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COMBINED SHAREHOLDERS' MEETING OF MAY 30, 2017

EXPLANATORY NOTES TO RESOLUTIONS

1. EXPLANATORY NOTES TO THE ORDINARY RESOLUTIONS

The first three resolutions that are submitted to your vote concern the approval of the financial statements for the 2016 fiscal year and the appropriation of income.

The fourth resolution concerns 'regulated' agreements and undertakings.

The fifth resolution concerns undertakings in favor of Mr. Patrick Koller, Chief Executive Officer, that are put to your vote in accordance with Article L. 225-42-1 of the French Code of Commerce.

In accordance with paragraph 1 of Article L. 225-37-2 of the French Code of Commerce derived from French law no. 2016-1691 of December 9, 2016, on transparency, anti-corruption measures and the modernization of the economy, the purpose of the sixth and seventh resolutions is to put to your vote the principles and criteria for determining, allocating and granting the compensation of executive and non-executive corporate officers.

The purpose of the eighth to eleventh resolutions is to solicit your opinion on the elements of the compensation of executive and non-executive corporate officers that is due or granted for the fiscal year ended December 31, 2016, in accordance with paragraph 26 § 1 of the November 2016 Afep-Medef Corporate Governance Code of listed corporations.

The twelfth to seventeenth resolutions concern governance:

- Ms. Amparo Moraleda, Mr. Jean-Baptiste Chasseloup de Chatillon, Mr. Jean-Pierre Clamadieu and Mr. Robert Peugeot would be reelected as Board Members under the twelfth, thirteenth, fourteenth and fifteenth resolutions respectively;

- under the sixteenth and seventeenth resolutions, Mr. Patrick Koller and Ms. Penelope Herscher would be appointed as new Board Members.

Please note that the terms of Mr. Yann Delabrière and Mr. Ross McInnes, which are expiring at the end of this General Meeting, are not being submitted for renewal. Consequently, at the end of this General Meeting, the Board of Directors shall still be within the limit of 15 members, in accordance with Article 11 of the bylaws, which stipulate that the Board of Directors of your company may have no more than 15 Board Members.

Finally, the eighteenth resolution concerns the share buy-back program.

1.1 Approval of the financial statements and appropriation of income (1st to 3rd resolutions)

Approval of the parent company financial statements for 2016 (1st resolution)

You are asked to approve these financial statements, which show a profit of €99,944,505.79.

You are also asked to approve the total charges and expenses mentioned in paragraph 4 of Article 39 of the General French Tax Code, i.e., €127,700.73, which corresponds to the non-deductible portion of the leases on passenger vehicles and the corresponding tax, which amounts to €21,983.68.

Approval of the consolidated financial statements for 2016 (2nd resolution)

We are seeking your approval of these financial statements, showing a net profit (Group share) of €637.8 million.

Appropriation of income (3rd resolution)

We are asking you to appropriate the income in accordance with French law and our bylaws.

As such, you are asked to approve the appropriation of the net income for 2016 as follows:

Origin:	
- Profit for the fiscal year	€99,944,505.79
- Retained earnings carried forward	€1,251,495,014.53
Total to be appropriated	**€1,351,439,520.32**
Appropriation:	
- Statutory reserve	€1,306,729.10
- Dividends	€124,232,220.90
- Retained earnings	€1,225,900,570.32
Total appropriated	**€1,351,439,520.32**

In view of the Group's performance, the Board of Directors has decided to suggest distributing a gross dividend of €0.90 per share. For private individuals resident for tax purposes in France, the distribution would be eligible for the 40% reduction referred to in Article 158-3 2° of the General French Tax Code.

Should the number of shares carrying dividend entitlement change compared to the 138,035,801 shares that made up the capital as of December 31, 2016, the total dividend will be adjusted accordingly and the amount appropriated to the retained earnings account will be determined based on the dividend effectively distributed.

The ex-dividend date will be June 2, 2017, and the dividend will be paid on June 6, 2017.

In accordance with Article 243 bis of the General French Tax Code, we remind you that the following dividends were distributed in respect of the last three fiscal years:

Fiscal year	Income eligible for reduction		Income not eligible for reduction
	Dividends	Other distributed income	
2013	€36,780,430.50 * i.e., €0.30 per share	-	-
2014	€43,406,583.50 * i.e., €0.35 per share	-	-
2015	€89,274,690.70, i.e., €0.65 per share	-	-

* Amount including the dividend corresponding to treasury shares not paid and appropriated to the retained earnings account.

1.2 Regulated agreements and undertakings (4th resolution)

In light of the Statutory Auditors' report on regulated agreements and undertakings, you are asked to approve the new agreement referred to in said report, which was authorized by the Board of Directors on April 13, 2016 ; an agreement established on June 21, 2016, between Faurecia Services Groupe (a subsidiary of Faurecia) and Capgemini Technology Services (a subsidiary of Capgemini), applying to services provided as part of the Digital Enterprise project.

The Statutory Auditors' report also refers to the agreements and undertakings that were authorized prior to 2016 and that continued during that year, namely:

- a defined contribution pension scheme (Article 83 of the General French Tax Code) and a defined benefits pension scheme (Article 39 of the General French Tax Code) established for the whole Group in France, and for which Mr. Yann Delabrière, who exercised his rights to retirement on July 1, 2016, was eligible;

- a corporate officer agreement between your Company and Mr. Patrick Koller in his capacity as Deputy Chief Executive Officer, which expired on July 1, 2016;
- an additional specific defined benefits pension scheme (Article 39 of the General French Tax Code) for the members of Faurecia's Executive Committee, including Mr. Patrick Koller in his capacity as Deputy Chief Executive Officer.

1.3 Approval of the undertakings in favor of Mr. Patrick Koller, Chief Executive Officer, in accordance with Article L. 225-42-1 of the French Code of Commerce (5th resolution)

In light of the Statutory Auditors' report on the regulated agreements and undertakings, you are asked to approve, in accordance with Article L. 225-42-1 of the French Code of Commerce, the undertakings made during the past fiscal year in favor of Mr. Patrick Koller in his capacity as Chief Executive Officer:

- a defined contribution pension scheme (Article 83 of the General French Tax Code) and a defined benefits pension scheme (Article 39 of the General French Tax Code) established for the whole Group in France and authorized by a decision of the Board of Directors on April 13, 2016, and July 25, 2016, and, in accordance with a decision by this last board meeting, subject to a performance condition specific to Mr. Patrick Koller for the defined benefits pension scheme;

- an additional specific defined benefit pension scheme (Article 39 of the General French Tax Code) in favor of the members of Faurecia's Executive Committee, authorized for Mr. Patrick Koller in his capacity as Chief Executive Officer, by a decision of the Board of Directors on July 25, 2016;

- a termination payment authorized and subject to performance conditions in accordance with the Board of Directors' decision of July 25, 2016.

1.4 *Principles and criteria for determining, allocating and awarding compensation to the executive and non-executive corporate officers (6th and 7th resolutions)*

The principles and criteria for determining, allocating and awarding compensation to the executive and non-executive corporate officers as required by paragraph 1 of Article L. 225-37-2 of the French Code of Commerce derived from French law no. 2016-1691 of December 9, 2016, on transparency, anti-corruption measures and the modernization of the economy are described below; these paragraphs constitute the report referred to in the aforementioned Article presenting the sixth and seventh resolutions for the Chairman of the Board of Directors and the Chief Executive Officer respectively.

In this regard, Faurecia's Board of Directors, acting on the recommendations of the Governance Committee for the Chairman of the Board of Directors and on the recommendations of the Management Committee for the Chief Executive Officer, with both Committees being comprised of a majority of independent Board members, ensures the enforcement of the principles of the Afep-Medef Corporate Governance Code of listed corporations regarding the determination of the compensation of executive and non-executive corporate officers of companies whose securities are traded on a regulated market.

Under these circumstances, upon the separation of the functions of the Chairman and the Chief Executive Officer that took effect on July 1, 2016, the Board of Directors reexamined the compensation of the Company's executive and non-executive corporate officers in their entirety.

Principles and criteria for determining, allocating and awarding the compensation of the Chairman of the Board of Directors (6th resolution)

In accordance with the Afep-Medef Code, the Board of Directors ensures in particular that the compensation of the Chairman of the Board of Directors is adapted to the missions given, consistent with good market practices and aligned with the interests of all stakeholders in the Company's business.

On this basis and within the context of the separation of the functions of the Chairman and the Chief Executive Officer that took effect on July 1, 2016, the Board of Directors, on the recommendations of the Governance Committee, decided that the annual fixed compensation is the only element of the compensation of the Chairman of the Board of Directors, with the exclusion of any other compensation.

Hence the Chairman of the Board of Directors does not receive any variable compensation, termination payment or non-competition indemnity, nor does he collect attendance fees. Moreover, the Board of Directors does not plan to pay any exceptional compensation.

The Board of Directors has not set any rules regarding the frequency of review of the fixed compensation of the Chairman of the Board of Directors; however, it is understood that in practice the Board of Directors reviews this compensation annually.

To do this, the Board of Directors refers to a comparative compensation analysis prepared by an outside consultant based on a sample of French listed companies that have a separated governance structure, and it takes into account the current Chairman's profile and his role as it appears in the Board of Directors' internal rules and that is described as follows:

"The Chairman organizes and directs the work of the Board of Directors and ensures the effective operation of the Board and its committees, in accordance with good governance principles.

The Chairman must:

- *promote the highest standards of integrity, probity and corporate governance across the Group, particularly at the Board level, thus ensuring the effectiveness thereof;*

- *manage the relations between Board Members and the Chairs of the Committees and, in this respect:*

    - *promote effective working relations and open communication, and foster an environment that enables constructive discussions and the sharing of information between Board members and the Chief Executive Officer, during and outside meetings;*
    - *lead and govern the Board so as to create the conditions required for the overall effectiveness of the Board and its members, and ensure that all key and relevant issues are adequately prepared and discussed by the Board of Directors and the various committees in a timely fashion;*
    - *schedule and set the agenda of the Board meetings, in consultation with the Chief Executive Officer and the Secretary of the Board, to take full account of the Group's major challenges and issues raised by Board members, and ensure that sufficient time is devoted to thoroughly discuss significant and strategic matters;*
    - *address any conflicts of interest;*
    - *conduct, with the help of the Governance Committee, assessments of the Board of Directors, searches for new Board members and their induction program.*

- *organize, with the Chief Executive Officer and the Chairs of the various committees, the preparation of and chair Annual Shareholders' Meetings, oversee the relations and ensure effective communication with shareholders;*

- *manage the relation with the Chief Executive Officer:*

    - *act as a competent advisor for the Chief Executive Officer on all issues regarding the interests and management of the Company;*
    - *ensure that the strategies and policies adopted by the Board are effectively implemented by the Chief Executive Officer; without prejudice to the prerogatives of the Board of Directors and its committees, the Chairman is regularly provided information by the Chief Executive Officer about significant events concerning the Company's strategy, in line with the objectives set by the Board of Directors, as well as about major external growth projects, significant financial transactions, societal actions, or appointments of Business Group managers and other key positions within the Company. The Chairman receives from the Chief Executive Officer all information necessary to coordinate the work of the Board of Directors and its committees.*

- *coordinate or conduct specific projects. In particular, at the request of the Chief Executive Officer, the Chairman may represent the Company before stakeholders, public authorities, financial institutions, major shareholders and/or key business partners.*"

Principles and criteria for determining, allocating and awarding the compensation of the Chief Executive Officer (7th resolution)

In accordance with the principles of the Afep-Medef Corporate Governance Code of listed corporations, the Board of Directors makes sure to structure the various elements of the compensation of the Chief Executive Officer, who is not an employee, so as to view his actions on a long-term basis and enable an alignment of his interests with the interests of the Company and its shareholders.

On this basis and as part of the separation of the functions of the Chairman and Chief Executive Officer, which took effect on July 1, 2016, the Board of Directors, on the recommendations of the Management Committee, decided that the Chief Executive Officer's compensation would be structured as follows:

Compensation

The Chief Executive Officer's compensation is based on three main components, among which the variable portion is predominant, and the Board of Directors does not anticipate the payment of an exceptional compensation.

- *fixed compensation*

The Board of Directors has not set any rules regarding the frequency of review of the fixed compensation of the Chief Executive Officer; however, it is understood that in practice the Board of Directors reviews this compensation annually.

To do this, the Board of Directors refers to a comparative compensation analysis prepared by an outside consultant based on a set of twenty comparable French manufacturers.

- *annual variable compensation*

For annual variable compensation, the performance conditions incorporate quantitative targets, which are predominant, and qualitative targets that may increase or reduce the variable compensation, it being understood that the award of variable compensation subject to performance conditions is not reserved solely for the Chief Executive Officer.

Therefore, the Chief Executive Officer's variable compensation may range from 0% to 180% of his annual fixed compensation depending on the achievement of the quantitative and qualitative targets:

- The quantitative targets entitle the Chief Executive Officer to variable compensation ranging from 0% to 150% of the annual fixed compensation.

  These quantitative targets are connected to operating income and free cash flow:

  - The Chief Executive Officer is entitled to variable compensation of between 0% and 150% (maximum percentage) of his fixed annual compensation, depending on the operating income set with reference to the budget for a given year, being understood that achievement of budget means the target being realized at 100%. Operating income accounts for 40%;

  - The Chief Executive Officer is entitled to variable compensation of between 0% and 150% (maximum percentage) of his fixed annual compensation, depending on the free cash flow set with reference to the budget for a given year, being understood that achievement of budget means the target being realized at 100%. Free cash flow accounts for 60%.

  The expected levels of achievement of these targets are set by the Board of Directors with reference to the budget for a given year but are not made public for confidentiality reasons.

- The qualitative targets are set each year by the Board of Directors. They cover strategic objectives, business development objectives and / or managerial objectives, each one is weighted and when possible they are associated with quantitative indicators.

  If some or all of the quantitative targets are met, the qualitative targets met are used to determine a multiplier of the quantitative targets of between 0.70 and 1.20. If the achievement of the quantitative targets is equal to 0, the multiplier effect of the qualitative targets will not be taken into account.

It must be noted that in accordance with paragraph 2 of Article L. 225-37-2 of the French Code of Commerce, the payment of the variable compensation elements outlined above depends on the approval of the Ordinary General Meeting approving the compensation elements in question for the fiscal year ending December 31, 2017, under the terms and conditions stipulated by Article L.225-100 of said Code.

- *long-term variable compensation (performance shares)*

The Chief Executive Officer is a beneficiary of the performance share plans established by the Company which are subject to performance conditions and a presence condition identical to those set for all beneficiaries of the plans (namely, members of the Senior Management, of whom there are approximately 300). At the end of the grant period of each plan, the Chief Executive Officer must hold a minimum percentage, which is determined by the Board of Directors, of shares that are allocated under the plan in question, until the end of his term as Chief Executive Officer.

The Company's policy in this regard is based on simple, transparent, enduring principles. Thus:

- performance shares have been allocated annually since 2010 at the same periods, involving, since that year, an internal performance condition and a presence condition applicable to all French and foreign beneficiaries of the plans;
- since 2013, the conditions have also included an external performance condition applicable to all French and foreign beneficiaries of the plans;
- since 2013, the vesting period applicable to the plans has been four years as from their allocation date for all French and foreign beneficiaries; the plans comprise no holding period;
- the number of shares that may be granted to the beneficiary under each plan is determined using an external benchmark from which are deduced a minimum number of shares (50%) and a maximum number (130%). In all cases, the final allocation depends on the fulfillment of performance and presence conditions.

The performance conditions are the following:

- 60% fulfillment of an internal performance condition related since 2016 to the Group net income after tax (before 2016, Group net income before tax), before taking into account any exceptional events. This internal condition is assessed by comparing the net result of the third fiscal year after the allocation date of the performance shares against the one as forecasted in the Group’s medium-term plan reviewed and approved by the Board of Directors on the allocation date of the performance shares;

  and

- 40% fulfillment of an external performance condition, i.e., growth of the Company's net earnings per share assessed between the last fiscal year before the allocation date of the performance shares and the third fiscal year ended after the allocation date of the performance shares. This condition is assessed against the weighted growth of a reference group made up of twelve comparable international automotive equipment suppliers over the same period.

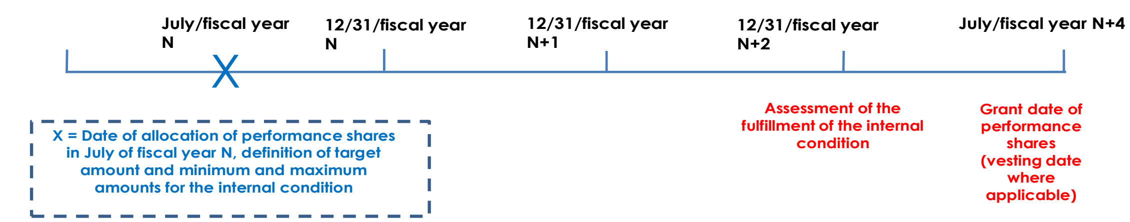
The reference group is made up of the following European and North American automotive equipment suppliers:

- Autoliv (Sweden)
- Autoneum (formerly Rieter) (Switzerland)
- Borg Warner (United States)
- Continental (Germany)
- Delphi (United States)
- GKN (United Kingdom)
- Adient (United States)
- Lear (United States)
- Magna (Canada)
- Plastic Omnium (France)
- Tenneco (United States)
- Valeo (France)

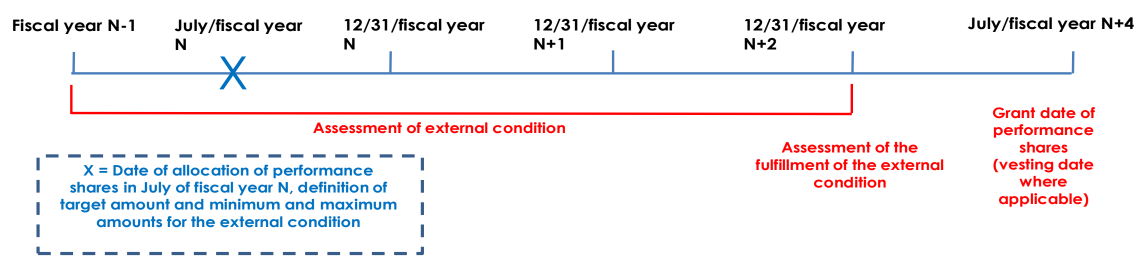
This group generally remains stable but may be modified in the event of a major change concerning one of its members.

The plans are constructed as follows:

Internal condition (net income)



External condition (net earnings per share)



The Company's long-term compensation practices are reexamined on a regular basis to ensure their compliance with good market practices.

Pension

The Board of Directors also decided to grant to the Chief Executive Officer the same pension scheme as for the members of the Executive Committee.

This scheme is made of an additional defined contribution pension scheme available to all Group managerial staff in France and an additional defined benefits pension scheme.

In accordance with French law, this additional defined benefits pension scheme is subject to performance conditions.

The Board of Directors has also decided that the annual amount of the total pension annuity paid to the Chief Executive Officer in accordance with the compulsory and additional Group schemes may not exceed 45% of his reference compensation, defined as being equal to the annual average of the total gross compensation collected within the Company during the three calendar years preceding the termination of service or departure from the Executive Committee.

In this regard, the total annual gross compensation includes the annual base compensation and all bonuses and variable elements of compensation pertaining to the three calendar years preceding the date of the termination of service, aside from any severance packages, exceptional compensation, sums granted under plans such as performance shares plans, benefits in kind and reimbursement of business expenses, contributions paid by the company to fund additional pension schemes and personal risk insurance and any other allowances paid by the company.

Additional defined contribution pension scheme:

The Chief Executive Officer is a beneficiary of the defined contribution pension scheme (Article 83 of the General French Tax Code), which is available to all Group managerial staff in France who have completed at least one year of service at the time of their retirement.

This scheme applies to the A and B brackets, amounting to 1% for the A bracket and 6% for the B bracket of the pay without the beneficiary's participation.

Additional defined benefits pension scheme (Article 39 of the General French Tax Code) subject to performance conditions:

The Chief Executive Officer is eligible for an additional defined benefits pension scheme that includes two parts:

- A part that is available, subject to eligibility conditions, to all Group managerial staff in France who have at least five years' seniority upon their retirement.

  Benefits are calculated solely on the basis of bracket C and potential rights increase each year by 1% of this this bracket being understood that the reference compensation taken into account upon retirement is the average of the annual compensation collected during the preceding three years in bracket C.

  With regard to the Chief Executive Officer, the benefit of this scheme is backed up by the following performance condition, which is tied to his annual variable compensation:

  - in case of 80% or greater achievement of the annual variable compensation targets, a 1% increase in potential rights (restricted to bracket C of the compensation) will be granted for the fiscal year in question;
  - in case of 80% or lower achievement of the annual variable compensation targets, the increase in rights will be reduced proportionally to the achievement of the targets (e.g., a target that is 30% achieved will result in a 0.30% increase in potential rights).

- An additional part decided by the Board of Directors of February 11, 2015, in favor of Faurecia's Executive Committee members holding an employment contract (current or suspended) or a term of office in France, who have been on the Executive Committee for a minimum term of three calendar years as of the implementation of this scheme or accession to the Executive Committee.

The Company guarantees French beneficiaries an annual annuity level determined according to the Company's operating income, in relation to the budget, as approved by the Board of Directors based on the formula:

$$\sum Xi * R$$

R = annual reference compensation (as defined in the preamble in the paragraph "Pension")
Xi = entitlement for each year of seniority (i) equal to:

- o 3% if the operating income for the year is strictly more than 105% of the budgeted operating income;
- o 2% if the operating income for the year is between 95% and 105% of the budgeted operating income;
- o 1% if the operating income for the year is strictly less than 95% of the budgeted operating income.

The operating income for year N is defined based on the income statement as of 12/31/N approved by the Board of Directors in year N+1 and the initial budget for year N approved by the Board of Directors in year N-1.

Each year, the Board of Directors therefore decides how much should be granted, following approval of the financial statements.

In any event, on retirement, the annual pension paid under this plan plus any rights granted by other supplementary plans implemented by the Faurecia group are subject to two limits in addition to the 45% limit referred to in preamble:

- o the sums paid by the Group must not exceed 25% of the reference compensation;
- o the sums paid by the Group are capped at 8 times the annual social security limit.

Should either of these limits be exceeded, the relevant pension will be reduced accordingly.

Termination payment

The Chief Executive Officer is also the beneficiary of a termination payment, the Board of Directors having decided that the CEO can not be an employee and as a consequence can not enjoy the protective regime attached to such status.

This payment is backed by granting conditions in accordance with the Afep-Medef Code:

- the payment is due in case of termination of the Chief Executive Officer's term of office on the Company's initiative, subject to his not being terminated due to willful misconduct or gross negligence;
- the payment is not be due in case of resignation or retirement;
- the payment is subject to the achievement of the following performance conditions:
    - o achievement of a positive operating income during each of the three fiscal years preceding the termination of the Chief Executive Officer's term of office;
    - o achievement of a positive net cash flow during each of the three fiscal years preceding the termination of the Chief Executive Officer's term of office;

- the amount of the payment is equal to 24 months of the reference salary (fixed compensation and variable target-based compensation) insofar as both of the conditions described above are met during each of the three fiscal years in question; in practice, this is equal to the fulfillment of six criteria;
- should one of the six criteria not be met, the termination payment is reduced proportionally by 1/6 and may equal to 0 should none of these six criteria be fulfilled;
- should the Chief Executive Officer's term of office be shorter than three years, the method of calculating the termination payment is identical, but the number of criteria is adjusted to take into account the actual length of the term of office.

Finally, the Chief Executive Officer is eligible for a company car and the medical/life/disability insurance scheme established within the Company.

1.5 Elements of compensation due or granted for the fiscal year ended to the executive and non-executive corporate officers (8th to 11th resolutions)

The elements of compensation due or granted for the fiscal year ended December 31, 2016, to Mr. Yann Delabrière as Chairman and Chief Executive Officer until June 30, 2016, and Chairman of the Board of Directors beginning July 1, 2016, and to Mr. Patrick Koller as Deputy Chief Executive Officer until June 30, 2016, and Chief Executive Officer beginning July 1, 2016, and that are subject to the opinion of the shareholders in accordance with the terms and conditions of paragraph 26.2 of the Afep-Medef Code are outlined in the following resolutions:

- eighth resolution: elements of compensation due or granted for the fiscal year ended December 31, 2016, to Mr. Yann Delabrière in his capacity as Chairman and Chief Executive Officer until June 30, 2016;
- ninth resolution: elements of compensation due or granted for the fiscal year ended December 31, 2016, to Mr. Yann Delabrière in his capacity as Chairman of the Board of Directors beginning July 1, 2016;
- tenth resolution: elements of compensation due or granted for the fiscal year ended December 31, 2016, to Mr. Patrick Koller in his capacity as Deputy Chief Executive Officer until June 30, 2016;
- eleventh resolution: elements of compensation due or granted for the fiscal year ended December 31, 2016, to Mr. Patrick Koller in his capacity as Chief Executive Officer beginning July 1, 2016.

In 2016, the year in which the Company separated the function of the Chairman of the Board of Directors and the Chief Executive Officer effective July 1, 2016, the annual compensation for executive and non-executive corporate officers was calculated pro rata temporis based on the date on which their new duties took effect.

The elements of compensation due or granted for the fiscal year ended December 31, 2016, to Mr. Yann Delabrière in his capacity as Chairman and Chief Executive Officer until June 30, 2016 and that are submitted to the shareholders for their opinion in the eighth resolution are set out in the table below:

Elements of compensation due or granted up to June 30, 2016, for the fiscal year ended December 31, 2016	Amounts	Presentation
Fixed compensation	€400,000 (amount paid for the period from January 1, to June 30, 2016)	By the Board of Directors' decision of February 11, 2015, the annual fixed compensation of Mr. Yann Delabrière as Chairman and Chief Executive Officer was increased to €800,000 as of fiscal year 2015, and it was maintained at that amount by the Board of Directors' decision of February 10, 2016. The 2015 increase from €700,000 to €800,000 was decided upon the following grounds: • a review of the situation of a representative sample of listed manufacturers comparable to Faurecia revealed a significant discrepancy (more than 10%) compared to the fixed compensation paid to Mr. Delabrière; • Mr. Yann Delabrière’s fixed compensation had remained unchanged since 2011, and; • the 2014 financial results reflected the implementation of a medium- and long-term strategy for Faurecia and a structure that suits this strategy.
Annual variable compensation	€617,760 (amount due for the period from January 1, to June 30, 2016)	At its meeting of February 10, 2016, the Board of Directors set the rules for determining Mr. Yann Delabrière’s variable compensation for 2016 as Chairman and Chief Executive Officer. The Board decided that Mr. Yann Delabrière's variable compensation may range from 0% to 180% of his annual fixed compensation depending on the achievement of quantitative and qualitative targets. The achievement of the following quantitative targets entitles him to a variable compensation ranging from 0% to 150% of his annual fixed compensation: • 40% of his variable compensation is based on operating income set by reference to the 2016 budget; • 60% is based on the free cash flow set by reference to the 2016 budget.

Elements of compensation due or granted up to June 30, 2016, for the fiscal year ended December 31, 2016	Amounts	Presentation
		On the recommendation of the Management Committee on February 1, 2017, the Board of Directors meeting of February 8, 2017, reviewed the extent to which these quantitative criteria had been met: • as regards the operating income, the Board of Directors formally noted that 141% of this initial quantitative target had been achieved; • as regards free cash flow, the Board of Directors formally noted that 140% of this second quantitative target had been achieved. As a result of these two achievements, 140.4% of targets according to the scale adopted by the Board of Directors were reached; this entitles to quantitative variable compensation of €561,600 before the achievement of qualitative targets is reviewed. On February 8, 2017, the Board of Directors then reviewed the achievement of the qualitative targets set by the Board on February 10, 2016, which, if some or all of these targets are met, are used to determine a multiplier of the quantitative targets of between 0.70 and 1.20. If the achievement of the quantitative targets is equal to 0, the multiplier effect of the qualitative targets will not be taken into account. Therefore: • as regards the execution of the strategy decided upon by the Board of Directors in October 2015 (50% weighting for this criterion) i.e. ensuring the development of Faurecia's technological capacities through a combination of organic and external growth; selecting and finalizing potential acquisitions ensuring increased technological capacity and creating value for shareholders; increasing investment in start-ups, the Board of Directors of February 8, 2017, highlighted the 2016 achievements especially the creation of a team dedicated to the Cockpit of the Future project and the launch of pre-development activities with four customers; the materialization of investments with the announcement of a strategic partnership with Parrot Automotive, the acquisition of a majority interest in Amminex and investments in various start-ups, including the Finnish company Tactotek. The Board of Directors considered that 100% of this criterion has been met.

Elements of compensation due or granted up to June 30, 2016, for the fiscal year ended December 31, 2016	Amounts	Presentation
		• as regards the execution of the development plans for Asia as presented to the Board of Directors at its December 2015 meeting (50% weighting for this criterion being associated with key indicators in relation, in particular, to levels of achievement of operating income and sales) i.e. adjusting Faurecia in China to so-called *New Normal* conditions with a cost structure compatible with the cost positioning of Chinese OEMs, fulfilling the ambitions of international OEMs; securing long-term profitability; developing partnerships with four major Chinese OEMs; rolling out a new method of organization in South Korea and business activities with HKMC; defining and executing the strategy in Japan and in South-East Asia, the Board of Directors of February 8, 2017, formally noted the sharp rise in business in South Korea, the introduction of a new method of organization in Japan, the implementation of so-called *New Normal* conditions for the three *Business Groups* in China as well as the amount of new contracts with Chinese OEMs and levels of operating income in Asia that were higher than the targets. The Board of Directors considered that 120% of this criterion has been met. As a result, the Board of Directors considered that the standard achieved in relation to these two qualitative targets was such that a multiplier of 1.10 should apply to the two quantitative targets. On this basis, at its February 8, 2017, meeting, the Board of Directors determined a variable compensation for Mr. Yann Delabrière in his role of Chairman and Chief Executive Officer until June 30, 2016, for the period from January 1 to June 30, 2016, equal to €400,000 x 100% x 140.4% x 1.10, i.e., a sum of €617,760, which corresponds to 154.44% of his fixed compensation collected for 2016 as Chairman and Chief Executive Officer.
Multi-annual variable compensation in cash	Not applicable	No multi-annual variable compensation in cash

Elements of compensation due or granted up to June 30, 2016, for the fiscal year ended December 31, 2016	Amounts	Presentation
Stock options, performance shares or other equity-based awards	Options = not applicable	No stock subscription or purchase options allotted
	Performance shares = not applicable	No performance share awards
	Other equity-based awards = not applicable	No other equity-based awards
Exceptional compensation	Not applicable	No exceptional compensation
Attendance fees	Not applicable	Mr. Yann Delabrière does not receive any attendance fees
Valuation of all benefits	€3,685.80 (accounting valuation)	Company car

Elements of compensation due or granted for the fiscal year ended December 31, 2016 voted by shareholders at the General Meeting in connection with the procedure applicable to regulated agreements and undertakings	Amounts	Presentation
Termination payment	Not applicable	No termination payment
Non-competition indemnity	Not applicable	No non-competition indemnity
Additional defined contribution pension scheme (Article 83 of the General French Tax Code) and additional defined benefit pension scheme (Article 39 of the General French Tax Code)	Cf. description opposite	Defined contribution scheme: • defined contribution scheme on the A and B brackets, amounting to 1% for the A bracket and 6% for the B bracket of the compensation without the beneficiary's participation; • contributions paid by the Company through June 30, 2016: €3,668.52. Defined benefit scheme: • progressive increase in potential rights in relation to seniority and compensation: potential rights increase each year by 1% in bracket C; • reference period taken into account to calculate benefits: seniority as from March 1, 1990; • reference income and maximum percentage of income permitted under the supplementary pension scheme: the reference income taken into account is the average of the annual compensation collected during the last three years; benefits are calculated only on the C bracket (between four and eight times the annual social security ceiling, i.e., €154,464 in 2016). The maximum percentage is 70% of the reference income, taking retirement age into consideration. These two schemes are available to all Group managerial staff who, upon their retirement, have at least five years' seniority (defined benefit scheme) or at least one year's seniority (defined contribution scheme). The above defined benefit scheme, of which Mr. Delabrière is a beneficiary, was authorized by the Board of Directors on February 11, 2014, and by shareholders at their General Meeting of May 27, 2014 (4th resolution adopted in ordinary session). Mr. Delabrière exercised his rights to retirement on July 1, 2016.

	At Mr. Yann Delabrière's request, the capital of €88,797.34 for the annuity linked to the defined contribution scheme was paid into an individual pension savings plan (PERP). The capital for the annuity linked to the defined benefit scheme was €1,114,468.89, and in accordance with his chosen payment option, Mr. Yann Delabrière received a gross total of €31,716.20 during the second semester of 2016.

The elements of compensation due or granted for the fiscal year ended December 31, 2016, to Mr. Yann Delabrière as Chairman of the Board of Directors as of July 1, 2016 and that are submitted to the shareholders for their opinion in accordance with the ninth resolution appear in the table below:

Elements of compensation due or granted as of July 1, 2016, for the fiscal year ended on December 31, 2016	**Amounts**	**Presentation**
Fixed compensation	€150,000 (amount paid for the period from July 1, to December 31, 2016)	The annual fixed compensation of Mr. Yann Delabrière as Chairman of the Board of Directors was set at €300,000 as of July 1, 2016, by a decision of the Board of Directors on July 25, 2016. This compensation was established with reference to a comparative compensation analysis prepared by an outside consultant based on a sample of French listed companies with a separated governance structure, and by taking into account Mr. Yann Delabrière's responsibilities as Chairman of the Board of Directors.
Annual variable compensation	Not applicable	No multi-annual variable compensation
Multi-annual variable compensation in cash	Not applicable	No multi-annual variable compensation in cash
Stock options, performance shares or other equity-based awards	Options = not applicable	No stock subscription or purchase options allotted
	performance shares = Not applicable	No performance share awards
	Other equity-based awards = not applicable	No other equity-based awards
Exceptional compensation	Not applicable	No exceptional compensation
Attendance fees	Not applicable	Mr. Yann Delabrière does not receive any attendance fees
Valuation of all benefits	€3,685.80 (accounting valuation)	Company car

Elements of compensation due or granted for the fiscal year ended December 31, 2016, voted by shareholders at the General Meeting in connection with the procedure applicable to regulated agreements and undertakings	**Amounts**	**Presentation**
Termination payment	Not applicable	No termination payment
Non-competition indemnity	Not applicable	No non-competition indemnity
Additional defined contribution pension scheme (Article 83 of the General French Tax Code) and additional defined benefit pension scheme (Article 39 of the General French Tax Code)	Not applicable	Mr. Delabrière exercised his rights to retirement on July 1, 2016.

The elements of compensation due or granted for the fiscal year ended December 31, 2016 to Mr. Patrick Koller in his capacity as Deputy Chief Executive Officer until June 30, 2016 and that are submitted to the shareholders for their opinion in the tenth resolution are set out in the table below:

Components of compensation due or granted up to June 30, 2016, for the fiscal year ended December 31, 2016	**Amounts**	**Presentation**
Fixed compensation	€310,000 (amount paid for the period from January 1, to June 30, 2016)	Mr. Patrick Koller's annual fixed compensation as Deputy Chief Executive Officer was set at €620,000 by the Board of Directors at its meetings of December 9, 2014 and February 11, 2015. This compensation was set in reference to a comparison of compensation prepared by an outside consultant based on a set of twenty French manufacturers.
Annual variable compensation	€383,011.20 (amount due for the period from January 1, to June 30, 2016)	At its meeting of February 10, 2016, the Board of Directors set the rules for determining Mr. Patrick Koller's variable compensation for 2016 as Deputy Chief Executive Officer. The Board decided that Mr. Patrick Koller's variable compensation may range from 0% to 144% of his annual fixed compensation depending on the achievement of quantitative and qualitative targets. The achievement of the following quantitative targets entitles him to variable compensation ranging from 0 to 150% of 80% of his annual fixed compensation: • 40% of his variable compensation is based on operating income set by reference to the 2016 budget; • 60% is based on the free cash flow set by reference to the 2016 budget. On the recommendation of the Management Committee on February 1, 2017, the Board of Directors meeting of February 8, 2017, reviewed the extent to which these quantitative criteria had been met: • as regards the operating income, the Board of Directors formally noted that 141% of this initial quantitative objective had been reached; • as regards free cash flow, the Board of Directors formally noted that 140% of this second quantitative objective had been reached. As a result of these two achievements, 140.4% of targets according to the scale adopted by the Board of Directors were reached: this entitles to quantitative variable compensation of €348,192 before the achievement of qualitative targets is reviewed.

Components of compensation due or granted up to June 30, 2016, for the fiscal year ended December 31, 2016	Amounts	Presentation
		At its meeting on February 8, 2017, the Board of Directors then reviewed the achievement of the qualitative targets set by the Board of Directors on February 10, 2016 which, if some or all of these targets are met, determines a multiplier effect of the qualitative targets of between 0.70 and 1.20. If the achievement of the quantitative targets is equal to 0, the multiplier effect of the qualitative targets will not be taken into account. Thus: • as regards the execution of the strategy decided upon by the Board of Directors in October 2015 (25% weighting for this criterion) i.e. ensuring the development of Faurecia's technological capacities through a combination of organic and external growth; selecting and finalizing potential acquisitions ensuring increased technological capacity and creating value for shareholders; increasing investment in start-ups, the Board of Directors of February 8, 2017, highlighted the 2016 achievements especially the creation of a team dedicated to the Cockpit of the Future project and the launch of pre-development activities with four customers; the materialization of investments with the announcement of a strategic partnership with Parrot Automotive, the acquisition of a majority interest in Amminex and investments in various start-ups, including the Finnish company Tactotek. The Board of Directors considered that 100% of this criterion has been met. • as regards the execution of the development plans for Asia as presented to the Board of Directors at its December 2015 meeting (25% weighting for this criterion being associated with key indicators in relation, in particular, to levels of achievement of operating income and sales) i.e. adjusting Faurecia in China to so-called *New Normal* conditions with a cost structure compatible with the cost positioning of Chinese OEMs, fulfilling the ambitions of international OEMs; securing long-term profitability; developing partnerships with four major Chinese OEMs; rolling out a new method of organization in South Korea and business activities with HKMC; defining and executing the strategy in Japan and in South-East Asia, the Board of Directors of February 8, 2017, formally noted the sharp rise in business in South Korea, the introduction of a new method of organization in Japan, the implementation of so-

Components of compensation due or granted up to June 30, 2016, for the fiscal year ended December 31, 2016	Amounts	Presentation
		called *New Normal* conditions for the three *Business Groups* in China as well as the amount of new contracts with Chinese OEMs and levels of operating income in Asia that were higher than the targets. The Board of Directors considered that 120% of this criterion has been met. • as regards the introduction of a simplified and more flexible method of organization, as presented to the Board of Directors at their December 2015 meeting, consisting of the roll out of an approach known as the Lean Functions approach within Faurecia (25% weighting for this criterion) i.e. optimization of functions to achieve internal and external benchmarks, the Board of Directors of February 8, 2017, formally noted that this target had, in particular, been reflected by strong measures to optimize functions as well as in the definition of new initiatives followed by the launch of the first actions within the field of the digitalization of operations and the efficiency of R&D. The Board of Directors considered that 100% of this criterion has been met. • as regards the preparation of a development and succession plan for the executive team (25% weighted on this criterion) i.e. appraising the current executive team; identifying development needs; developing succession plans, the Board of Directors of February 8, 2017 noted that the development and succession plan for the executive team had been defined and presented to the newly created Management Committee. The Board of Directors considered that 120% of this criterion has been met. As a result, the Board of Directors considered that the standard achieved in relation to these four qualitative targets was such that a multiplier of 1.10 should apply to the two quantitative targets.

Components of compensation due or granted up to June 30, 2016, for the fiscal year ended December 31, 2016	Amounts	Presentation
		On this basis, at its meeting on February 8, 2017, the Board of Directors decided that for the period from January 1, to June 30, 2016, Mr. Patrick Koller, acting as Deputy Chief Executive Officer, should receive variable compensation for the period up until June 30, 2016, of €310,000 x 80% x 140.4 % x 1.10, i.e. the sum of €383,011.20 corresponding to 154.4% of 80% of his fixed compensation for 2016 as Deputy Chief Executive Officer.
Multi-annual variable compensation in cash	Not applicable	No multi-annual variable compensation in cash
Stock options, performance shares or other equity-based awards	Options = not applicable	No stock subscription or purchase options allotted
	Performance shares = not applicable	No performance share awards
	Other equity-based awards = not applicable	No other equity-based awards
Exceptional compensation	Not applicable	No exceptional compensation
Attendance fees	Not applicable	As Mr. Patrick Koller is not a Board Member, he received no attendance fees
Valuation of all benefits	€10,256.94 (accounting valuation)	Company car (€4,174.86) and managers' social security contribution paid by the Company (€6,082.08 corresponding to the contribution paid by the Company from January 1, to June 30, 2016)

Components of compensation due or granted for the fiscal year ended December 31, 2016 voted by shareholders at a General Meeting in connection with the procedure applicable to regulated agreements and undertakings	Amounts	Presentation
Termination payment	Not applicable	No termination payment
Non-competition indemnity	Not applicable	No non-competition indemnity
Additional defined contribution pension scheme (Article 83 of the General French Tax Code) and additional defined benefit pension scheme (Article 39 of the General French Tax Code)	No payment made during the fiscal year	Defined-contribution scheme: • defined contribution scheme on the A and B brackets, amounting to 1% for the A bracket and 6% for the B bracket of the compensation without the beneficiary's participation; • contributions paid by the Company in 2016: €7,337.06; • estimated annual pension as of December 31, 2016: €2,724. Defined benefit scheme: • progressive increase in potential rights in relation to seniority and compensation: potential rights increase each year by 1% in bracket C; • reference period taken into account to calculate benefits: seniority as from December 18, 2006; • reference income and maximum percentage of income permitted under the supplementary pension scheme: the reference income taken into account is the average annual compensation received over the last three years; benefits are calculated solely with regard to bracket C (between four and eight times the annual social security limit i.e. €154,464) and potential individual rights amount to an annual pension of €15,227 (as of December 31, 2016), i.e., 1% of reference income (bracket C). The maximum percentage is between 65 and 70% of the reference income, taking retirement age into consideration. These two schemes are open to all Group executives who, upon their retirement, have at least five years' seniority (defined benefit scheme) or at least one year's seniority (defined contribution scheme).

Components of compensation due or granted for the fiscal year ended December 31, 2016 voted by shareholders at a General Meeting in connection with the procedure applicable to regulated agreements and undertakings	Amounts	Presentation
		The above plan, of which Mr. Patrick Koller is a beneficiary, was duly authorized by Board of Directors' decisions on April 13, 2016 and July 25, 2016, and will be put to shareholders for approval at the General Meeting of May 30, 2017 (5th resolution to be adopted in ordinary session).
Additional defined benefit pension scheme (Article 39 of the French General Tax Code.)	No payment made during the fiscal year	This scheme benefits Faurecia's Executive Committee members holding an employment contract (current or suspended) or a term of office in France, having been on the Executive Committee for a minimum term of three consecutive calendar years as of the implementation of this scheme or accession to the Executive Committee. Mr. Patrick Koller is potentially entitled to the following individual rights as of December 31, 2016: • reference compensation as of December 31, 2016: €1,469,290; • potential annual entitlement for 2016: 3%; • total potential annual entitlement as of December 31, 2016: 6%; • maximum potential entitlement (all Faurecia plans): 25%, combined with eight times the annual social security limit (€308,928 in 2016); • seniority requirements: three calendar years on the Executive Committee as of January 1, 2015; • estimated annual pension as of December 31, 2016: €88,157. The above plan, of which Mr. Patrick Koller is a beneficiary, was authorized by the Board of Directors on February 11, 2015 and was put to shareholders for approval at their General Meeting of May 27, 2016 (4th resolution adopted in ordinary session).

The elements of compensation due or granted for the fiscal year ended December 31, 2016 to Mr. Patrick Koller in his capacity as Chief Executive Officer as of July 1, 2016 and that are submitted to the shareholders for their opinion in the eleventh resolution are set out in the table below:

Elements of compensation due or granted as of July 1, 2016, for the fiscal year ended on December 31, 2016	Amounts	Presentation
Fixed compensation	€375,000 (amount paid for the period from July 1, to December 31, 2016)	Mr. Patrick Koller's annual fixed compensation as Chief Executive Officer was set at €750,000 by the Board of Directors' decision of July 25, 2016. This compensation was established with reference to a compensation analysis conducted by an external consulting firm based on a group of 20 French industrial companies comparable to Faurecia.
Annual variable compensation	€579,150 (amount due for the period from July 1, to December 31, 2016)	The Board of Directors' meeting of July 25, 2016, decided to keep the structure of Mr. Patrick Koller's variable compensation as Chief Executive Officer the same as it had been when he was Deputy Chief Executive Officer, both with regard to quantitative and qualitative targets which are unchanged, and with regard to the multiplier effect associated with said targets. The only change decided by the Board of Directors concerns the quantitative targets which now entitle Mr. Patrick Koller to variable compensation ranging from 0 to 150% of 100% of his fixed annual compensation. Therefore, for the second half of 2016, Mr. Patrick Koller's variable compensation may range from 0 to 180% of the fixed annual compensation that he received as of July 1, 2016.

Elements of compensation due or granted as of July 1, 2016, for the fiscal year ended on December 31, 2016	Amounts	Presentation
Annual variable compensation		On this basis, on the recommendation of the Management Committee on February 1, 2017, the Board of Directors meeting of February 8, 2017, reviewed the extent to which the quantitative criteria had been met: • as regards the operating income, the Board of Directors formally noted that 141% of this initial quantitative objective had been reached; • as regards free cash flow, the Board of Directors formally noted that 140% of this second quantitative objective had been reached. As a result of these two achievements, 140.4% of targets according to the scale adopted by the Board of Directors were reached: this entitles to quantitative variable compensation of €526,500 before the achievement of qualitative targets is reviewed. The Board of Directors of February 8, 2017, then reviewed the achievement of the qualitative targets set by the Board of Directors on February 10, 2016: • as regards the execution of the strategy, the Board of Directors considered that 100% of this criterion has been met; • as regards the execution of development plans for Asia, the Board of Directors considered that 120% of this criterion has been met; • as regards the introduction of a simplified and more flexible method of organization, the Board of Directors considered that 100% of this criterion has been met; and • as regards the preparation of the development and succession plan for the executive team, the Board of Directors considered that 120% of this criterion has been met. As a result, the Board of Directors felt that the standard achieved in relation to these four qualitative targets was such that a multiplier of 1.10 should apply to the two quantitative targets. On this basis, at its meeting on February 8, 2017, the Board of Directors decided that for the period from July 1, to December 31, 2016, Mr. Patrick Koller, Chief Executive Officer, should receive variable compensation as of July 1, 2016, of €375,000 x 100% x 140.4% x 1.10, i.e. the sum of €579,150 corresponding to 154.44% of the fixed compensation received for 2016 as Chief Executive Officer.

Elements of compensation due or granted as of July 1, 2016, for the fiscal year ended on December 31, 2016	Amounts	Presentation
Multi-annual variable compensation in cash	Not applicable	No multi-annual variable compensation in cash
Stock options, performance shares or other equity-based awards	Options = not applicable	No stock subscription or purchase options allotted
	Performance shares = €1,722,931 (accounting valuation)	At its meeting of July 25, 2016, the Board of Directors decided to allot up to 55,095 shares to Mr. Patrick Koller in the context of performance shares allotment plan number eight, based on the authorization granted by shareholders at their General Meeting of May 27, 2016 (thirteenth resolution adopted in extraordinary session). These 55,095 shares correspond to 0.04% of the capital as of December 31, 2016. The Board of Directors made the definitive acquisition of these shares contingent on the following: • 60% on an internal performance condition: Group net income after tax as of December 31, 2018, before taking into account capital gains from the disposal of assets and changes in the scope of consolidation, as approved by the Board of Directors, assessed against net income for the same fiscal year as it had been forecast in the Group's medium-term plan reviewed and set by the Board of Directors on the date the shares are allocated; and • 40% on an external condition: growth in Faurecia's net earnings per share between fiscal year 2015 and fiscal year 2018, assessed against the weighted growth over the same period of a reference group comprised of twelve international global automotive equipment suppliers. If these performance conditions laid down in plan number eight have been met in full at the end of the 2018 fiscal year, Mr. Patrick Koller will be granted the maximum 55,095 shares of which he will take ownership on July 25, 2020.
	Other equity-based awards = not applicable	No other equity-based awards
Exceptional compensation	Not applicable	No exceptional compensation
Attendance fees	Not applicable	Mr. Koller does not receive any attendance fees

Elements of compensation due or granted as of July 1, 2016, for the fiscal year ended on December 31, 2016	Amounts	Presentation
Valuation of all benefits	€4,174.86 (accounting valuation)	Company car

Elements of compensation due or granted for the fiscal year ended December 31, 2016, voted by shareholders at the General Meeting in connection with the procedure applicable to regulated agreements and undertakings	Amounts	Presentation
Termination payment	No payment made during the fiscal year	At the proposal of the Appointments and Compensation Committee on July 20, 2016, the Board of Directors authorized, on July 25, 2016, the principle of a termination payment payable to Mr. Patrick Koller, in line with the procedure set out in Articles L. 225-38 et seq. of the French Code of Commerce, meeting the following requirements: • this payment will be due in case of termination of Mr. Patrick Koller's term of office as Chief Executive Officer, on Faurecia's initiative, subject to this termination not occurring due to Mr. Patrick Koller's willful misconduct or gross negligence; • this payment will not be due in case of resignation or retirement; • the remittance of this payment is subject to the achievement of the following performance conditions: a. achievement of a positive operating income during each of the three fiscal years preceding the termination of Mr. Patrick Koller's term of office as Chief Executive Officer; b. achievement of a positive net cash flow during each of the three fiscal years preceding the termination of Mr. Patrick Koller's term of office as Chief Executive Officer; • the amount of the payment will be equal to twenty-four months of the reference salary (fixed and variable target-based compensation) insofar as both of the conditions described above are met during each of the three fiscal years in question; in practice, this is equal to the fulfillment of six criteria; • should one of the six criteria not be met, the termination payment will be reduced proportionally by 1/6 and may equal 0 should none of these six criteria be fulfilled; • should Mr. Patrick Koller's term of office as Chief Executive Officer be shorter than three years, the method of calculating the termination payment will be identical, but the number of criteria will be adjusted to take into account the actual length of the term of office.

Elements of compensation due or granted for the fiscal year ended December 31, 2016, voted by shareholders at the General Meeting in connection with the procedure applicable to regulated agreements and undertakings	Amounts	Presentation
		This payment for Mr. Patrick Koller, duly authorized by the Board of Directors' decision of July 25, 2016, will be put to shareholders for approval at the General Meeting on May 30, 2017 (fifth resolution to be adopted in ordinary session).
Non-competition indemnity	Not applicable	No non-competition indemnity
Additional defined contribution pension scheme (Article 83 of the General French Tax Code) and additional defined benefit pension scheme (Article 39 of the General French Tax Code)	No payment made during the fiscal year	On July 25, 2016, the Board of Directors confirmed that as Mr. Patrick Koller no longer had an employment contract, he would continue to benefit from both schemes after July 1, 2016, in his capacity as Chief Executive Officer. Pursuant to Article L. 225-42-1 of the French Code of Commerce in the version resulting from Law No. 2015-990 of August 6, 2015, the Board of Directors decided, on July 25, 2016, to subject Mr. Patrick Koller's right to benefit from the defined benefit scheme (Article 39 of the French General Tax Code) to the following performance condition which is linked to his annual variable compensation: • in case of 80% or greater achievement of the annual variable compensation targets, a 1% increase in potential rights (restricted to bracket C of the compensation) will be granted for the fiscal year in question; • in case of 80% or lower achievement of the annual variable compensation targets, the increase in rights will be reduced proportionally to the achievement of the targets (e.g., a target that is 30% achieved will result in a 0.30% increase in potential rights). This scheme, of which Mr. Patrick Koller is a beneficiary, duly authorized by the Board of Directors' decisions of April 13, 2016, and July 25, 2016, will be put to shareholders for approval at the General Meeting on May 30, 2017 (fifth resolution to be adopted in ordinary session).

Elements of compensation due or granted for the fiscal year ended December 31, 2016, voted by shareholders at the General Meeting in connection with the procedure applicable to regulated agreements and undertakings	Amounts	Presentation
Additional defined benefit pension scheme (Article 39 of the French General Tax Code.)	No payment made during the fiscal year	This scheme benefits Faurecia's Executive Committee members holding an employment contract (current or suspended) or a term of office in France, having been on the Executive Committee for a minimum term of three consecutive calendar years as of the implementation of this scheme or accession to the Executive Committee. On July 25, 2016, the Board of Directors confirmed the terms of the authorization given on February 11, 2015 to Mr. Patrick Koller, in his capacity as Chief Executive Officer. This scheme, of which Mr. Patrick Koller, Chief Executive Officer, is a beneficiary, duly authorized by the Board of Directors' decision of July 25, 2016, will be put to shareholders for approval at the General Meeting on May 30, 2017 (fifth resolution to be adopted in ordinary session).

1.6. Governance (12th to 17th resolutions)

You are asked to renew the terms of office of:

- Ms. Amparo Moraleda,
- Mr. Jean-Baptiste Chasseloup de Chatillon,
- Mr. Jean-Pierre Clamadieu, and
- Mr. Robert Peugeot.

You are also asked to appoint Mr. Patrick Koller and Ms. Penelope Herscher as new Board Members.

Ms. Amparo Moraleda, Mr. Jean-Baptiste Chasseloup de Chatillon, Mr. Jean-Pierre Clamadieu, Mr. Robert Peugeot, Mr. Patrick Koller and Ms. Penelope Herscher will remain in office for a term of four years, i.e. until the close of the General Meeting held in 2021 to vote on the financial statements for the 2020 fiscal year.

Information on the expertise and career path of each of these persons is set out in Section 12.4 of the 2016 Registration Document.

Given the fact that the terms of office of Mr. Yann Delabrière and Mr. Ross McInnes are coming to an end and will not be renewed, the number of Board Members of your Company's Board of Directors will stay within the limit of 15 Board Members, in accordance with Article 11 of the bylaws which state that your Company's Board of Directors can have up to 15 members.

At the close of this General Meeting, six members of your Company’s Board of Directors will be women. The Board of Directors composition would then be in accordance with the 27 January 2011 French act related to balanced representation of women and men on boards of directors and to professional equality.

The Board of Directors has already decided that Ms. Penelope Herscher will be deemed an independent Board Member with regard to the independence criteria set out in the Afep-Medef Corporate Governance Code of Listed Corporations, which Faurecia has chosen as a reference corporate governance code.

As a result, at the close of this General Meeting, more than one third of your Company's Board of Directors will be independent, in line with the recommendations of the Afep-Medef Code.

1.7. Share buy-back program (18th resolution)

This resolution will authorize the Board of Directors to purchase shares of the Company for the following purposes:

- to maintain a liquid market for the Company’s shares through an independent investment services provider acting under a liquidity contract;
- to retain the shares and subsequently offer them in the context of external acquisitions;
- to allot shares to employees and senior corporate officers of the Company or its affiliates, through the allotment of stock options or performance shares, either as part of their compensation or in respect of their profit sharing entitlement;
- to allot shares upon the exercise of rights attached to securities conferring an entitlement to the allotment of shares of the Company; and
- to cancel shares.

These shares may be purchased by any means, including through block purchases of shares, at times deemed appropriate by the Board of Directors.

The Board of Directors must obtain prior authorization from shareholders at the General Meeting in order to exercise this authority during a public offering initiated by a third party in relation to shares in the Company, until the offer period has ended.

The Company reserves the right to use options or derivatives within the framework of applicable regulations.

The authorization to be granted to the Board of Directors includes a:

- maximum purchase price (€60),
- a maximum limit on the overall amount that may be appropriated to the buyback program (€779,781,840 based on the Company's capital as of December 31, 2016 in view of the treasury shares held on that date), and
- a maximum limit on the number of shares which may be purchased (10% of the Company's capital on the date of purchase).

This authorization will be granted for a period of 18 months and will bring an end to the authorization granted to the Board of Directors by shareholders at their General Meeting of May 27, 2016 under their eleventh ordinary resolution.

2. EXPLANATORY NOTES TO THE EXTRAORDINARY RESOLUTIONS

The 19th resolution will allow the Board of Directors to reduce the capital by canceling treasury shares.

The 20th to 23rd resolutions concern financial delegations of authority and authorizations to be granted to the Board of Directors.

The General Meeting of May 27, 2015, granted to the Board of Directors, to meet the Group's financing needs, delegations of authority and authorizations which are due to lapse during this financial year.

In 2016, none of these delegations of authority and authorizations as voted by the Meeting of May 27, 2015 was used by the Board of Directors.

In accordance with Article L. 225-100 para. 7 of the French Code of Commerce, the Board of Directors has also reported on its use of these delegated authorities and authorizations in the 2016 financial year in its management report.

Consequently, under the 20th to 23rd resolutions, you are asked to renew these delegations of authority and authorizations under the terms as described below.

This will enable the Board of Directors to issue ordinary shares giving access, if necessary, to ordinary shares, or allotment of debt securities (from the Company or from any direct or indirect subsidiary), and/ or securities giving access to ordinary shares to be issued (by the Company or any direct or indirect subsidiary) with or without preferential subscription right. This will enable your Company to carry out financial transactions as and when market conditions permit, and quickly raise the capital needed to implement the Group's growth and consolidation strategy.

The aim of the 24th resolution is to involve Group employees in its expansion, in particular through a capital increase reserved for employees.

The aim of the 25th resolution is to amend the Company's bylaws to include a procedure to appoint Board Members representing employees, in accordance with Article L. 225-27-1 of the French Code of Commerce introduced by the French Employment Protection Act of June 14, 2013, as amended by the French Employment and Labor Relations Act of August 17, 2015.

2.1 Cancellation of treasury shares (19th resolution)

This resolution will authorize the Board of Directors to cancel shares of the Company purchased pursuant to the 18th resolution or under previously authorized share buyback programs, up to a maximum limit of 10% of the capital stock, and to reduce the capital stock accordingly.

This authorization will be granted for a period of 18 months.

2.2 Financial delegations of authority and authorizations (20th to 23rd resolutions)

2.2.1 Delegation of authority to increase the capital stock with preferential subscription right (20th resolution)

The operations carried out under this resolution would be reserved for Company shareholders only. They concern the issuing of ordinary shares giving access, if necessary, to ordinary shares, or allotment of debt securities and/or securities giving access to ordinary shares to be issued.

In accordance with Article L. 228-93 of the French Code of Commerce, the securities to be issued may give an entitlement to ordinary shares to be issued by any company of which the Company directly or indirectly holds more than half of the capital.

This delegation will also enable the capital to be increased through capitalization of premiums, reserves, profits or other, either in the form of allotments of free shares, or by increasing the par value of existing shares.

The capital increases performed under this delegation may not exceed an aggregate par value of €250,000,000 (two hundred and fifty million euros), this ceiling being independent of any other capital ceilings provided for by other resolutions of this Meeting.

Issues of debt securities may not exceed an aggregate par value of €1,000,000,000 (one billion euros). This aggregate ceiling would apply to any debt securities that may be issued under this resolution and under the 21st and 22nd resolutions.

The subscription price of the shares and/or securities issued pursuant to this delegation of authority will be set by the Board of Directors in accordance with applicable laws and regulations.

If the aggregate amount of subscriptions as of right and for excess shares or securities have not absorbed all of an issue, the Board of Directors may use, in the order it would determine, all or some of the following faculties:

- cap the amount of the issue at the amount of the subscriptions received, subject to any regulatory restrictions;
- freely allocate all or some of the unsubscribed securities;
- offer all or some of the unsubscribed securities to the public.

Unless prior authorization has been granted by the General Meeting, the Board of Directors may not use this authorization upon the filing of a public offering for the Company's shares by a third party, up until the end of the offering.

This delegation of authority is sought for a period of 26 months.

2.2.2 Delegation of authority for the purposes of increasing the capital stock without preferential subscription right, by way of a public offering (21st resolution)

Transactions carried out pursuant to this resolution will be open to the public. They concern the issuing of ordinary shares giving access, if necessary, to ordinary shares, or allotment of debt securities and/or securities giving access to ordinary shares to be issued.

In accordance with Article L. 228-93 of the French Code of Commerce, the securities to be issued may give an entitlement to ordinary shares to be issued by any company of which the Company directly or indirectly holds more than half of the capital.

These securities may be issued in order to compensate any securities contributed to the company as part of a public exchange offer, satisfying the conditions defined in Article L. 225-148 of the French Code of Commerce.

The capital increases performed under this delegation may not exceed an aggregate par value of €95,000,000 (ninety five million euros). This ceiling would include the aggregate par value of ordinary shares likely to be issued by virtue of the 22nd resolution.

Issues of debt securities may not exceed an aggregate par value of €1,000,000,000 (one billion euros). This ceiling would be included in the €1,000,000,000 ceiling for the issue of debt securities set by the 20th resolution.

In accordance with the law, the issue price of shares issued pursuant to this delegation of authority will be at least equal to the weighted average price of the Company's shares on Euronext Paris during the three trading days immediately preceding the issue pricing date, with a potential discount of up to 5%.

If the subscriptions do not absorb all of the issue, the Board of Directors may do the following:

- cap the amount of the issue at the amount of the subscriptions received, subject to any regulatory restrictions;
- freely allocate all or some of the unsubscribed securities.

Unless prior authorization has been granted by the General Meeting, the Board of Directors may not use this authorization upon the filing of a public offering for the Company's shares by a third party, up until the end of the offering.

This delegation of authority is sought for a period of 26 months.

2.2.3 Delegation of authority for the purpose of increasing the capital stock without preferential subscription right, by an offer defined in Article L. 411-2 II of the French Monetary and Financial Code (22nd resolution)

This resolution is in addition to the 21st resolution to enable shareholders to vote separately on this matter as recommended by the *Autorité des Marchés Financiers*. It concerns private placements with persons providing a portfolio management service for third parties, qualified investors, or a restricted circle of investors, on condition that the last two categories act for their own account. They concern the issuing of ordinary shares giving access, if necessary, to ordinary shares, or allotment of debt securities and/or securities giving access to ordinary shares to be issued.

In accordance with Article L. 228-93 of the French Code of Commerce, the securities to be issued may give an entitlement to ordinary shares to be issued by any company of which the Company directly or indirectly holds more than half of the capital.

The capital increases performed under this delegation may not exceed an aggregate par value of €95,000,000 (ninety five million euros) it being stipulated that they would, in addition, be capped at 20% of the capital per year. This ceiling would include the aggregate par value of ordinary shares likely to be issued by virtue of the 21st resolution.

Like the 21st resolution, the subscription price of new shares issued pursuant to this delegation of authority will be at least equal to the weighted average price of the Company's shares on Euronext Paris during the three trading days immediately preceding the issue pricing date, with a potential discount of up to 5%.

Issues of debt securities may not exceed an aggregate par value of €1,000,000,000 (one billion euros) it being stipulated that this amount would be included in the €1,000,000,000 aggregate ceiling for the issue of debt securities set by the 20th resolution.

If the subscriptions do not absorb all of the issue, the Board of Directors may do the following:

- cap the amount of the issue at the amount of the subscriptions received, subject to any regulatory restrictions;
- freely allocate all or some of the unsubscribed securities.

Unless prior authorization has been granted by the General Meeting, the Board of Directors may not use this authorization upon the filing of public offering for the Company's shares by a third party, up until the end of the offering.

This delegation of authority is sought for a period of 26 months.

2.2.4 Authorization to increase the amount of the initial issues decided upon with or without preferential subscription right, in the event of over-subscriptions (23rd resolution)

This authorization would allow the Company to satisfy excess demand for rights issues made to existing shareholders (20th resolution) via public offerings (21st resolution) or the private placements referred to in the 22nd resolution.

Transactions carried out pursuant to this delegation of authority may not exceed the legal ceiling of 15% of the initial issue, and will be charged against the maximum limit applicable to the initial issue.

The subscription price of ordinary shares or securities issued must be the same as the initial issue price set pursuant to the 20th, 21st and 22nd resolutions described above.

The Board of Directors may use this authorization during a period of 30 days as from the close of the subscription period.

Unless prior authorization has been granted by the General Meeting, the Board of Directors may not use this authorization upon the filing of a public offering for the Company's shares by a third party, up until the end of the offering.

This authorization will be granted for a term of 26 months.

2.3 Employee and corporate officer share ownership: delegation of authority to increase the capital stock without preferential subscription right in favor of members of a Company savings plan (24th resolution)

Pursuant to the 24th resolution, the Board of Directors is authorized to increase the capital stock by issuing shares or securities giving access, immediately or after a given period, to the Company's capital without preferential subscription rights to Group employees who are members of a company or Group savings plan.

This authorization will be limited to 3% of the capital stock, and will not be charged against the aggregate ceiling set in the 20th resolution.

The subscription price may not be higher than the average of the opening share prices quoted on the twenty trading days preceding the date of the decision setting the opening date of the subscription period. Furthermore, it may not be more than 20% lower than that average, nor may it be 30% lower if the lock-up period provided for in the savings plan is more than or equal to ten years.

The Board of Directors may also decide to award new or existing shares or other securities conferring an entitlement to new or existing shares of the Company in respect of (i) matching contributions made pursuant to the regulations of Company or Group savings plans, and/or (ii) the discount, where applicable.

This delegation of authority is sought for a period of 26 months.

2.4 Bylaws amendment (25th resolution)

The aim of the 25th resolution is to amend the bylaws to include a procedure for appointing two Board Members representing Group employees.

These Board Members would be appointed as follows:

- one by the union organization obtaining the most votes in the first round of the elections mentioned in Articles L. 2122-1 and L. 2122-4 of the French Labour Code;

- the other by the Faurecia European Works Council (FEWC).

These Board Members would remain in office for four years.

2.5 Powers (26th resolution)

To conclude, the 26th resolution concerns the powers to be given to complete formalities relating to the General Meeting, particularly filing and publicity formalities.