not received their admission ticket on the second business day preceding the Shareholders' Meeting, at midnight (00:00 hour), Paris time, *i.e.* on 24 May 2016, at midnight (00:00 hour), Paris time.

Participation to the Shareholders' Meeting. – Shareholders wishing to **attend the Shareholders' Meeting in person** can ask for an admission ticket in the following way:

— **for registered shareholders:** each registered shareholder will automatically receive the voting form, attached to the notice of meeting, which he or she must complete, stating that he or she wishes to take part in the Shareholders' Meeting and to obtain an admission ticket, and returned it executed, with the prepaid envelope attached to the convening form. Alternatively such shareholders may, on the day of the Shareholders' Meeting, go directly to the counter specially provided for this purpose and present an identity card;

— **for bearer shareholders:** bearer shareholders must ask the authorised intermediary handling the management of their share account to arrange for an admission ticket to be sent to them.

Shareholders who **do not attend the Shareholders' Meeting in person** may choose from among the following three options:

- 1) voting by mail;
- 2) giving a proxy to the Chairman of the Shareholders' Meeting;
- 3) giving a proxy to another shareholder, to their spouse or partner in the context of a *pacte civil de solidarité* or to any other natural or legal person of their choice.

In order to exercise one of the three options listed above, the shareholders shall perform the following formalities:

— **for registered shareholders:** send back the single mail voting or proxy form, which will be sent to them with the notice of meeting, with the prepaid envelope attached to the convening form;

— **for bearer shareholders:** request this form from the authorised intermediary that manages their share account, from the date of the notice of meeting, it being specified that these requests must be received at Société Générale, Service des Assemblées, CS 30812, 44308 Nantes Cedex 3, France, at least six days before the Shareholders' Meeting, i.e. on 20 May 2016 (Article R. 225-75 of the French Commercial Code). The single mail voting or proxy form must be accompanied by a certificate of investment issued by the financial intermediary and it must be returned by him or her to the following address: Société Générale, Service des Assemblées, CS 30812, 44308 Nantes Cedex 3, France.

In order to be taken into account, mail voting forms and/or proxy forms, duly completed and signed, must be received at the latest on 23 May 2016.

Proxies granted for this Shareholders' Meeting are valid for any further meetings which may be convened with the same agenda and may be cancelled by the shareholders in the same form as was required for the appointment of their proxy.

In accordance with the provisions of Article R. 225-79 of the French Commercial Code, notifications of the appointment and revocation of proxies can also be given electronically, in the following way:

— **for registered shareholders:** the shareholder must send an e-mail, with an electronic signature obtained by him from a habilitated certifier under the conditions of applicable laws and regulations, to the address actionnaires.groups@valeo.com. This e-mail must contain the following information: Valeo Shareholders' Meeting of 26 May 2016, surname, forename, address and login Société Générale for the pure registered shareholders (information available on top left of their account statement) or login from financial intermediary for the administrative registered shareholders, and the surname, forename and address of the proxy appointed or revoked;

— **for bearer shareholders:**

(1) the shareholder must send an e-mail, with an electronic signature obtained by him or her from a habilitated certifier under the conditions of applicable laws and regulations to the address actionnaires.groups@valeo.com. This e-mail must contain the following information: Valeo Shareholders' Meeting of 26 May 2016, surname, forename, address and complete bank references, and the surname, forename and address of the proxy appointed or revoked;

(2) the shareholder must ask the financial intermediary handling the management of his/her share account to send a written confirmation to Société Générale, Service des Assemblées, CS 30812, 44308 Nantes Cedex 3, France.

In order to be valid and taken into account, confirmations of electronic appointments or revocations of proxies must be received at the latest at 3 p.m., Paris time, on 25 May 2016.

Appointments or revocations of proxies by mail must be received at the latest on 23 May 2016 at the following address: Société Générale, Service des Assemblées, CS 30812, 44308 Nantes Cedex 3, France.

No shareholder that has already voted by mail, sent a proxy or requested an admission ticket or a certificate of investment, will be able to choose another mode of participation in the meeting (Article R. 225-85 of the French Commercial Code). A shareholder can at any time sell all or part of his or her shares. However, if the sale takes place before the second business day preceding the Shareholders' Meeting at midnight (00:00 hour), Paris time, i.e. on 24 May 2016, at midnight (00:00 hour), Paris time, the Company will, as the case may be, invalidate or make amendments to the mail vote, proxy, admission ticket or certificate of investment. For this purpose, the authorized intermediary and account holder shall give notice of the sale to the Company or its agent, and shall send it the necessary information. No transfer of ownership completed after the second business day preceding the Shareholders' Meeting, at midnight (00:00 hour), Paris time, i.e. on 24 May 2016, at midnight (00:00

hour), will be notified by the authorized intermediary or taken into account by the Company, regardless of the method used, and notwithstanding any agreement providing otherwise (Article R. 225-85 of the French Commercial Code).

It is recalled that for every proxy vote of a shareholder which fails to indicate the name of the authorized representative, the Chairman of the Shareholders' Meeting will issue a vote in favour of the adoption of the proposed resolutions presented or approved by the Board of Directors, and a vote against the adoption of any other proposed resolutions. To make any other vote, the shareholder must choose an authorized representative who will agree to vote in the sense indicated by the represented shareholder.

No provision will be made for voting at this meeting by means of videoconferencing or other means of telecommunication and electronic transmission, and accordingly, no website of the kind referred to in Article R. 225-61 of the French Commercial Code will be made available for this purpose.

Requests for inclusion in the agenda of points or draft resolutions. – One or more shareholders or associations of shareholders representing at least the fraction of the share capital provided by the applicable legal and regulatory provisions may request the inclusion in the agenda of points or draft resolutions, under the conditions provided for by Articles L. 225-105, L. 225-120 and R. 225-71 to R. 225-73 of the French Commercial Code.

Requests for the inclusion in the agenda of reasoned points or draft resolutions must be sent to the registered office ("Valeo – Points or draft resolutions for the agenda of the Shareholders' Meeting", Valeo, 43, rue Bayen, 75017 Paris, France), by registered letter with acknowledgement of receipt, or by electronic means to the following address: actionnaires.groups@valeo.com at the latest on 21 April 2016 (Article R. 225-73, II of the French Commercial Code).

The request must be accompanied:

- by the points to be inserted in the agenda, and the motivation for their insertion; or
- by the text of the draft resolutions, which may be accompanied by a brief summary of the grounds and, if necessary, by the information provided by Article R. 225-83 5° of the French Commercial Code; and
- by a certificate of account registration proving that the authors of the request possess or represent the fraction of the share capital required by Article R. 225-71 of the French Commercial Code.

In addition, examination by the Shareholders' Meeting of the points on the agenda or of the draft resolutions filed by shareholders shall be subject to the transmission by the authors of a new certificate proving registration of shares under the same accounts on the second business day preceding the Shareholders' Meeting at midnight (00:00 hour), Paris time, *i.e.* on 24 May 2016 at midnight (00:00 hour), Paris time.

A list of the points added to the agenda, and the text of draft resolutions, presented by shareholders under the conditions referred to above, will be published when received on the Company's website at www.valeo.com (under Shareholders' Meeting).

Written Questions. – Any shareholder will be entitled to submit written questions until the fourth business day preceding the date of the Shareholders' Meeting, *i.e.* until 20 May 2016 (Article R. 225-84 of the French Commercial Code).

Questions must be sent by registered letter with proof of receipt to: Valeo, The Chairman of the Board of Directors, "Written questions for the Shareholders' Meeting", 43, rue Bayen, 75017 Paris, France, or by electronic means to the following address actionnaires.groups@valeo.com. In order to be taken into account, questions must be accompanied by a certificate of account registration.

When several questions have the same content, a single reply may be given. The reply to a written question will be deemed to have been given if it appears on the website at www.valeo.com (under Shareholders' Meeting).

Documents made available to shareholders. – As required by laws and regulations, all documents that must be provided in the context of this Shareholders' Meeting will be made available to shareholders at Valeo registered office: 43, rue Bayen, 75017 Paris, France, within the legal time limits.

Shareholders may also obtain the documents provided for by Articles R. 225-81 and R. 225-83 of the French Commercial Code, within the legal time limits, from the convening notice and until 23 May 2016, by making a request to Société Générale, Service des Assemblées, CS 30812, 44308 Nantes Cedex 3 (article R. 225-88 of the French Commercial Code).

Furthermore, the documents intended to be presented to the Shareholders' Meeting, together with the other information and documents provided for by Article R. 225-73-1 of the French Commercial Code, will be available on the Company's website at www.valeo.com (under Shareholders' Meeting), at the latest as from 5 May 2016 (*i.e.* 21 days before the Shareholders' Meeting).

This notice of meeting will be followed by a convening notice, stating the potential modifications to the agenda, pursuant to requests of inscription of points or draft resolutions presented by shareholders.

The Board of Directors