

## **FAURECIA**

A French *Société anonyme* (corporation) with capital of €965,180,307

Registered office: 2 Rue Hennape, 92000 Nanterre

Nanterre Trade and Companies Register No. 542 005 376

### **COMBINED SHAREHOLDERS' MEETING OF MAY 27, 2016**

#### **AGENDA**

##### **Ordinary business**

**First resolution** – Approval of the statutory financial statements for the fiscal year ended December 31, 2015 – Approval of non-tax-deductible expenses and charges;

**Second resolution** – Approval of the consolidated financial statements for the fiscal year ended December 31, 2015;

**Third resolution** – Appropriation of income for the fiscal year, setting of dividend;

**Fourth resolution** – Statutory auditors' special report on regulated agreements and undertakings, and approval of new agreements;

**Fifth resolution** – Advisory opinion on the compensation due or granted to the Chairman and Chief Executive Officer, Mr. Yann DELABRIERE, for the fiscal year ended December 31, 2015;

**Sixth resolution** – Advisory opinion on the compensation due or granted to the Deputy Chief Executive Officer, Mr. Patrick KOLLER, for the fiscal year ended December 31, 2015;

**Seventh resolution** – Renewal of the term of office of Ms. Linda HASENFRATZ as a director;

**Eighth resolution** – Appointment of Ms. Olivia LARMARAUD as a director;

**Ninth resolution** – Appointment of Ms. Odile DESFORGES as a director;

**Tenth resolution** – Appointment of Mr. Michel de ROSEN as a director;

**Eleventh resolution** – Authorization to be granted to the Board of Directors to have the Company buy back its own shares within the framework of the mechanism provided for by Article L.225-209 of the French Commercial Code, term of authorization, purpose, terms and conditions, and ceiling.

**Extraordinary business**

**Twelfth resolution** – Authorization to be granted to the Board of Directors to cancel the shares bought back by the Company within the framework of the mechanism provided for by Article L.225-209 of the French Commercial Code, term of authorization and ceiling;

**Thirteenth resolution** – Authorization to be granted to the Board of Directors to allocate existing and/or new shares for free to employees and/or certain corporate officers of the Company or its affiliates, waiver by shareholders of their preferential subscription right, term of authorization, ceiling, vesting period particularly in the event of invalidity, and performance requirements;

**Fourteenth resolution** – Powers to complete formalities.

## DRAFT RESOLUTIONS

### Ordinary resolutions

#### **First resolution – Approval of the statutory financial statements for the fiscal year ended December 31, 2015 – Approval of non-tax-deductible expenses and charges**

After having considered the reports of the Board of Directors, the Chairman of the Board of Directors and the statutory auditors on the statutory financial statements as of December 31, 2015, shareholders approve the financial statements as presented to them, which show a profit of €226,027,198.85.

In particular, shareholders approve the total amount of expenses and charges referred to in Article 39-4 of the French General Tax Code, *i.e.*, €136,639.53, which corresponds to the non-deductible share of lease payments for passenger vehicles, with the understanding that no tax has been paid in connection with these expenses and charges.

#### **Second resolution – Approval of the consolidated financial statements for the fiscal year ended December 31, 2015**

After having considered the reports of the Board of Directors, the Chairman of the Board of Directors and the statutory auditors on the consolidated financial statements as of December 31, 2015, shareholders approve the financial statements as presented to them, which show a net profit (Group share) of €370.1 million.

#### **Third resolution – Appropriation of income for the fiscal year, setting of dividend**

On a proposal by the Board of Directors, shareholders resolve to appropriate the profit for the fiscal year ended December 31, 2015 as follows:

##### **Origin**

- Profit for the fiscal year	€226,027,198.85
- Retained earnings carried forward	€1,125,519,175.92
<b>Total to be appropriated</b>	<b>€1,351,546,374.77</b>

##### **Appropriation**

- Legal reserve	€11,301,359.94
- Dividend	€89,175,305.70
- Retained earnings	€1,251,069,709.13
<b>Total appropriated</b>	<b>€1,351,546,374.77</b>

Shareholders formally note that the total gross dividend payable in connection with each share has been set at €0.65.

The full amount of this dividend is eligible for the 40% reduction referred to in Article 158-3-2° of the French General Tax Code.

Should the number of shares carrying dividend entitlement change compared to the 137,192,778 shares that made up the capital as of December 31, 2015, the total dividend would be adjusted accordingly and the amount appropriated to the retained earnings account would be determined based on the dividend effectively distributed.

The dividend would be paid on June 3, 2016.

The ex-dividend date would be June 1, 2016.

In accordance with Article 243 *bis* of the French General Tax Code, shareholders formally note that they have been reminded of the fact that the following dividends and income has been distributed in respect of the last three fiscal years:

Fiscal year	Income eligible for reduction		Income not eligible for reduction
	Dividends	Other distributed income	
2012	-	-	-
2013	€36,780,430.50* <i>i.e.</i> , €0.30 per share	-	-
2014	€43,406,583.50* <i>i.e.</i> , €0.35 per share	-	-

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

**Fourth resolution – Statutory auditors’ special report on regulated agreements and undertakings, and approval of new agreements**

After having considered the statutory auditors’ special report on regulated agreements and undertakings, shareholders approve the new agreements referred to in said report.

**Fifth resolution – Advisory opinion on the compensation due or granted to the Chairman and Chief Executive Officer, Mr. Yann DELABRIERE, for the fiscal year ended December 31, 2015**

Having been consulted in accordance with the recommendation set out in sub-section 24.3 of the AFEP-MEDEF Corporate Governance Code of November 2015, the Company’s reference code pursuant to Article L.225-37 of the French Commercial Code, shareholders issue an opinion in favor of the compensation due or granted for the fiscal year ended December 31, 2015 to the Chairman and Chief Executive Officer, Mr. Yann Delabrière, as set out in the explanatory notes to the resolutions.

**Sixth resolution – Advisory opinion on the compensation due or granted to the Deputy Chief Executive Officer, Mr. Patrick KOLLER, for the fiscal year ended December 31, 2015**

Having been consulted in accordance with the recommendation set out in sub-section 24.3 of the AFEP-MEDEF Corporate Governance Code of November 2015, the Company’s reference code pursuant to Article L.225-37 of the French Commercial Code, shareholders issue an opinion in favor of the compensation due or granted for the fiscal year ended December 31, 2015 to Mr. Patrick Koller, Deputy Chief Executive Officer since February 2, 2015, as set out in the explanatory notes to the resolutions.

**Seventh resolution – Renewal of the term of office of Ms. Linda HASENFRATZ as a director**

Shareholders resolve to renew the term of office of Ms. Linda Hasenfratz as a director for a term of four years, such term to expire at the close of the general meeting held in 2020 to vote on the financial statements for the previous fiscal year.

**Eighth resolution – Appointment of Ms. Olivia LARMARAUD as a director**

Shareholders resolve to appoint Ms. Olivia Larmaraud as a director for a term of four years, such term to expire at the close of the general meeting held in 2020 to vote on the financial statements for the previous fiscal year.

**Ninth resolution – Appointment of Ms. Odile DESFORGES as a director**

Shareholders resolve to appoint Ms. Odile Desforges as a director for a term of four years, such term to expire at the close of the general meeting held in 2020 to vote on the financial statements for the previous fiscal year.

**Tenth resolution – Appointment of Mr. Michel de ROSEN as a director**

Shareholders resolve to appoint Mr. Michel de Rosen as a director for a term of four years, such term to expire at the close of the general meeting held in 2020 to vote on the financial statements for the previous fiscal year.

**Eleventh resolution – Authorization to be granted to the Board of Directors to have the Company buy back its own shares within the framework of the mechanism provided for by Article L.225-209 of the French Commercial Code, term of authorization, purpose, terms and conditions, and ceiling**

After having considered the report of the Board of Directors, in accordance with Article L.225-209 *et seq.* of the French Commercial Code, shareholders grant the Board authorization, for a period of 18 months, to purchase up to 10% of the shares that make up the Company's capital, in one or more stages and at the times it deems appropriate, following an adjustment if necessary to take into account any capital increases or reductions that take place during the term of the program.

This authorization would bring an end to the authorization granted to the Board of Directors by shareholders under their sixth ordinary resolution at their combined general meeting of May 27, 2015.

Shares could be purchased with a view to:

- supporting the secondary market and maintaining a liquid market for Faurecia shares through an investment services provider under a liquidity agreement in accordance with the AMAFI Code of Ethics permitted by applicable regulations;
- retaining the purchased shares and subsequently offering them in exchange or payment in the context of potential external acquisitions;
- providing cover for stock option plans and/or free share plans (or like plans) for the Group's employees and/or corporate officers as well as all share allotments under a company or group savings plan (or like plan), in connection with profit sharing and/or any other form of share allotment to the Group's employees and/or corporate officers;
- providing cover for securities that entitle their holders to shares in the Company in accordance with applicable regulations; and
- cancelling (if necessary) the shares acquired, subject to the authorization granted or to be granted by shareholders at an extraordinary general meeting.

These share purchases could take place by any means, including through the acquisition of blocks of securities, at such times as the Board of Directors deemed appropriate.

The Board of Directors should obtain prior authorization from shareholders at a 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 had ended.

The Company reserves the right to use these optional mechanisms or derivatives in accordance with applicable regulations.

The maximum purchase price has been set at €60 per share. Should an operation be carried out on the Company's capital, particularly a stock split, reverse stock split or free share allotment, the above amount would be adjusted in the same proportions (coefficient equal to the ratio between the number of shares that made up the capital prior to the operation and the number of shares after the operation).

Accordingly, by way of a guide, the maximum amount the Company could be required to pay should shares be purchased at the maximum price of €60 would be €821,843,388 based on the Company's capital as of December 31, 2015 (made up of 137,192,778 shares) in view of the 21,888 treasury shares held by the Company on that date.

Shareholders give full powers to the Board of Directors, with the option for the Board to sub-delegate the powers in accordance with French law, in order to carry out these operations, set the terms and conditions thereof, enter into all agreements and complete all formalities.

### **Extraordinary resolutions**

#### **Twelfth resolution – Authorization to be granted to the Board of Directors to cancel the shares bought back by the Company within the framework of the mechanism provided for by Article L.225-209 of the French Commercial Code, term of authorization and ceiling**

After having considered the Board of Directors' report and the statutory auditors' report, shareholders:

1. Authorize the Board of Directors to cancel, at its sole discretion, in one or more stages, up to 10% of the capital existing on the date of the cancellation decision, less any shares cancelled during the previous 24 months, which the Company holds or might hold following the repurchases made in accordance with Article L.225-209 of the French Commercial Code, and to reduce the capital accordingly in accordance with applicable law and regulations.
2. Set the term of validity of this authorization at 18 months from the date of this meeting.
3. Give full powers to the Board of Directors, with the option for the Board to sub-delegate the powers in accordance with French law, in order to carry out the operations required to cancel shares and reduce the capital accordingly, amend the Company's bylaws accordingly and complete all the required formalities.

#### **Thirteenth resolution – Authorization to be granted to the Board of Directors to allocate existing and/or new shares for free to employees and/or certain corporate officers of the Company or its affiliates, waiver by shareholders of their preferential subscription right, term of authorization, ceiling, vesting period particularly in the event of invalidity, and performance requirements**

After having considered the Board of Directors' report and the statutory auditors' special report, shareholders authorize the Board of Directors to allocate, in one or more stages in accordance with Articles L.225-197-1 and L.225-197-2 of the French Commercial Code, ordinary existing and/or new shares in the Company, to:

- employees of the Company or of its direct or indirect affiliates within the meaning of Article L.225-197-2 of the French Commercial Code; and/or
- corporate officers who meet the requirements laid down in Article L.225-197-1 of the French Commercial Code.

The total number of free shares allotted should not exceed 2,000,000.

The total number of shares that may be allotted for free to the Company's senior executives should not exceed 10% of the above amount.

Beneficiaries would be definitively entitled to the shares allotted to them at the end of a vesting period to be set by the Board of Directors, such term not to be less than three years. Shareholders authorize the Board of Directors to decide whether to stipulate a mandatory lock-up period at the end of the vesting period.

Exceptionally, the shares would be definitively allotted before the end of the vesting period should the beneficiary be classed as a category 2 or category 3 invalid under Article L.341-4 of the French Social Security Code.

According to a decision by the Board of Directors, the definitive allotment of shares would be subject to the fulfillment of performance requirements assessed with regard to the following criteria:

- the Group's net result before or after tax and before taking into account any extraordinary items for the year prior to the acquisition date, as set by the Board of Directors, compared to the same result for the same year anticipated in the Group's medium-term plan examined by the Board of Directors on the share allotment date; and
- growth in net earnings per Faurecia share assessed between the last fiscal year ended on the allotment date and the last fiscal year ended on the acquisition date, compared to the average growth of a reference global group of car manufacturers in the same period.

Full powers are given to the Board of Directors, with the option for the Board to sub-delegate the powers in accordance with French law, in order to:

- determine the terms and conditions applicable to the allotments and record the fulfillment of the performance requirements as set out above;
- determine who should benefit from the allotment as well as the number of shares to be allotted to each beneficiary; and
- where appropriate:
  - o record the existence of adequate reserves and, on each allotment of new shares, transfer the sums needed to pay up the new shares to be allotted to an unavailable reserve account;
  - o record, at the appropriate time, the capital increase or increases via the capitalization of reserves, premiums or profit following the issue of the new shares definitively allotted, set the ex date of the shares to be issued, amend the bylaws accordingly and, generally, take all the required steps and complete all the required formalities;
  - o purchase the required number of shares in the context of the share buyback program and allocate them to the allotment plan relating to shares already in circulation;
  - o determine the impact on beneficiaries' rights of the operations on capital carried out during the vesting period and consequently adjust, if necessary, the number of shares allotted in order to protect beneficiaries' rights;
  - o decide whether or not to stipulate a lock-up obligation at the end of the vesting period and, where appropriate, determine the term of said period and take all appropriate steps to ensure that beneficiaries fulfill said obligation; and
  - o generally, do all that is necessary in order to implement this authorization in accordance with applicable legislation.

This authorization would automatically entail a waiver by shareholders of their preferential right to subscribe for the new shares issued via the capitalization of reserves, premiums and profit.

It is granted for a period of 26 months from the date of this meeting.

It cancels any previous authorization concerning the same subject that had not been exercised.

#### **Fourteenth resolution – Powers to complete formalities**

Shareholders gave full powers to the bearer of an original or a copy of, or an excerpt from, these minutes to complete all the filing and publicity formalities required by law.