

Nanterre, 18 December 2019

**Compensation of Patrick Koller, Chief Executive Officer**  
**Amendment of the performance additive pension plan subject to performance conditions**  
**Decision of the Board of Directors dated 18 December 2019**

It is reminded that, pursuant to the decision of the Board of Directors dated 25 July 2016, Patrick Koller, as CEO, benefits from a performance additive pension plan subject to performance conditions (the "**PAPP**"). This regulated undertaking was approved by the shareholders' meeting held on 30 May 2017 under the fifth resolution.

The PAPP, authorized by the Board of Directors of 11 February 2015, as modified by an unilateral decision by the CEO dated 4 July 2016, is applicable to the members of the Executive Committee who hold a current or suspended employment contract or a corporate office mandate in France and who are members of the Executive Committee for a minimum consecutive period of three civil years from the introduction of this regime or the entry into the Executive Committee.

The order dated 3 July 2019 transposing the European directive dated 16 April 2014 (the "**Order**") provides for (i) the closing of defined benefits pension plans conditioned to presence as of 4 July 2019 and (ii) the prohibition to acquire new supplementary rights conditioned to presence as of 1 January 2020.

The Board of Directors acknowledges that, pursuant to the Order, past non-vested rights will be frozen (in percentage) into existing scheme as at 31 December 2019 (crystallization). As a consequence, for the calculation of the current PAPP benefits, only the years during which the potential beneficiary belongs to the Executive Committee until 31 December 2019 will be taken into account. The past non-vested rights granted to the potential beneficiary for each year of seniority will be frozen at that date.

Following the PAPP review and pursuant to Article L. 225-42-1 of the French Commercial Code, the Board of Directors decides (Patrick Koller not taking part to the deliberation nor to the decision) not to apply to the potential beneficiaries (including the CEO) the condition of presence at retirement date, in case of dismissal at the Company initiative after the age of 60 instead of 62 in the current PAPP, if the potential beneficiary does not have any other professional activity until retirement. This should allow the Company to have more flexibility to manage departure as of 60 years. This authorization will be subject to a shareholder vote during the next shareholders' meeting under a specific resolution for Patrick Koller to the extent required by applicable laws and regulations.

**Schedule 1**

**Additional information**

- An extract of the publication made by the Company on 27 July 2016 concerning the benefit of the PAPP to Patrick Koller as CEO and presenting the calculation method used to determine the rights granted to the beneficiaries is provided below<sup>1</sup>:

*"It is reminded that Faurecia guarantees beneficiaries an annual pension determined according to the Company's operating income and budget approved by the Board of Directors according to the following formula:*

$$\sum Xi * R$$

*R = annual reference compensation*

*Xi = entitlement for each year of seniority (i) equal to:*

- *3% if the Operating Income for the year is strictly more than 105% of the budgeted Operating Income*
- *2% if the Operating Income for the year is between 95% and 105% of the budgeted Operating Income*
- *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."*

- The amount of the estimated annuity under the PAPP remains unchanged.

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<sup>1</sup> The whole publication is available on the Company's website at the following address: [https://www.faurecia.com/sites/groupe/files/pages/compensation\\_articles\\_l.225-42-1\\_and\\_r.225-34-1\\_pour\\_mel.pdf](https://www.faurecia.com/sites/groupe/files/pages/compensation_articles_l.225-42-1_and_r.225-34-1_pour_mel.pdf)