



Publication of related party agreements in accordance with article L. 225-40-2 of the French commercial code

Defined benefit pension plan in favour of Jacques Aschenbroich

Interested person: Jacques Aschenbroich, Chairman and Chief Executive Officer of Valeo.

Purpose: in accordance with French Ordinance No. 2019-697 of July 3, 2019, the so-called "Article 39" defined benefit pension plan, which no longer welcomes new members since July 1, 2017, no longer allows for the acquisition of new rights as from January 1, 2020 (the "**Closed Plan**"). Thus, in accordance with the new legal provisions, a new commitment has been made in favor of Jacques Aschenbroich.

Conditions: this new commitment has been authorized by the Board of Directors of Valeo on February 20, 2020 and will be submitted for approval by the Annual General Shareholders' Meeting to be held on June 25, 2020. Such commitment shall be effective as of January 1, 2020.

Financial terms: this new plan, in accordance with Article L.137-11-2 of the French Social Security Code, includes the same ceilings and performance conditions as the Closed Plan. Its main characteristics are as follows:

- supplementary pension rights are equal to 1% of the reference salary per vesting year;
- the vesting of supplementary pension rights is subject to a performance condition, which is deemed to have been met if the variable portion of Jacques Aschenbroich's compensation, paid in year Y+1 in respect of year Y, reaches 100% of his fixed compensation due in respect of year Y. In the event that the variable portion does not reach 100% of the fixed compensation, the rights granted will be calculated on a pro rata basis;
- the reference salary is the base salary and the variable compensation received in each year of vesting;
- the cap due to the nature of the plan: a cap of 20% of the final reference salary as defined in the Closed Plan (cap which applies to the sum of the rights acquired under the Closed Plan and under the new plan);
- the cap on the base for determining entitlements: all plans combined are capped at 55% of the final reference salary.

Under this new plan, the rights of Jacques Aschenbroich will vest without condition of presence in the Company at the end of his career.

The rights under the Closed Plan crystallized at December 31, 2019 and remain conditional on the presence of Jacques Aschenbroich within Valeo at the time of his retirement.

The usefulness of the commitment for the Company and its shareholders is justified by the following: this pension plan commitment is in line with Group and market practices. It entitles Jacques Aschenbroich to continue to benefit from a defined benefit pension plan. This also ensures that the compensation policy for the Chairman and Chief Executive Officer is in line with the corporate interest and contributes to the Company's strategy and long-term future.