The English language of this document is a free translation of a document published in French.
The original language in French takes precedence over this translation

COMBINED SHAREHOLDERS' MEETING OF MAY 27, 2016

EXPLANATORY NOTES TO RESOLUTIONS

1- EXPLANATORY NOTES TO ORDINARY RESOLUTIONS

The first three resolutions that are put to your vote concern the approval of the financial statements for the 2015 fiscal year and the appropriation of income.

The fourth resolution concerns 'regulated' agreements and undertakings.

In accordance with the AFEP-MEDEF Code, the fifth and sixth resolutions are intended to seek your opinion on the compensation due or granted to the Chairman and Chief Executive Officer, Mr. Yann Delabrière, and to the Deputy Chief Executive Officer, Mr. Patrick Koller, in respect of the 2015 fiscal year based on the 'Say on Pay' principle.

The seventh to tenth resolutions concern governance:

- the seventh resolution concerns the renewal of the term of office of Ms. Linda Hasenfratz as a director; and
- the eighth, ninth and tenth resolutions concern the appointment of Ms. Olivia Larmaraud, Ms. Odile Desforges and Mr. Michel de Rosen as directors.

At the close of this general meeting and in view of these appointments and of the fact that Mr. Thierry Peugeot's office is due to expire, the Board of Directors will henceforth have 15 rather than 13 members, in accordance with article 11 of the bylaws which stipulates that your Company's Board of Directors can have up to 15 members.

The eleventh resolution concerns the share buyback program.

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

Approval of the statutory financial statements for 2015 (1st resolution)

You are asked to approve these financial statements, which show a profit of €226,027,198.85.

You are also asked to 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, with the understanding that no tax was paid in connection with these expenses and charges.

Approval of the consolidated financial statements for 2015 (2nd resolution)

You are asked to approve these financial statements, which show a net profit (Group share) of €370.1 million.

Appropriation of income (3rd resolution)

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

Accordingly, you are asked to approve the appropriation of income for the 2015 fiscal year, *i.e.*, €226,027,198.85, as follows:

Origin	
- Profit for the fiscal year	€226,027,198.85
- Retained earnings carried forward	€1,125,519,175.92
Total to be appropriated	**€1,351,546,374.77**
Appropriation	
- Legal reserve	€11,301,359.94
- Dividend	€89,175,305.70
- Retained earnings	€1,251,069,709.13
Total appropriated	**€1,351,546,374.77**

In view of the Group's performance, the Board of Directors has decided to suggest distributing a gross dividend of €0.65 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 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 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 1, 2016 and the dividend will be paid on June 3, 2016.

In accordance with Article 243 *bis* of the French General 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	
2012	-	-	-
2013	€36,780,430.50* *i.e.*, €0.30 per share	-	-
2014	€43,406,583.50* *i.e.*, €0.35 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 agreements referred to in said report, which were authorized by the Board of Directors on February 11, 2015.

These agreements are as follows:

- an agreement entered into between Faurecia and Mr. Patrick Koller setting out Mr. Koller's rights and obligations as Deputy Chief Executive Officer; and

- implementation of an additional defined-benefit pension plan for all Executive Committee members who hold an employment contract that is in progress or has been suspended and who have been members of the Executive Committee for at least three calendar years from the date of implementation of the plan or from the date they joined the Executive Committee, with the understanding that Mr. Patrick Koller is a beneficiary of this plan.

In their report, the statutory auditors also point out that an agreement relating to the defined-contribution and defined-benefit pension plan implemented for the entire Group in France, of which Mr. Yann Delabrière is a beneficiary, was authorized prior to the last fiscal year and that it remained in effect during said year.

1.3 Say on Pay (5th and 6th resolutions)

The elements of compensation due or granted to Mr. Yann Delabrière for the fiscal year ended December 31, 2015 and that are put to shareholders for their opinion are set out in the table below:

Components of compensation due or granted for the fiscal year ended December 31, 2015	Amounts or accounting valuation put to the vote	Presentation
Fixed compensation	**€800,000.04** **(amount paid)**	Mr. Delabrière's fixed compensation was increased to €800,000 as from the 2015 fiscal year by decision of the Board of Directors taken on February 11, 2015. Previously, it had been set at €700,000 as from the 2011 fiscal year by decision of the Board of Directors taken on February 7, 2011 and had not changed until that time. The Board of Directors decided to increase his compensation based on the following: - 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. Delabrière's fixed compensation had remained the same since 2011; and - the financial results for the 2014 fiscal year provided proof of the implementation of a medium and long-term strategy for Faurecia and an organizational structure adapted to this strategy.

Components of compensation due or granted for the fiscal year ended December 31, 2015	Amounts or accounting valuation put to the vote	Presentation
Annual variable compensation	**€1,380,000** **(amount paid in respect of 2015)**	At its meeting of February 11, 2015, the Board set the procedure for determining Mr. Delabrière's variable compensation for 2015. His variable compensation is determined depending on whether he reaches quantitative targets, in which case he is entitled to variable compensation ranging from 0 to 150% of his fixed compensation. Qualitative targets have also been set in addition to quantitative targets. If some or all of these quantitative targets are met, the qualitative targets met are used to determine a potential multiplier of the quantitative targets of between 0.70 and 1.20. As a result, if a quantitative target is 0, no qualitative target multiplier will apply. Mr. Delabrière's total variable compensation can range from 0 to 180% of his annual fixed compensation. This variable component is paid to Mr. Delabrière once the Board of Directors has confirmed that the relevant results have been achieved. The quantitative targets set by the Board of Directors on February 11, 2015 are linked to the operating margin and free cash flow*:* • Mr. Delabrière is entitled to variable compensation of between 0 and 150% (maximum percentage) of his fixed compensation, depending on the operating margin set with reference to the 2015 budget. Forty per cent of his variable compensation is based on the operating margin; • Mr. Delabrière is entitled to variable compensation of between 0 and 150% (maximum percentage) of his fixed compensation, depending on the free cash flow set with reference to the 2015 budget. Sixty per cent of his variable compensation is based on free cash flow. The expected levels of achievement of these targets were set by the Board of Directors with reference to the 2015 budget but are not made public for confidentiality reasons. The qualitative targets set by the Board of Directors concern the following: • effective management of the switch to the new senior management structure (criterion with a weighting of 25%); • definition of the phases of completion of Faurecia's strategy (criterion with a weighting of 25%); • completion of cross-functional strategic projects: *Being Faurecia*; digital company; factory of the future; strategic innovation (criterion with a weighting of 25%); and • the strategy in Asia with the expansion of business and strengthening of relationships with Asian manufacturers (criterion with a weighting of 25%).

Components of compensation due or granted for the fiscal year ended December 31, 2015	Amounts or accounting valuation put to the vote	Presentation
Annual variable compensation		On a recommendation made by the Appointments and Compensation Committee on February 4, 2016, at its meeting of February 10, 2016, the Board of Directors reviewed the extent to which the quantitative criteria had been met: • as regards the criterion linked to the operating margin, the Board of Directors formally noted that 150% of this initial quantitative objective had been reached; and • as regards the criterion linked to free cash flow, the Board of Directors formally noted that 150% of this second quantitative objective had been reached. As a result of these two achievements, 150% of targets according to the scale adopted by the Board of Directors were reached: Mr. Delabrière is therefore entitled to quantitative variable compensation of €1,200,000 before the achievement of qualitative targets is reviewed. The Board of Directors then reviewed the achievement of each of the four qualitative targets described above: * as regards the effective management of the switch to the new senior management structure, based on the decisions made in terms of governance, rotation, implementation of the rotation and management of the changeover plan, the Board of Directors estimated that 120% of this criterion had been met; * as regards the definition of the phases of completion of Faurecia's strategy, based notably on the strategic presentation given by management to the Board in October 2015 and the importance of the proposed sale of the business of the Business Group Faurecia Automotive Exteriors, the Board of Directors estimated that 120% of this criterion had been met; * as regards the completion of cross-functional strategic projects (*Being Faurecia*; digital company; factory of the future; and strategic innovation), based on the presentations given by management at the Board meetings held in October and December 2015, the Board of Directors estimated that 100% of this criterion had been met; and * as regards the strategy in Asia with the expansion of business and strengthening of relationships with Asian manufacturers, based on the presentation given by management at the Board meeting held in December 2015 concerning implementation of the partnership with Dongfeng in particular, the Board of Directors estimated that 120% of this criterion had 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 1.15 should apply to the two quantitative targets. On this basis, at its meeting of February 10, 2016, the Board of Directors decided that for 2015, Mr. Delabrière's variable compensation should equate to 150% x 1.15, *i.e.* 172.5%, of his fixed compensation for 2015, *i.e.*, the sum of €1,380,000.
Deferred variable compensation	**Not applicable**	No deferred variable compensation
Multi-annual variable compensation	**Not applicable**	No multi-annual variable compensation
Exceptional compensation	**Not applicable**	No exceptional compensation

Components of compensation due or granted for the fiscal year ended December 31, 2015	Amounts or accounting valuation put to the vote	Presentation
Stock options, performance shares or other long-term compensation components	**Options = not applicable**	No stock subscription or purchase options allotted
	Performance shares = **€1,985,069** **(accounting valuation)**	At its meeting of July 23, 2015, the Board of Directors decided to allot up to 55,798 shares to Mr. Delabrière in the context of free performance share allotment plan number 7, based on the authorization granted by shareholders at their general meeting of May 27, 2015 (20th resolution adopted in extraordinary session). These 55,798 shares correspond to 0.04% of the capital as of December 31, 2015. The Board of Directors made the definitive acquisition of these shares contingent on the following: - the acquisition of 60% of the shares was made contingent on an internal performance objective linked to the Group's net pre-tax income as of December 31, 2017, before taking into account any capital gains on sales of assets and changes in scope, as set by the Board of Directors compared to the same income for the same fiscal year according to the Group's medium-term plan examined by the Board of Directors on the share allotment date; and - the acquisition of 40% of the shares was made contingent on an external objective based on an increase in net income per Faurecia share assessed between 2014 and 2017 and compared to the average growth of a reference global group of car manufacturers in the same period. If these performance requirements laid down in plan number 7 have been met in full at the end of the 2017 fiscal year, Mr. Delabrière will be allotted the maximum 55,798 shares.
	Other long-term compensation component = not applicable	
Attendance fees	**Not applicable**	Mr. Delabrière does not receive any attendance fees
Valuation of all benefits	**€7,371.60** **(accounting valuation)**	Car

Components of compensation due or granted for the fiscal year ended December 31, 2015 voted by shareholders at a general meeting in connection with the procedure applicable to regulated agreements and undertakings	Amounts put to the vote	Presentation
Severance pay	**Not applicable**	No severance pay
Non-competition indemnity	**Not applicable**	No non-competition clause
Defined-contribution and defined-benefit supplementary pension plans	**No payment made during the fiscal year**	Overview of defined-benefit plan - minimum seniority: 5 years within the Group upon retirement; - progressive increase in potential rights compared 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 plan: 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 4 and 8 times the annual social security limit) and potential individual rights amount to an annual pension of €37,540 (as of December 31, 2015), *i.e.*, 3% of reference income. Overview of defined-contribution plan - defined-contribution plan according to brackets A and B of 1% of compensation with regard to bracket A and 6% of compensation with regard to bracket B, with no contribution by the beneficiary; - contributions paid by the Company in 2015: €7,227.60; - estimated annual pension as of December 31, 2015: €4,055. These two plans are always open to all Group executives who, upon their retirement, have at least 5 years' seniority (defined-benefit plan) or at least 1 year's seniority (defined-contribution plan). The above plan, 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).

The elements of compensation due or granted to Mr. Patrick Koller, Deputy Chief Executive Officer since February 2, 2015, for the fiscal year ended December 31, 2015 and that are put to shareholders for their opinion are set out in the table below:

Components of compensation due or granted for the fiscal year ended December 31, 2015	Amounts or accounting valuation put to the vote	Presentation
Fixed compensation	**€568,333.37** **(amount paid to Mr. Koller in connection with his corporate office as from February 2, 2015)**	Mr. Koller's annual fixed compensation 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 based on an examination of the situation of a representative sample of listed manufacturers comparable to Faurecia.

Components of compensation due or granted for the fiscal year ended December 31, 2015	Amounts or accounting valuation put to the vote	Presentation
Annual variable compensation	**€784,290** **(amount paid in respect of 2015)**	At its meetings of December 9, 2014 and February 11, 2015, the Board of Directors set the terms and conditions for determining Mr. Patrick Koller's variable compensation for 2015. His variable compensation is determined depending on whether he reaches quantitative targets, in which case he is entitled to variable compensation ranging from 0 to 150% of 80% of his fixed compensation. The Board of Directors has also set qualitative targets in addition to quantitative targets. If some or all of these quantitative targets are met, the qualitative targets met are used to determine a potential multiplier of the quantitative targets of between 0.70 and 1.20. As a result, if a quantitative target is 0, no qualitative target multiplier will apply. Mr. Koller's total variable compensation can range from 0 to 144% of his annual fixed compensation. This variable component is paid to Mr. Koller once the Board of Directors has confirmed that the relevant results have been achieved. The quantitative targets set by the Board of Directors on February 11, 2015 are identical to those set for Mr. Delabrière and are linked to operating margin and free cash flow*:* • Mr. Koller is entitled to variable compensation of between 0 and 150% (maximum percentage) of 80% of his fixed compensation, depending on the operating margin set with reference to the 2015 budget. Forty per cent of his variable compensation is based on the operating margin; • Mr. Koller is entitled to variable compensation of between 0 and 150% (maximum percentage) of 80% of his fixed compensation, depending on the free cash flow set with reference to the 2015 budget. Sixty per cent of his variable compensation is based on free cash flow. The expected levels of achievement of these targets were set by the Board of Directors with reference to the 2015 budget but are not made public for confidentiality reasons. The qualitative targets set by the Board of Directors concern the following: • effective management of the switch to the new senior management structure (criterion with a weighting of 25%); • definition of the phases of completion of Faurecia's strategy (criterion with a weighting of 25%); • completion of cross-functional strategic projects: *Being Faurecia*; digital company; factory of the future; strategic innovation (criterion with a weighting of 25%); and

Components of compensation due or granted for the fiscal year ended December 31, 2015	Amounts or accounting valuation put to the vote	Presentation
Annual variable compensation		• the reorganization of business in North America (criterion with a weighting of 25%). On a recommendation made by the Appointments and Compensation Committee on February 4, 2016, at its meeting of February 10, 2016, the Board of Directors reviewed the extent to which the quantitative criteria had been met: • as regards the criterion linked to the operating margin, the Board of Directors formally noted that 150% of this initial quantitative objective had been reached; and • as regards the criterion linked to free cash flow, the Board of Directors formally noted that 150% of this second quantitative objective had been reached. As a result of these two achievements, 150% of targets according to the scale adopted by the Board of Directors were reached: Mr. Koller is therefore entitled to quantitative variable compensation of €852,489 before the achievement of qualitative targets is reviewed. The Board of Directors then reviewed the achievement of each of the four qualitative targets described above: * as regards the effective management of the switch to the new senior management structure, based on the decisions made in terms of governance, rotation, implementation of the rotation and management of the changeover plan, the Board of Directors estimated that 120% of this criterion had been met; * as regards the definition of the phases of completion of Faurecia's strategy, based notably on the strategic presentation given by management to the Board in October 2015 and the importance of the proposed sale of the business of the Business Group Faurecia Automotive Exteriors, the Board of Directors estimated that 120% of this criterion had been met; * as regards the completion of cross-functional strategic projects (*Being Faurecia*; digital company; factory of the future; and strategic innovation), based on the presentations given by management at the Board meetings held in October and December 2015, the Board of Directors estimated that 100% of this criterion had been met; and * as regards the reorganization of business in North America, based on the excellent results obtained in this region in 2015 as well as the structural changes implemented in 2015, the Board of Directors estimated that 120% of this criterion had 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 1.15 should apply to the two quantitative targets. On this basis, at its meeting of February 10, 2016, the Board of Directors decided that for 2015, Mr. Koller's variable compensation should equate to 80% x 150% x 1.15, *i.e.* 138%, of his fixed compensation for 2015, *i.e.*, the sum of €784,290.
Deferred variable compensation	**Not applicable**	No deferred variable compensation
Multi-annual variable compensation	**Not applicable**	No multi-annual variable compensation

Components of compensation due or granted for the fiscal year ended December 31, 2015	Amounts or accounting valuation put to the vote	Presentation
Exceptional compensation	**Not applicable**	No exceptional compensation
Stock options, performance shares or other long-term compensation components	**Options = not applicable**	No stock subscription or purchase options allotted
	Performance shares = €938,601 (accounting valuation)	At its meeting of July 23, 2015, the Board of Directors decided to allot up to 26,383 shares to Mr. Koller in the context of free performance share allotment plan number 7, based on the authorization granted by shareholders at their general meeting of May 27, 2015 (20th resolution adopted in extraordinary session). These 26,383 shares correspond to 0.01% of the capital as of December 31, 2015. The Board of Directors made the definitive acquisition of these shares contingent on the following: - the acquisition of 60% of the shares was made contingent on an internal performance objective linked to the Group's net pre-tax income as of December 31, 2017, before taking into account any capital gains on sales of assets and changes in scope, as set by the Board of Directors compared to the same income for the same fiscal year according to the Group's medium-term plan examined by the Board of Directors on the share allotment date; and - the acquisition of 40% of the shares was made contingent on an external objective based on an increase in net income per Faurecia share assessed between 2014 and 2017 and compared to the average growth of a reference global group of car manufacturers in the same period. If these performance requirements laid down in plan number 7 have been met in full at the end of the 2017 fiscal year, Mr. Koller will be allotted the maximum 26,383 shares.
	Other long-term compensation component = not applicable	
Attendance fees	**Not applicable**	Mr. Koller does not receive any attendance fees
Valuation of all benefits	**€18,651.93 (accounting valuation)**	Car and contribution paid by the Company under the company manager social guarantee

Components of compensation due or granted for the fiscal year ended December 31, 2015 voted by shareholders at a general meeting in connection with the procedure applicable to regulated agreements and undertakings	Amounts put to the vote	Presentation
Severance pay	**Not applicable**	No severance pay
Non-competition indemnity	**Not applicable**	No non-competition clause
Defined-contribution and defined-benefit supplementary pension plans	**No payment made during the fiscal year**	<u>Overview of defined-benefit plan</u> - minimum seniority: 5 years within the Group upon retirement; - progressive increase in potential rights compared 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 plan: 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 4 and 8 times the annual social security limit) and potential individual rights amount to an annual pension of €13,514 (as of December 31, 2015), *i.e.*, 3% of reference income. <u>Overview of defined-contribution plan</u> - defined-contribution plan according to brackets A and B of 1% of compensation with regard to bracket A and 6% of compensation with regard to bracket B, with no contribution by the beneficiary; - contributions paid by the Company in 2015 in connection with Mr. Koller's corporate office: €6,625.30; - estimated annual pension as of December 31, 2015: €2,357. These two plans are always open to all Group executives who, upon their retirement, have at least 5 years' seniority (defined-benefit plan) or at least 1 year's seniority (defined-contribution plan). The above plan, of which Mr. Koller is a beneficiary, was authorized by the Board of Directors on April 13, 2016 and will be put to shareholders for approval at their general meeting to be held in 2017.

Components of compensation due or granted for the fiscal year ended December 31, 2015 voted by shareholders at a general meeting in connection with the procedure applicable to regulated agreements and undertakings	Amounts put to the vote	Presentation
Additional defined-benefit pension plan	**No payment made during the fiscal year**	This plan, which was implemented by decision of the Board of Directors taken on February 11, 2015, is for the benefit of Executive Committee members who have an employment contract in progress or that has been suspended and who have sat on the Executive Committee for a minimum term of three consecutive calendar years from the date the plan was implemented or from the date they joined the Executive Committee. Beneficiaries are also required to pursue the rest of their career within the Faurecia Group. 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: $\sum X_i * R$ *R = annual reference compensation* *X_i = 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. 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: - the sums paid by the Faurecia Group must not exceed 25% of the reference compensation; and - the sums paid by the Faurecia Group will be capped at 8 times the annual social security limit (€304,320 in 2015). Should either of these limits be exceeded, the relevant pension will be reduced accordingly.

Components of compensation due or granted for the fiscal year ended December 31, 2015 voted by shareholders at a general meeting in connection with the procedure applicable to regulated agreements and undertakings	Amounts put to the vote	Presentation
		The total annual pension paid under the Faurecia Group's mandatory and specific plans must not exceed 45% of the reference compensation, *i.e.*, the total average gross annual compensation (basic annual compensation and all premiums and variable compensation relating to the last three calendar years of activity prior to the date the beneficiary stops work) received by the beneficiary within Faurecia over the last three calendar years prior to the date he stops work or steps down from the Executive Committee. Mr. Koller is potentially entitled to the following individual rights as of December 31, 2015: - reference compensation as of December 31, 2015: €783,485 - potential annual entitlement for 2015: 3% - total potential annual entitlement as of December 31, 2015: 3% - maximum potential entitlement (all Faurecia plans): 25%, combined with 8 times the annual social security limit - seniority requirement: 3 calendar years on the Executive Committee as from January 1, 2015 - estimated annual pension as of December 31, 2015: €23,504 The above plan, of which Mr. Koller is a beneficiary, was authorized by the Board of Directors on February 11, 2015 and will be put to shareholders for approval at their general meeting of May 27, 2016 (4th resolution to be adopted in ordinary session).

1.4 Governance (7th to 10th resolutions)

You are also asked to renew the term of office of Ms. Linda Hasenfratz as a director.

Ms. Linda Hasenfratz has reached the end of an initial five-year directorship during which Faurecia has benefitted from her extensive professional experience in the automotive industry.

You are also asked to appoint Ms. Olivia Larmaraud, Ms. Odile Desforges and Mr. Michel de Rosen as new directors. These appointments will increase the number of members of your Company's Board of Directors from 13 to 15 (Mr. Thierry Peugeot's office will expire at the close of this meeting) in accordance with article 11 of the bylaws, which stipulates that the Board of Directors can have up to 15 members.

At the close of this general meeting, five members of your Company's Board of Directors, *i.e.*, one third of its members, will be women.

Ms. Linda Hasenfratz, Ms. Olivia Larmaraud, Ms. Odile Desforges and Mr. Michel de Rosen will remain in office for a term of four years, *i.e.*, until the close of the general meeting held in 2020 to vote on the financial statements for the 2019 fiscal year.

Information on the expertise and career path of each of these persons is set out in Section 11.4 of the 2015 Registration Document.

The Board of Directors has already decided that Ms. Linda Hasenfratz, Ms. Odile Desforges and Mr. Michel de Rosen will be deemed independent directors 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, 10 of the 15 members of your Company's Board of Directors, *i.e.*, more than one third of its members, will be independent.

1.5 Share buyback program (11th resolution)

The Board of Directors will be authorized to buy back shares in 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 agreement;
- 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 free 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 granting entitlement to shares in 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 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 has ended.

The Company reserves the right to use these optional mechanisms or derivatives in accordance with 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 (€821,843,388) and a maximum limit on the number of shares that 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, 2015 under their sixth ordinary resolution.

2- EXPLANATORY NOTES TO THE EXTRAORDINARY RESOLUTIONS

The 12th resolution will allow the Board of Directors to reduce the capital by cancelling treasury shares.

The purpose of the 13th extraordinary resolution is to seek your authorization to enable your Board of Directors to allot performance shares free of charge to the Group's employees and corporate officers who benefit from the mechanism introduced by French Act No. 2015-990 of August 6, 2015 (the Macron Act) for the expansion, activity and equality of economic opportunities. This resolution will therefore cancel any unused part of the current authorization granted for a period of 26 months by shareholders at their general meeting of May 27, 2015.

At their meeting of May 27, 2015, shareholders authorized your Board of Directors to grant up to 2,000,000 performance shares, with the total number of shares allotted to corporate officers not to exceed 15% of this amount.

The Board of Directors exercised this authority in the 2015 fiscal year:

- by decision of July 23, 2015, the Board allotted the maximum 889,981 shares, including the maximum 82,181 shares to corporate officers.

The Board therefore exercised the authority granted to it by shareholders at their general meeting of May 27, 2015 in relation to 889,981 shares.

Generally, with the exception of two plans set up in 2010, your Board of Directors sets up one performance share plan every year. To date, seven plans have been set up on the basis of the authorizations granted by you:

- two plans in 2010;
- one plan in 2011;
- one plan in 2012;
- one plan in 2013;
- one plan in 2014; and
- one plan in 2015.

In practice, the requirement for the first plan of 2010 was met and beneficiaries of the plan acquired the maximum number of shares.

The requirements linked to the 2013 plan were also met and beneficiaries of this plan will definitively acquire shares in July 2017.

However, the requirements stipulated by the Board in relation to the second plan of 2010, the 2011 plan and the 2012 plan were not met. As a result, beneficiaries did not acquire any shares under these three plans.

The 2014 and 2015 plans are currently under way.

2.1 Cancellation of treasury shares (12th resolution)

This resolution will authorize the Board of Directors to cancel shares in the Company purchased pursuant to the 11th resolution or under previously authorized share buyback programs, within the limit of 10% of capital, and to reduce the capital accordingly.

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

2.2 Employee and corporate officer share ownership : authorization to allocate performance shares for free to employees and/or certain corporate officers (13th resolution)

Under the 13th resolution, the Board of Directors will be authorized to allocate existing and / or new shares for free to employees and/or corporate officers of the Company and/or companies or groupings linked directly or indirectly to the Company in accordance with Article L. 225-197-2 of the French Commercial Code.

It is understood that the definitive allotment of shares will be subject to the fulfillment of performance requirements assessed with regard to the following criteria set under the resolution:

- 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.

Accordingly, the total number of shares allotted free of charge must not exceed 2,000,000 (two million) shares, with the understanding that this figure is the maximum number of shares that may be allotted throughout the term of this authorization.

The total number of shares that may be allotted free of charge to the Company's senior officers must not exceed 10% of the above allotment.

Shares will be definitively allotted to beneficiaries at the end of a vesting period to be set by the Board of Directors, such period not to be less than three years. Shareholders authorize the Board of Directors to stipulate a lock-up period at the end of the vesting period should it see fit.

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

To conclude, the **14th resolution** concerns the powers to be given to complete formalities relating to the general meeting, particularly filing and publicity formalities.